

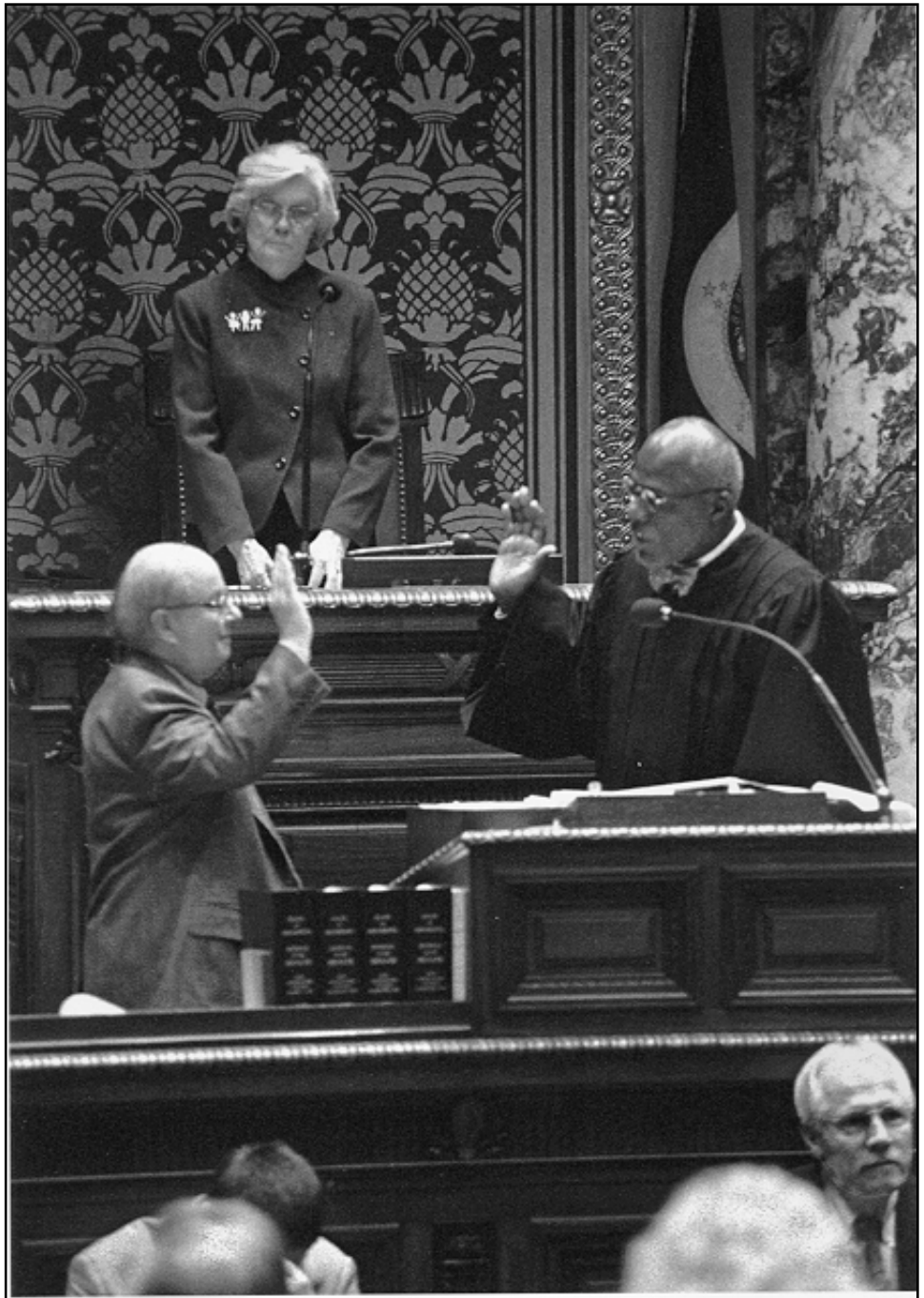
Senate Briefly

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Photo by David J. Oakes



January 8, 1999

Senate Highlights

Senate convenes for 1999

In accordance with the Minnesota Constitution, the Senate convened for the inaugural floor session of the Eighty-First Legislative Session at noon, Tues., Jan. 5, 1999.

The Senate unanimously elected Sen. Allan Spear (DFL-Mpls.) to the office of President of the Senate. Upon election, Spear took the oath of office as administered by Associate Justice of the Supreme Court Alan C. Page. Spear expressed special gratitude to Republican Senators for their votes and pledged to perform his duties to the best of his judgment and abilities "to fulfill the confidence placed in me" by minority caucus members.

The Senate also adopted a number of resolutions, including one naming Sens. Roger D. Moe (DFL-Erskine) and Dick Day (R-Owatonna) as Majority Leader and Minority Leader respectively. Other adopted resolutions authorize the use of the permanent Senate Rules of the 80th Legislative Session as the temporary Senate Rules for the 81st Legislative Session, and the permanent Joint Rules of the 80th Legislative Session as the temporary Joint Rules for the 81st

Legislative Session. Resolutions setting forth committee assignments and committee meeting times were also adopted.

In other business, the Senate elected its officers who were then sworn in to their respective positions. Among them were Patrick E. Flahaven as Secretary of the Senate and Rabbi Stacy Offner as Chaplain of the Senate. Offner is the first rabbi ever elected to the post.

One other resolution adopted by the Senate authorize the President of the Senate to appoint a committee to inform the governor that the Senate is organized. Spear then appointed a committee to so inform the governor. Another resolution authorizes informing the other body that the Senate is organized.

The Senate met briefly Thurs., Jan. 7, in order to process the introduction and first reading of Senate bills. The bills were introduced and then referred to the appropriate committees. No other action was taken during this session.

Opening resolutions okayed

Members of the Rules and Administration Committee met for the first time

Tues., Jan. 5, to consider a number of resolutions needed for the organization and operation of the Senate for the 81st Legislative Session. The committee, chaired by Sen. Roger D. Moe (DFL-Erskine), approved resolutions relating to postage, committee membership, committee schedules, interns and parking. Additional resolutions name Moe as Majority Leader and Sen. Dick Day (R-Owatonna) as Minority Leader, provide for the temporary rules of the Senate and for temporary Joint Rules with the House of Representatives. Finally, two resolutions provide for notifying the House and the governor that the Senate is organized and ready to embark upon the Session.

Members also approved several recommendations of the Personnel Subcommittee relating to compensation for permanent and temporary Senate employees.

Editors note

With the advent of the new Legislative Session, Senate committees are just beginning to get under way. As in the past, Senate Briefly will provide coverage from Thursday afternoons to the following Thursday noon. This week, the Rules and Administration Committee was the only panel to meet within the time period covered by this issue of Senate Briefly.

In addition, each issue of Senate Briefly will contain a tentative schedule of the next week's committee hearings. The committee schedules, though, are subject to change.

Later in the Session, Senate Briefly will also contain listings of bills signed into law, conference committee memberships and a chart of bills acted upon the Senate floor.

The staff of Senate Briefly would appreciate hearing from readers about the content of the publication. Please feel free to contact the staff with any comments, suggestions or criticisms.

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senate.publications@senate.leg.state.mn.us

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Senate Briefly is a bipartisan publication of the Minnesota Senate Publications Office. During the 1999 Legislative Session, each issue reports daily Senate activities between Thursdays of each week, lists upcoming committee meeting schedules and provides other information. The publication is a service of the Minnesota Senate. No fee.

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Senate TV services

Television coverage of Senate and House floor sessions and selected committee meeting is again available in the Metro Area on broadcast TV.

KTCI, channel 17, will carry Senate and House programming during the daytime hours throughout the session. KTCI reaches about one million households in the Metro Area. In addition, this year Senate and House coverage is closed-captioned for hearing-impaired viewers of KTCI. The services will be extended to Greater Minnesota cable channels when statewide distribution begins in mid-March.

Capitol Report, the weekly legislative public affairs program produced by Senate Media Services, will air on the PBS broadcast network throughout the state this year. The program airs at 9:30 p.m. Tuesdays on KTCI 17 (Twin Cities) and at 11:30 a.m. Sundays on KWCM 10 (Appleton), KAWE 9 (Bemidji) and KAWB 22 (Brainerd). The show also airs on WDSE 8 (Duluth) and KSMQ 15 (Austin), at 12:30 p.m. Sundays.

Hearing-impaired services available

The Minnesota Senate is continuing to offer TTY service for the hearing-impaired. Located in Senate Index, the TTY telecommunications service allows deaf or hearing-impaired persons to communicate with Index staff in order to find out bill status, bill content and bill authorship. The telephone numbers for the TTY service are 651-296-0250 or 1-888-toll free. In addition, a public access TTY pay telephone is located near the Information Desk on the first floor of the Capitol Building.

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Television coverage offered

Senate Media Services plans to provide live gavel-to-gavel television coverage of committee hearings from 8 a.m. until 5 p.m. weekdays. The hearings will run on Channel 6 the Metro Cable Network. In addition, Media Services will continue to broadcast gavel-to-gavel coverage of Senate floor sessions on Channel 6 the Metro Cable Network.

Also, watch for Senate Report, a weekly public affairs program, featuring lawmakers from specific regions around the state reviewing legislative issues from a regional perspective. Senate Report is broadcast on PBS stations as well as Channel 6 the Metro Cable Network.

The following is the schedule for broadcast of Senate Report. Austin KSMQ - 11:30 a.m. Sundays; Duluth WDSE - 12:30 p.m. Sundays; Appleton KWCM- 11:30 a.m. Sundays; Bemidji KAWE/KAWB - 11:30 a.m. Sundays (Beginning Feb. 3); Fargo KFME 6:30 a.m. - Saturdays; and Channel 6, the Metro Cable Network - 6:30 p.m. Mondays and 7:30 p.m. Wednesdays.

Listserv available

Both the Senate and House of Representatives have established "listservs" to automatically send daily committee schedules to subscribers with Internet e-mail access. The service is designed to make it easier for the public to get up to the minute information about Senate and House committee schedules. A "listserv" is a mailing list program designed to copy and distribute electronic mail to everyone subscribed to a particular mailing list. It is necessary to subscribe to each list separately.

Individuals may subscribe to the Senate and House listservs at any time and the schedules will be e-mailed on a daily basis. In cases of a major change in the schedule, updated schedule information will also be sent to the listserv mailing list.

To subscribe to the Senate listserv simply send an e-mail message to:

listserv@senate.leg.state.mn.us

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To subscribe to the House listserv send e-mail to:

listserv@hsched.house.leg.state.mn.us

Leave the subject line blank and in the message body type the following text:

subscribe h-schedules

A welcome message with information about how to unsubscribe from the listservs will then be sent to the new subscriber. Subscribers may leave the e-mail mailing list at any time by following the simple instructions.

Policy Committees

Agriculture and Rural Development (15)

Chair: Sams **Vice Chair:** Hanson
Office: 328 Capitol **Phone:** (651) 296-7405
Meets: Tues., Thurs., 2-3:45 p.m. Room 107

Members:

Beckman	Johnson, D.E.	Morse	Vickerman
Berg	Lesewski	Murphy	
Dille	Lessard	Piper	
Fischbach	Lourey	Scheevel	

Children, Families and Learning (32)

Co-Chairs: Piper, Pogemiller, Stumpf
Meets: Tues., Weds., Fri., 8-9:45 a.m. Room 15
Office: 235 Capitol **Phone:** (651) 296-7809

Members:

Foley	Knutson	Neuville	Solon
Hanson	Krentz	Olson	Ten Eyck
Higgins	Langseth	Pappas	Terwilliger
Janezich	Larson	Ranum	Wiener
Junge	Lesewski	Robertson	Wiger
Kelley, S. P.	Lourey	Robling	
Kiscaden	Marty	Scheevel	
Kleis	Murphy	Scheid	

Commerce (16)

Chair: Solon **Vice Chair:** Wiener
Meets: Tues., Thurs., 2-3:45 p.m. Room 112
Office: 303 Capitol **Phone:** (651) 296-5776

Members:

Belanger	Kleis	Novak	Scheid
Cohen	Larson	Oliver	Spear
Day	Marty	Runbeck	
Hottinger	Metzen	Samuelson	

Crime Prevention (17)

Chair: Spear **Vice Chair:** Johnson, D.H.
Meets: Mon., Weds., Fri., 2-3:45 p.m. Room 15
Office: 120 Capitol **Phone:** (651) 296-4191

Members:

Anderson	Foley	Knutson	Neuville
Beckman	Junge	Krentz	Ranum
Belanger	Kelley, R.C.	Laidig	Ten Eyck
Berglin	Kleis	Limmer	

Election Laws (11)

Chair: Marty **Vice Chair:** Junge
Meets: Mon., Weds., 12 noon-1:45 p.m. Room 112
Office: 326 Capitol **Phone:** (651) 296-5712

Members:

Flynn	Johnson, D.J.	Ourada
Frederickson	Larson	Sams
Johnson, D.E.	Moe, R.D.	Scheid

Environment and Natural Resources (19)

Chair: Lessard **Vice Chair:** Anderson
Office: 111 Capitol **Phone:** (651) 296-1113
Meets: Mon., Weds., Fri., 12 noon-1:45 p.m. Room 107

Members:

Berg	Krentz	Pariseau	Stumpf
Dille	Laidig	Pogemiller	Vickerman
Frederickson	Morse	Price	
Higgins	Novak	Samuelson	
Johnson, J.B.	Olson	Stevens	

Governmental Operations and Veterans (15)

Chair: Metzen
Office: 303 Capitol **Phone:** (651) 296-4175
Meets: Tues., Thurs., 12 noon-1:45p.m.; Weds., 10-11:45 a.m. Room 15

Members:

Berg	Morse	Runbeck	Wiener
Betzold	Pogemiller	Stevens	Wiger
Cohen	Price	Stumpf	
Fischbach	Robertson	Terwilliger	

Health and Family Security (17)

Chair: Hottinger **Vice Chair:** Lourey
Office: 120 Capitol **Phone:** (651) 296-1323
Meets: Tues., Thurs., Fri., 10-11:45a.m. Room 15

Members:

Berglin	Foley	Robertson	Stevens
Betzold	Kiscaden	Sams	Ten Eyck
Dille	Morse	Samuelson	Terwilliger
Fischbach	Piper	Solon	

Jobs, Energy and Community Development (20)

Chair: Novak **Vice Chair:** Kelley, S.P.
Office: 322 Capitol **Phone:** (651) 296-1767
Meets: Tues., Thurs., Fri., 10-11:45 a.m. Room 123

Members:

Anderson	Johnson, D.H.	Limmer	Pariseau
Beckman	Johnson, D.J.	Metzen	Runbeck
Frederickson	Johnson, J.B.	Murphy	Scheevel
Higgins	Kelley, R. C.	Oliver	
Janezich	Lesewski	Ourada	

Judiciary (13)

Chair: Ranum **Vice Chair:** Betzold
Office: 306 Capitol **Phone:** (651) 296-0249
Meets: Mon., Weds., Fri., 12 noon-1:45 p.m. Room 15

Members:

Berglin	Foley	Limmer	Ten Eyck
Cohen	Kiscaden	Neuville	Wiener
Fischbach	Knutson	Spear	

Local and Metropolitan Government (16)

Chair: Vickerman **Vice Chair:** Higgins
Office: 226 Capitol **Phone:** (651) 296-4150
Meets: Mon., Weds., Fri., 2-3:45 p.m. Room 107

Members:

Day	Langseth	Pappas	Scheevel
Flynn	Lessard	Pariseau	Wiger
Hottinger	Lourey	Price	
Kelley, S.P.	Olson	Robling	

Rules and Administration (24)

Chair: Moe, R.D. **Vice Chair:** Junge
Office: 208 Capitol **Phone:** (651) 296-4196
Meets: On call

Members:

Belanger	Frederickson	Lessard	Samuelson
Berg	Johnson, D.E.	Metzen	Solon
Berglin	Johnson, D.J.	Novak	Spear
Cohen	Laidig	Olson	Stumpf
Day	Langseth	Piper	
Flynn	Larson	Pogemiller	

Transportation (16)

Chair: Flynn **Vice Chair:** Murphy
Office: 120 Capitol **Phone:** (651) 296-5099
Meets: Tues., Thurs., 12 noon-1:45 p.m.; Weds. 10-11:45 a.m. Room 112

Members:

Belanger	Johnson, D.H.	Laidig	Robling
Day	Johnson, D.E.	Langseth	Sams
Hanson	Johnson, J.B.	Ourada	
Janezich	Kelley, R.C.	Pappas	

Budget Divisions

Crime Prevention and Judiciary Budget Division (13)

Chair: Kelly, R.C.

Office: 323 Capitol

Phone: (651) 296-5285

Meets: Mon., Weds., Fri., 2-3:45p.m. Room 15

Members:

Anderson	Betzold	Laidig	Ranum
Beckman	Junge	Limmer	Spear
Belanger	Knutson	Neuville	Ten Eyck

Economic Development Budget Division (14)

Chair: Beckman

Office: 124G Capitol

Phone: (651) 296-5713

Meets: Tues., Thurs., 2-3:45p.m. Room 112

Members:

Anderson	Kelly, R.C.	Novak	Wiener
Higgins	Larson	Oliver	
Janezich	Lesewski	Ourada	
Johnson, D.H.	Murphy	Runbeck	

Environment and Agriculture Budget Division (12)

Chair: Morse

Office: G-24 Capitol

Phone: (651) 296-5649

Meets: Mon., Weds., Fri., 12-1:45p.m. Room 107

Members:

Berg	Johnson, J.B.	Lessard	Stumpf
Dille	Krentz	Pariseau	Vickerman
Frederickson	Laidig	Price	

Family and Early Childhood Education Budget Division (9)

Chair: Piper

Vice Chair: Foley

Office: G-9 Capitol

Phone: (651) 296-9248

Meets: Tues., Weds., Fri., 8-9:45 a.m. Room 15

Members:

Higgins	Lesewski	Marty	Terwilliger
Janezich	Lourey	Robling	

Governmental Operations Budget Division (11)

Chair: Price

Office: 235 Capital

Phone: (651) 297-8060

Meets: Tues., Weds., Fri., 12-1:45p.m. Room 15

Members:

Betzold	Marty	Runbeck	Wiger
Cohen	Metzen	Scheid	
Frederickson	Robertson	Stevens	

Health and Family Security Budget Division (14)

Chair: Samuelson

Office: 124 Capitol

Phone: (651) 296-4875

Meets: Tues., Thurs., Fri., 10-11:45 a.m. Room 15

Members:

Berglin	Hottinger	Piper	Terwilliger
Dille	Kiscaden	Sams	
Fischbach	Lourey	Solon	
Foley	Morse	Stevens	

Higher Education Budget Division (9)

Chair: Stumpf

Vice Chair: Ten Eyck

Office: G-24 Capitol

Phone: (651) 296-8660

Meets: Tues., Weds., Fri., 8-9:45 a.m. Room 107

Members:

Kelley, S.P.	Kleis	Murphy	Wiener
Kiscaden	Larson	Solon	

K-12 Education Budget Division (15)

Chair: Pogemiller

Vice Chair: Wiger

Office: 235 Capitol

Phone: (651) 296-7809

Meets: Tues., Weds., Fri., 8-9:45 a.m. Room 112

Members:

Hanson	Krentz	Pappas	Scheid
Janezich	Langseth	Ranum	
Junge	Neuville	Robertson	
Knutson	Olson	Scheevel	

Property Taxes and Local Government Budget Division (13)

Chair: Pappas

Office: 120 Capitol

Phone: (651) 296-1802

Meets: Mon., Tues., Weds., Thurs., 4-6 p.m. Room 15

Members:

Day	Kelley, S.P.	Olson	Price
Flynn	Novak	Pariseau	Scheevel
Hottinger	Oliver	Pogemiller	Vickerman

Transportation Budget Division (10)

Chair: Johnson, J.B.

Office: G-9 Capitol

Phone: (651) 296-5419

Meets: Tues., Thurs., 12-1:45 p.m.; Weds. 10-11:45 a.m. Room 112

Members:

Belanger	Hanson	Langseth
Day	Johnson, D.E.	Ourada
Flynn	Johnson, D.H.	Sams

Taxes and Finance Committees

Committee on Taxes (23)

Chair: Johnson, D.J.

Vice Chair: Scheid

Meets: Mon., Tues., Weds., Thurs., 4-6 p.m. Room 15

Office: 205 Capitol

Phone: (651) 296-8881

Members:

Anderson	Hottinger	Novak	Price
Belanger	Kelley, S.P.	Oliver	Runbeck
Berg	Knutson	Olson	Vickerman
Betzold	Lesewski	Pappas	
Day	Marty	Pariseau	
Flynn	Murphy	Pogemiller	

Education Finance Committee (13)

Chair: Langseth

Vice Chair: Krentz

Office: 122 Capitol

Phone: (651) 296-3205

Meets: Mon., Tues., Weds., Thurs., 4-6 p.m. Room 123

Members:

Foley	Johnson, D.E.	Piper	Scheevel
Hanson	Larson	Robertson	Wiger
Higgins	Moe, R.D.	Robling	

Human Resources Finance Committee (15)

Chair: Berglin

Vice Chair: Sams

Office: 309 Capitol

Phone: (651) 296-4151

Meets: Mon., Tues., Weds., Thurs., 4-6 p.m. Room 112 Capitol

Members:

Beckman	Kleis	Samuelson	Terwilliger
Johnson, D.H.	Lourey	Spear	
Kelly, R.C.	Neuville	Stevens	
Kiscaden	Ranum	Ten Eyck	

State Government Finance Committee (16)

Chair: Cohen

Vice Chair: Janezich

Office: 317 Capitol

Phone: (651) 296-5308

Meets: Mon., Tues., Weds., Thurs., 4-6 p.m. Room 112

Members:

Dille	Junge	Metzen	Stumpf
Fischbach	Laidig	Morse	Wiener
Frederickson	Lessard	Ourada	
Johnson, J.B.	Limmer	Solon	

Preview

Monday, January 11

Ad Hoc Committee on Information Technology

Chair: Sen. Steve Kelley

9 a.m. Room 112 Capitol

Agenda: Updates from: Internet System for Education and Employment Knowledge (ISEEK) ; Minnesota Virtual University. Discussion of other information technology initiatives for the 1999 Session.

Legislative Audit Commission

Chair: Sen. Deanna Wiener

10 a.m. Room 107 Capitol

Agenda: Release and discuss the program evaluation report on Juvenile Out-of-Home Placement.

Senate is in Session at 12 noon.

Joint Crime Prevention Committee and Crime Prevention Judiciary Budget Division

Chairs: Sen. Allan Spear and Sen. Randy Kelly

2 p.m. Room 15 Capitol

Agenda: Dept. of Corrections legislative briefing.

Tuesday January 12

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8 a.m. Room 15 Capitol

Agenda: Overview of homeless veterans issues by the Dept. of Veteran Affairs.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: Review of the Complaint Process Study recommendations, Kent Peterson, Dept. of Health, John Gross, Dept. of Commerce; Minnesota health care market trends, Scott Leitz, Dept. of Health.

Rules and Administration Subcommittee on Ethical Conduct

Chair: Sen. Ember Reichgott Junge

12 noon Room 123 Capitol

Agenda: Continuation of proceedings

regarding Sen. Sams advisory opinion; proceedings regarding advisory opinion request by Sen. Stevens.

Transportation Committee

Chair: Sen. Carol Flynn

12 noon Room 112 Capitol

Agenda: Overview of transportation issues with Commissioner of Transportation Elwyn Tinkenberg.

Joint Governmental Operations and Veterans Committee and Governmental Operations Budget Division

Chairs: Sen. James Metzen and Sen. Len Price

12 noon Revenue Building

Agenda: Tour of Revenue Building.

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

2 p.m. Room 107 Capitol

Agenda: To be announced.

Committee on Taxes

Chair: Sen. Douglas Johnson

4 p.m. Room 15 Capitol

Agenda: Dept. of Finance forecast: overview and price of government. Dept. of Revenue: pending tax issues and status of 1997/1998 property tax rebates.

Wednesday, January 13

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8 a.m. Room 15 Capitol

Agenda: Overview of Minnesota homeless issues by the Minnesota Coalition for the Homeless.

Transportation Committee

Chair: Sen. Carol Flynn

10 a.m. Room 112 Capitol

Agenda: Overview of driver and vehicle services and state patrol issues with Commissioner of Public Safety Charlie Weaver.

Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

12 noon Room 107 Capitol

Agenda: S.F. 12-Stumpf: Repealing

snowmobile stud ban. S.F. 40-Johnson, D.J. Repealing snowmobile stud ban. S.F. 17-Johnson, D.J. Modifying provisions of snowmobile grants-in-aid.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: S.F. 10-Betzold: Modifying the statute of limitations for medical malpractice actions.

Election Laws Committee

Chair: Sen. John Marty

12 noon Room 112 Capitol

Agenda: S. F. XX - Marty: Public right to know.

Joint Crime Prevention Committee and Crime Prevention Judiciary Budget Division

Chairs: Sen. Allan Spear and Sen. Randy Kelly

2 p.m. Room 15 Capitol

Agenda: Dept. of Corrections mandated reports to the Legislature.

Crime Prevention Judiciary Budget Division

Chair: Sen. Randy Kelly

Immediately following joint meeting.

Room 15 Capitol

Agenda: To be announced.

Environment and Agriculture Budget Division

Chair: Sen. Steven Morse

4 p.m. Room 107 Capitol

Agenda: Forest Resource Council.

Thursday, January 14

Senate is in Session at 9:30 a.m.

Jobs, Energy and Community Development

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: To be announced.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: Dept. of Human Services updates on: Project 2030 - Aging Initiative, PMAP performance report, Senior

Drug Program, Health Care 2000, status of health care waivers and Minnesota Senior Health Options Project.

Joint Governmental Operations and Veterans Committee and Governmental Operations Budget Division

Chairs: Sen. James Metzen and Sen. Len Price

12 noon Room 15 Capitol

Agenda: Overview of the Office of Technology.

Transportation Committee

Chair: Sen. Carol Flynn

12 noon Room 112 Capitol

Agenda: Overview of transportation issues with Metropolitan Council Regional Administrator Jim Solem.

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

2 p.m. Room 107 Capitol

Agenda: To be announced.

K-12 Education Budget Subcommittee on Equity Division

Co-Chair: Sen. Jane Krentz

4 p.m. Room 125 Capitol

Agenda: Discuss potential equity proposals for 1999 Legislative Session.

Legislative Audit Commission

Chair: Sen. Deanna Wiener

4 p.m. Room 107 State Capitol

Agenda: To release and discuss the program evaluation report on Mosquito Control.

Friday, January 15

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8 a.m. Room 15 Capitol

Agenda: Presentation of report "Hopes, Dreams, Challenges and Strengths: Minnesota Parents Talk About Their Family Values," by Minnesota Parenting Association, Child Care Works, Cultural Beginnings and MN Association for the Education of Young Children. Overview of Child Care Development issues by the Minnesota Dept. of Children, Families and Learning.

Jobs, Energy and Community Development

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: To be announced.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: To be announced.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: To be announced.

Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: DWI implementation and issues.

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DFL	296-5537	Anderson, Ellen R.	G-24 Cap.	66	DFL	6-5645	Marty, John	325 Cap.	54
DFL	6-5713	Beckman, Tracy L.	124B Cap.	26	DFL	6-4370	Metzen, James P.	303 Cap.	39
R	6-5975	Belanger, William V.	113 SOB	41	DFL	6-2577	Moe, Roger D.	208 Cap.	2
IND	6-5094	Berg, Charles A.	G-51 SOB	13	DFL	6-5649	Morse, Steven	G-24 Cap.	32
DFL	6-4261	Berglin, Linda	309 Cap.	61	DFL	6-4264	Murphy, Steve	301 Cap.	29
DFL	6-2556	Betzold, Don	306 Cap.	48	R	6-1279	Neuville, Thomas M.	123 SOB	25
DFL	6-5931	Cohen, Richard J.	317 Cap.	64	DFL	6-4334	Novak, Steven G.	322 Cap.	52
R	6-9457	Day, Dick	147 SOB	28	R	6-4837	Oliver, Edward C.	121 SOB	43
R	6-4131	Dille, Steve	103 SOB	20	R	6-1282	Olson, Gen	119 SOB	34
R	6-2084	Fischbach, Michelle L.	149 SOB	14	R	6-5981	Ourada, Mark	145 SOB	19
DFL	6-4274	Flynn, Carol	120 Cap.	62	DFL	6-1802	Pappas, Sandra L.	120 Cap.	65
DFL	6-4154	Foley, Leo T.	G-9 Cap.	49	R	6-5252	Pariseau, Pat	109 SOB	37
R	6-8138	Frederickson, Dennis R.	139 SOB	23	DFL	6-9248	Piper, Pat	G-9 Cap.	27
DFL	6-3219	Hanson, Paula E.	328 Cap.	50	DFL	6-7809	Pogemiller, Lawrence J.	235 Cap.	59
DFL	6-9246	Higgins, Linda I.	227 Cap.	58	DFL	7-8060	Price, Leonard R.	235 Cap.	57
DFL	6-6153	Hottinger, John C.	120 Cap.	24	DFL	7-8061	Ranum, Jane B.	306 Cap.	63
DFL	6-8017	Janezich, Jerry R.	328 Cap.	5	R	6-4314	Robertson, Martha R.	125 SOB	45
DFL	6-9261	Johnson, Dave	111 Cap.	40	R	6-4123	Robling, Claire A.	151 SOB	35
R	6-3826	Johnson, Dean E.	117 SOB	15	R	6-1253	Runbeck, Linda	107 SOB	53
DFL	6-8881	Johnson, Douglas J.	205 Cap.	6	DFL	7-8063	Sams, Dallas C.	328 Cap.	11
DFL	6-5419	Johnson, Janet B.	G-9 Cap.	18	DFL	6-4875	Samuelson, Don	124 Cap.	12
DFL	6-2889	Junge, Ember R.	205 Cap.	46	R	6-3903	Scheevel, Kenric J.	129 SOB	31
DFL	7-8065	Kelley, Steve	321 Cap.	44	DFL	6-8869	Scheid, Linda	317 Cap.	47
DFL	6-5285	Kelly, Randy C.	323 Cap.	67	DFL	6-4188	Solon, Sam G.	303 Cap.	7
R	6-4848	Kiscaden, Sheila M.	135 SOB	30	DFL	6-4191	Spear, Allan H.	120 Cap.	60
R	6-6455	Kleis, Dave	143 SOB	16	R	6-8075	Stevens, Dan	105 SOB	17
R	6-4120	Knutson, David L.	133 SOB	36	DFL	6-8660	Stumpf, LeRoy A.	G-24 Cap.	1
DFL	6-7061	Krentz, Jane	235 Cap.	51	DFL	6-4913	Ten Eyck, David J.	G-24F Cap.	4
R	6-4351	Laidig, Gary W.	141 SOB	56	R	6-6238	Terwilliger, Roy	115 SOB	42
DFL	6-3205	Langseth, Keith	122 Cap.	9	DFL	6-5650	Vickerman, Jim	226 Cap.	22
R	6-5655	Larson, Cal	153 SOB	10	DFL	7-8073	Wiener, Deanna L.	303 Cap.	38
R	6-4125	Lesewski, Arlene J.	131 SOB	21	DFL	6-6820	Wiger, Charles W.	325 Cap.	55
DFL	6-4136	Lessard, Bob	111 Cap.	3	Capitol address: 75 Constitution Avenue				
R	6-2159	Limmer, Warren	127 SOB	33	State Office Building address: 100 Constitution Avenue				
DFL	6-0293	Lourey, Becky	G-9 Cap.	8	St. Paul, MN 55155				

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Senate Briefly

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Photo by David J. Oakes



January 15, 1999

Senate Highlights

Short sessions held

The Senate met for two brief floor sessions Mon., Jan. 11, and Thurs., Jan. 14, in order to process the introduction and first reading of Senate bills. The new bills were referred to the appropriate committees.

Members adopted a resolution at the Thurs., Jan. 14, floor session commemorating the life and work of Dr. Martin Luther King, Jr. Senators Linda Berglin (DFL-Mpls.) and Linda Higgins (DFL-Mpls.) both spoke on the accomplishments of the slain civil rights leader.

Budget surplus, rebate discussed

Members of the Committee on Taxes, chaired by Sen. Douglas Johnson (DFL-Tower), heard testimony Tues., Jan. 12, on the state budget surplus and on a potential tax rebate based upon sales tax.

Acting Finance Commissioner Wayne Simoneau, Assistant Finance Commissioner Peggy Ingison, and State Economist Tom Stinson told the committee that the projected surplus for the 1998-1999 biennium is \$1.5 billion and the projected surplus for the 2000-2001 biennium is \$1.8 billion.

Stinson said that the surplus is a result of the strong economy and the money

generated by the tobacco settlement.

"The 1998 economy made it through in much better shape than anyone thought possible," he said.

He said the state collected more revenue because of capital gains and the higher wages people are earning. According to a Dept. of Finance report presented to the committee, \$803 million of the projected surplus is from the increased revenues from the continuing strength of the state's economy. The surplus also comes from the state's expenditures being \$262 million less than expected, and a \$46.1 million payment from tobacco companies as part of the \$6.1 billion settlement.

Stinson said that of the \$1.5 billion surplus, the 1998 Legislature allocated \$400 million to pay cash for bonding projects, \$200 million to a new tax reduction account, and \$9 million to a budget reserve account leaving a \$953 million balance after allocations.

He said Minnesota has also benefitted from the continuing strength of the nation's economy which has offset economic problems in Asia and Latin America countries. "The increase in spending by the U.S. consumer was strong enough to carry the world

economy for six to nine months," he said.

The committee then heard from members of the Dept. of Revenue about a potential sales tax rebate.

Matt Smith, acting commissioner of the Dept. of Revenue, said that a sales tax rebate may not be subject to federal tax. Smith said that because property and income taxes are itemized on federal returns they are taxable but the sales tax is non deductible. He said he was confident that it would be possible for the State to construct a sales tax rebate that would not be taxable under the IRS code.

John Haugen, an attorney for the Dept. of Revenue, told the committee that the state of Colorado issued a sales tax rebate to its taxpayers last year and that the IRS has not issued a formal ruling as to whether that rebate is subject to federal tax. "To my knowledge the IRS has not assessed any taxes on the (Colorado) rebates," Haugen said.

Sen. Leonard Price (DFL-Woodbury) asked Haugen how the state of Colorado calculated the amount of rebate a taxpayer received. Haugen said he believed the amount was based upon an estimation of how much sales tax people of different income levels paid.

Johnson said, "The way I look at it, with income tax and property tax it is guaranteed that the feds will get a part of it. But sales tax, although there is no guarantee, it sounds pretty strong that it will not be taxed."

Stud ban repeal okayed

Members of the Environment and Natural Resources Committee, chaired by Sen. Bob Lessard (DFL-Int'l. Falls) met Weds., Jan. 13 and debated a bill repealing a 1998 law prohibiting the use of snowmobiles with studded tracks on public lands, roads, and trails. The ban is scheduled to take effect July 1, 1999. The bill, S.F. 40, continues the ban of snowmobiles with studded tracks on paved state trails.

The repeal of the law also eliminates the \$50 registration fee required from snowmobile users with machines equipped with studs. The fees collected go toward a fund dedicated to the repair of paved trails.

The bill's author, Sen. Leroy Stumpf (DFL-Thief River Falls), told the committee that the use of studs on snowmobiles primarily is a safety issue. "Allow-

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ing the studs creates a much better environment for controlling the machine," he said. He said that the ban on snowmobile studs has also hurt the winter tourism industry in Minnesota.

The committee heard testimony from several small business owners, resort owners, and snowmobile club members who supported the repealing of the law. Ron Nelson, a snowmobile rider from Thief River Falls said, "If there is a strong side wind you don't have any control."

Anita Vettleson, a member of the Oklee Moonlighters said, "People have told me they will sell their sled first before they ride without studs." She said the ban has already had a negative impact on local businesses in her area deterring tourists from coming to the state.

The committee also heard testimony from supporters of the current law. Tom Delaney, a county commissioner from Chisago County, said the Association of Minnesota Counties firmly supports the ban of use of studs on paved trails. He said that snowmobile studs cause substantial damage to paved paths, roads, and driveways. "They have caused millions of dollars worth of damage that the counties are responsible to repair. We support a uniform law that protects all public trails statewide."

Susan Joch, from First Team Sport, a retailer whose business relies heavily on the sale of inline skates, said she opposes the repealing of the law. "Snowmobilers are causing real damage to trails used for safe skating."

Sen. Douglas Johnson (DFL- Tower), a co-author of the bill, said that the ban was too severe. "Repealing the law would bring things back to where they were in 1997. It would allow all the organizations to get together and bring solutions to the Legislature. Using reasonableness with citizens works better than trying to jam something down their throats."

Johnson said the bill continues to allow individual counties to decide whether or not to allow studded snowmobiles on their paved county trails.

Delaney said that having a standard statewide law eliminates confusion for people who have to know where one county may allow studs on paved trails and a neighboring county bans such use.

The bill was approved and advanced to the Environment and Agriculture Budget Division.

Malpractice limits reviewed

A bill to extend the statute of limitations for medical malpractice actions was debated at the Judiciary Committee meeting Weds., Jan. 13. Sen. Jane Ranum (DFL-Mpls.) chaired the committee.

Sen. Don Betzold (DFL-Fridley) authored the bill, which provides that a patient can sue a health care provider for malpractice within two years after the patient discovers malpractice. The bill also provides for a six-year limitation overall during which the patient can take action. The current statute of limitations is for two years after the treatment has taken place. Another section of the bill allows a counterclaim to be pleaded as a defense to an action for services brought by a health care provider, even though the counterclaim would otherwise be barred as an original claim, but the judgment would be limited to costs for raising the counterclaim as a defense to the underlying claim.

Speaking in favor of the bill were Mary Beth May and her mother, Carol May. Mary Beth, seated in a wheelchair and speaking haltingly, told of headaches which began seven years ago when she was in middle school. She was treated by a doctor in Minnesota for three years. Her mother said the doctor claimed the headaches were caused by tension, and he did nothing about them. Mary Beth's condition worsened, and when the family moved to Colorado, she continued seeking medical help.

"I tried a chiropractor for Mary Beth, and after a few treatments he called me at work and told me to get in touch with a neurologist," Carol May said. "A lemon-sized tumor was found, and surgery was performed immediately. Mary Beth was in the hospital for the next year. When she got out, she realized a lot of her disabilities would be permanent. That's when she decided to sue." Mary Beth related that she had been hospitalized during the time she could have sued the Minnesota physician for malpractice. By the time she started action, the statute of limitations under the current law had run out.

Also speaking in favor of the bill was David Ketrosier, M.D., who has practiced neurology in Minnesota for the past 17 years. He said that although he believes most physicians are well-meaning and well-acting, he has seen physicians guilty

of malpractice. He said he believes it is unlikely that the discovery rule allowed by the bill would add more than 10 percent to the number of malpractice suits being filed. Ketrosier said the majority of malpractice cases filed are based on the standard of care. "The burden of proving the standard of care falls on the plaintiff," he said. "There are skilled medical experts and financial resources available for doctors."

Sen. Allan Spear (DFL-Mpls.) said that one of the arguments raised by opponents of the measure is that costs will increase because doctors will practice a more defensive form of medicine and order tests even when the likelihood of serious illness is remote.

"There is really not difference with or without the discovery rule," Ketrosier replied. "If a doctor decides to order more tests, he or she will do so, whether the statute of limitations is two years or six years."

Speaking against S. F.90, Bill Stori, representing Mayo Clinic, said he feels it is unfair when malpractice suits occur after a lengthy period of time because memories fade. "The statutes were put here for good reason," he said. "Adding years makes it extremely difficult." Stori said judgment calls can change as people try to reconstruct what happened.

Roger Hagen, representing Minnesota Medical Association and Minnesota Medical Insurance Company, said passage of the bill will have an impact on health care costs and that indirect costs will be passed on to the patient.

Sen. Warren Limmer (R-Maple Grove) said he has looked at the top 100 non-profit corporations, and almost 50 are related to the medical profession. "Some of the highest paid executives in Minnesota run these corporations," he said. He said he had difficulty in understanding why any extra costs brought about by the bill should be passed on to the consumer. "Why would we pass the premium on? Is it so high it would cripple the non-profit organizations? I don't think so," he said. He also noted that a discovery rule is in effect in 45 states. "Why don't we have it in Minnesota?"

Stori said he had not talked about passing on costs, but about fairness in the courtroom. He spoke of medical operations that are not big corporations and the difficulties they may face.

No action was taken on the bill.

Committee update

Agriculture and Rural Development

Panel hears reports

The Agriculture and Rural Development Committee met Tues., Jan. 12, to hear reports from the Public Utilities Commission and the MN Department of Agriculture. Vice chair Paula Hanson (DFL-Ham Lake) presided.

Dr. Patricia Hoben, research director, Public Utilities Commission, presented the findings and recommendations regarding claims of possible effects of stray electrical currents in the earth on dairy cow health and milk production. The PUC report reflects a four year study authorized by the Legislature in response to concerns by dairy farmers who claimed that electric currents in the earth from electric utility distribution systems are somehow responsible for problems with animal behavior, health and dairy production.

After explaining the methodology of the study, Hoben stated that only one percent of herd owners indicated their herds persistently had health problems and problems with milk production thought to be caused by stray voltage. The study team found no credible scientific evidence to verify the claim that electrical currents in the earth or associated electrical parameters such as voltages, magnetic fields and electric fields, are causes of poor health and milk production in dairy herds. The group also concluded there is no basis for altering the PUC approved standards by which electric utilities distribute power onto or near individual dairy farms.

Hoben said there are many other well documented non electrical causes of stress in cattle and the factors have to be addressed when farmers look at improving the performance of dairy herds. She said that the findings represent just one study and that more studies will need to be done. Hoben concluded by stating the need for education about the subject to counteract the abundance of misinformation that's available.

The committee also heard a brief overview on Dairy Diagnostic Teams provided by MN Dept. of Agriculture Program Administrator, Katy Kulesa. A full report is expected Feb. 1. Kulesa listed some of the successes of the program, including a reduction in calf death loss and more productive farms.

Kulesa mentioned the positive intangible results of the program such as better attitudes among farmers and farm families, a willingness on the part of farmers to try new ideas, reduced stress levels on the part of farmers and an improved ability to work together with other farmers and the Diagnostic Team. It's too soon in the program to comprehensively measure outcomes, because record keeping systems for the farms have only recently been set up. A better comparison can be made in future years as more data becomes available, Kulesa said.

Noting that the resolution of a farm financial crisis affects the whole community, the Minnesota Dept. of Agriculture sees a clear need for the Farmer-Lender Mediation Program to continue, according to Sharon Clark, deputy commissioner. Although there are some concerns about the current program, which are being addressed, it is a means by which farmers and their creditors are provided with the necessary open lines of communication needed in a time of crisis, said Clark.

Clark said the Dept. of Agriculture also recommends the establishment of an immediate oversight committee which would meet periodically to address concerns with the program. In addition, the Dept. of Agriculture recommends that if the program is to be continued, that it be funded for a full biennium instead of year to year.

Crime Prevention

Briefing held

A briefing by the Department of Corrections was the highlight of the meeting held Mon., Jan. 11, by the Joint Crime Prevention Committee and Crime Prevention Judiciary Budget Division. Senators Allan Spear (DFL-Mpls) and Randy Kelly (DFL-St. Paul) co-chaired the meeting. Dennis Benson, acting Department of Corrections (DOC) commissioner, introduced DOC staff members who discussed the priorities in their divisions.

A current adult prisoner population of 5,500 is projected to increase to nearly 8,000 by FY 2006-07, according to Dan Storkamp, director of Office of Planning and Research. Those projections are based on current sentencing and correctional policies. When asked to define the prison population by types of crimes

committed, Storkamp said he had percentages of the top six crimes: 20 percent of the prisoners are charged with criminal sexual assault; 17 percent, homicide; 13 percent, drug possession and/or selling; 13 percent assault; 9 percent burglary and 9 percent robbery.

"Each year we are increasing dramatically the number of folks we're sending to our prisons," Kelly commented. Sen. Leo Foley (DFL-Anoka) said he agreed. "The United States leads the entire world in per capita imprisonment. We're building more prisons and filling them before they're built."

Spear questioned what he saw as a dramatic increase in the number of incarcerated women. Storkamp said he thought drug offenses have played a big part in that increase. Sixty-two additional beds in Shakopee are under consideration for female offenders, and those beds are already filled.

Benson said the DOC has looked carefully at programs for non-violent offenders, rather than sentencing them to prison. He expressed an interest by the DOC in programs such as the Restorative Justice model, described by Sen. Linda Berglin (DFL-Mpls.) as a model used in Canada which has been shown to reduce recidivism. Benson said the DOC has utilized such programs where it can, but judges must also embrace the programs.

The Community Services division of DOC was described by Assistant Commissioner Richard Mulcrone. He said the division has six operational units and works in areas of probation and supervised release, sentencing to service, correctional alternatives, community services support and planning.

Mulcrone said gains have been made in caseload reduction, but caseloads continue to increase. He said caseload numbers were brought down so staff could see prisoners more frequently and watch their cases more closely. He cited the benefits of intensive supervision combined with counseling. Mulcrone also spoke of the positive aspects of the Affordable Housing Project, in which inmates pay back the community by constructing homes for low-income families. The houses cost about \$50,000, he said, and the eventual goal is to try and build 100 per year. "I think it's a win-win for everybody," Kelly said, referring to the house-building program.

Debbie Eng, director of Juvenile Services, reported on the juvenile

program at Red Wing where male juvenile offenders are housed. The sex offender program has also been transferred from Sauk Centre to Red Wing.

Eng said the programs at Red Wing include restorative justice, bringing juveniles out into the community and partnering with the Red Wing Vocational College in the area of education. Female offenders are being housed at Sauk Centre, which is also being used as a fee-for-service residence for male juveniles who are under county custody.

Benson indicated that DOC is working on a program with Hennepin County regarding sites at Cambridge or Old Shakopee for incarceration of female juveniles. Kelly said that he had been in discussion with Hennepin County for years and the county must share the financial burden.

DOC presents report

An overview of the Department of Corrections (DOC) continued at the Joint Crime Prevention Committee and Crime Prevention and Judiciary Budget Division meeting Weds., Jan. 13. The meeting was co-chaired by Senators Allan Spear (DFL-Mpls.) and Randy Kelly (DFL-St. Paul.)

Karen Robinson, assistant commissioner of Management Services, told the committee her department had been working with computer equipment that was not kept current and with a wholly inadequate infrastructure. "We are currently working on a major redesign of the system," she said. "We are in the process of upgrading and improving our data."

Carol Sheehan with the Health Services Department said the DOC has contracted with Correctional Medical Services (CMS) to provide improved health care services for the inmates. She said DOC was looking at \$1.9 million in cost care reduction and a cap on health care costs for the year.

When questioned about reported inmate concerns with health care, Sheehan said the program is being monitored carefully and is gaining in stability. Dennis Benson, acting DOC commissioner, said the department had made a very dramatic change in health care. "The number of people we had on medications was reduced, and there have been a lot fewer trips to the hospitals and clinics," he said.

Erik Skon, assistant commissioner of

Adult Facilities, reported that the program has a six-level custody system. He said the DOC is working on prisoners' educational, vocational and life skills. "Forty percent of our inmates do not have a GED or a high school diploma," he said. "The more actively they participate in educational programs, the less likely they are to recidivate." He said the DOC has eliminated some programs it considered repetitious. He added that the first month after a prisoner's release is considered to be the most critical and a number of programs are dealing with that issue. He cited pre-release, work release, transitional housing, sex offender placement and release violators programs as examples.

Steve Lydon, director of the Office of Special Investigation, said his division deals with investigating criminal activity within the prison, gathers intelligence and handles complaints of misconduct. The division also cooperates with other agencies, reviews efforts of the gang strike task force and coordinates apprehension of fugitives with other law enforcement agencies.

Dan Storkamp, director of the Office of Planning and Research, told the committee the DOC is doing a recidivism analysis and working at reducing per diem costs.

Environment and Agriculture Budget Division

Funding for council examined

The Environment and Agriculture Budget Division, chaired by Sen. Steven Morse (DFL-Dakota) met Weds., Jan. 13, to discuss whether or not the State should continue to fund the Forest Resources Council.

The council was established by the Legislature in 1995 to encourage cooperation and collaboration between public and private sectors in the management of the state's forest resources as well as to recognize and consider forest resource issues, concerns, and impacts at the site and landscape levels. Thirteen members of the council are appointed by the governor and one member is appointed by the Indian Affairs Council from various public and private organizations and agencies.

Mike Kilgore, executive director of the council, testified that the council has met all of its statutory reporting requirements

and has played a significant role in fostering relationships between the public and private sectors.

Jerry Rose, director of forestry for the DNR and a member of the council said, "Many times I felt like we weren't going to get through the process. But people wanted to come together and substantial progress has been made." He said that without the council, a replacement process that would bring together all involved parties would need to be formed.

There was also testimony against further funding of the council. Don Arnosti, the Minnesota director of the National Audubon Society, testified that the council has failed in its efforts to inform and lead private landowners, county land departments, the DNR and others in the direction of sustainable forest use and conservation.

"The mixing of the council's voluntary standards and public policy equals the lowering of standards for public land," Clyde Hanson, a Sierra Club member said.

Morse said further discussions would be held to look at the effectiveness of the council.

Family and Early Childhood Education Budget Division

Child care overview

The Family and Early Childhood Education budget division, chaired by Sen. Pat Piper (DFL-Austin), met Fri., Jan. 8, to hear reports regarding the state of subsidized child care in Minnesota.

The first report, given by Barbara Yates, assistant commissioner in the Office of Community Services of the Minnesota Department of Children, Families and Learning (CFL), updated committee members regarding the accomplishments of CFL during the past year. One success she mentioned was the Youth Diversion Program, which is designed to deal with youth who have been through the juvenile detention system. According to Yates, 88 percent of those involved with Youth Diversion remained out of the juvenile detention system one year after being released. She also said the Child Care Assistance Program served 14,000 families statewide last year, up over 3,000 from 1997.

Deborah Schlick, planner with Ramsey County Human Services, reported to the committee that 1,200 families in Ramsey

Committee update

County are on the waiting list for Sliding Fee Child Care, which is given on a first-come first-serve basis to teenage parents, families who left AFDC and finished one year of guaranteed child care, working families who have not been on assistance and working poor families pursuing additional training or education.

Based on a survey administered by Ramsey County of those 1,200 families, 80 percent are working and two-thirds make less than \$10 per hour. Also, two-thirds have never been on AFDC, two-thirds of the parents are between the ages of 20 and 23 and half have just one child. Half of those surveyed are currently using a relative or neighbor for child care, half are unhappy with their current child care conditions and two-thirds are using their savings to pay for child care as well. Schlick said the results paint a "fragile" picture of the families waiting for child care assistance and called for greater funding for Sliding Fee Child Care.

According to a report given by Carol Miller, program manager for the Child Care and Early Childhood Services of Hennepin County's Department of Children and Family Services, Hennepin County has a waiting list of 2,400 families for Sliding Fee Child Care, even though as of June 1998 there was not one family on the list. Miller told the committee the list grew so rapidly because over the past two years families have left AFDC, received their one year of guaranteed child care as a result of leaving AFDC and are now flooding the Hennepin County system, because they are unable to afford their own child care. She said with current funding the 2,400 families on the list face a wait of up to two years to receive child care. Miller called for greater funding and better transitional child care as well.

Ruth Krueger, of the Metropolitan Inter County Association, told the committee that people need acceptable child care to be acceptable employees. She said finding acceptable child care was becoming more difficult, as many child care providers in the Metropolitan Area are lost each year. She also said child care is becoming less affordable, as half of the new jobs created in 1998 pay only \$22,000 or less per year, while child care usually costs at least \$100 per week and can cost as much as \$250 per week.

Marian Brandt, director of Sibley County Social Services and chair of the

Legislative Committee of the Minnesota Association of County Social Service Administrators (MACSSA), put forth two formal legislative positions for the MACSSA regarding child care. The first position calls for an elimination of the requirement to be on assistance in order to qualify for transitional year child care. Currently, only those families who have been on assistance for at least three out of the past six months qualify for transitional child care, which, said Brandt, does not meet the needs of those who acquire a job within two months. This action, said Brandt, would allow those who find a job in less than three months to still receive child care. The second position calls for the extension of transitional child care for qualified families until a county has sufficient Sliding Fee Child Care funds to meet their needs. This is necessary, said Brandt, because many counties did not have sufficient Sliding Fee Child Care funds in 1998. The proposed legislation also calls for the increase in sliding fee allocations to better assist families in need.

Homeless veterans issues

The Family and Early Childhood Education budget division met Tues., Jan. 12, to hear an overview of homeless veterans issues in Minnesota. Guest speakers included Dennis Forsberg, director of Veterans Service in the Minnesota Department of Veteran Affairs (MACV) and Jimmy Lee Coulthard, executive director of the Minnesota Assistance Council for Veterans. Francisco Rodriguez and Jerry Miller, former homeless veterans currently being assisted by MACV, spoke to the committee as well.

In a short presentation, Forsberg discussed some of the findings of a survey based on interviews conducted Oct. 23, 1997 by the St. Paul-based Wilder Research Center with homeless and precariously housed persons in Minnesota emergency shelters, battered women's shelters, transitional housing programs and on the street. He said the results indicated that of all homeless people in Minnesota, 13 percent are veterans - down from 22 percent in 1991 and 17 percent in 1994 - the majority of whom served in Vietnam, Europe or the United States between 1965 and 1979. Also

according to the survey, 35 percent of the homeless veterans reported combat duty and 92 percent received honorable discharges, and although three-quarters of the veterans qualified for veterans benefits, only about half of the respondents had used them.

Coulthard described the purpose of MACV which, according to the MACV 1997 Annual Report, exists to help veterans and the families of veterans who are affected by homelessness by providing housing, food, employment, school and work-hardening through an affordable, structured and chemically free program. He listed the desired outcomes of the program, the first of which is placing homeless veterans in appropriate housing (MACV has 13 beds in building #47 on the Veterans Affairs Medical Center Campus in Minneapolis, 27 beds spread across 8 houses in south Minneapolis and 29 single occupancy units in the Alliance Apartments project). Other desired outcomes are increasing their level of income, life skills, financial responsibility, health, connection to the community and ability to interact in relationships. He said the program is not a handout, because participants are required to remain drug and alcohol free, accept job counseling, training and work, pay 25 percent of their income toward various fees, design and follow a staff approved schedule, and share daily household duties in the MACV residences. According to the 1997 report, 115 of the 128 veterans served that year entered the program unemployed; upon exiting 65 were employed, 10 were receiving disability and 17 were receiving fixed income benefits. Thirty-three of the homeless veterans were in pre-treatment and 3 eventually lost their jobs as well. Coulthard also said he would like the program to have a greater focus on health care, since recent studies show that 95 percent of homeless veterans suffer from either alcohol addiction or mental health problems. Also, The death rate for homeless veterans after the age of 55 stands at nearly 12 percent - compared to a post 55 death rate of just under 4 percent for non-veteran homeless persons.

Rodriguez and Miller said MACV has been a positive influence in their lives. Rodriguez, who was homeless for three years before finding help through MACV, said he lost his job four years ago

and had no family or friends to ask for help. As a result, he said, he could not pay for housing and spent much of his time during those years living and sleeping on the shores of the Mississippi River. Miller said he had been homeless for ten years before finding help through MACV. He described the three phases of the MACV program - two months of part time work at the Veterans Assistance Medical Center, followed by four months of full time work and finally 18 months of residence in Veterans Assistance housing - and said no other program in which he was involved during his ten years of homelessness has helped him like MACV.

Overview of homeless issues

The Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Wed., Jan. 13, to hear an overview of homeless issues in the state of Minnesota. Guest speakers included representatives from various social service agencies and local homeless people as well.

Patrick Leary, food and shelter program manager with the Minnesota Department of Children, Families and Learning, provided members of the committee with some general statistics on homelessness in the state based on the department's quarterly shelter survey, which was administered on Aug. 27, 1998. With 87 percent of the Minnesota shelters, transitional housing programs, county social service agencies, community action agencies and Salvation Army units surveyed responding, a total of 5,243 individuals were reported to have been given shelter on that night. Of those 5,243 people, 24.6 percent were men, 27.6 percent were women and 47.8 percent were children. It was also reported that a total of 513 people were turned away, due almost entirely to lack of available space.

Michael Dahl, from the Minnesota Coalition for the Homeless, reported to the committee that according to a 1997 Wilder Research Center study, the total number of homeless persons and precariously housed persons in Minnesota is 15,759 when people and families living with other families are counted. Dahl also reported that only between one and three percent of those people chose to be homeless. He said the lack of affordable housing is a major cause of homelessness.

According to a 1997 study the average cost of a two bedroom rental unit in Minnesota was \$619, he said. At least 44 percent of renter households in the state, he said, could not afford to pay that price last year. Dahl said that he hoped the committee would seriously consider the legislation the coalition would bring at a later date.

First hand knowledge of the realities of being homeless was brought to the committee by eighteen year old Vicky Manzingo. Manzingo, who is currently homeless and has been homeless for the past two years, told the members she has been a ward of the state since she was three years old. Because of that, she said, she has been shuffled all of her life to foster homes in dozens of cities throughout Minnesota. Although she does not have a high school diploma, she does hold a full time job working 40 hours per week, but still cannot afford to rent an apartment of her own. Even that night, she said, she did not know where she would stay.

Also reporting to the committee was Robin Rodenberg, from Mora, MN. Rodenberg, who at one time became homeless after leaving an abusive husband, said she has now had an apartment for six years, which she shares with her six year old son. She described finding employment as a waitress and living out of her car while she worked to afford an apartment, and how she now helps the homeless in and around the Mora area by opening her home to them. She said she allows those who need a place to stay to be with her until appropriate housing is found by local agencies. She said she has had as many as eight people in her home at one time.

A short report was given by Cindy Murphy Kelly, a representative from The Learning Center, as well. Murphy Kelly described The Learning Center, which is a transition school for homeless children that serves 500 students yearly, and discussed the disadvantage homeless children have in receiving an education.

The committee also heard from Patrick Wood, a field worker with People Incorporated, who spoke about his interaction with the homeless in the Twin Cities. He said he routinely spends time in places where the homeless live and has noticed an increasing number of women and unaccompanied children - some as young as ten years old.

Governmental Operations and Veterans

Joint committees meet

The Governmental Operations and Veterans Committee and the Governmental Operations Budget Division met jointly Tues., Jan. 12, to tour the new Dept. of Revenue Building. The committees are chaired by Sen. James Metzen (DFL-South St. Paul) and Sen. Leonard Price (DFL-Woodbury), respectively.

In addition, the Governmental Operations Budget Division met Weds., Jan. 13, to tour the Dept. of Military Affairs "Guard our Youth" Programs.

Health and Family Security

Complaint process proposals

A final report regarding recommendations for developing a complaint resolution process for health plan enrollees was the main topic of discussion at the meeting of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), on Tues., Jan. 12.

Kent Peterson, from the Minnesota Department of Health, provided an explanation of proposed changes made in the internal appeal process to the committee. He reported that many inconsistencies in the internal review process exist, as currently one set of rules applies only to HMO's and another to utilization review organizations, which include indemnity insurers as well as some HMO's. The new plan put forth recommendations establishing a uniform complaint process for all health plan companies which would, Peterson said, "fill in the gaps" in the current system and is intended to make the internal review process consistent and understandable. The rest of the new recommendations in the report falling under the internal review process regard such items as procedures for filing a complaint, time frames for health plan company decisions, medical appeals versus general grievances and a second appeal option.

John Gross, from the Minnesota Department of Commerce, informed the committee about a proposal in the report to establish an external appeal process. The process, which is not currently available in Minnesota, involves creating a joint interagency mechanism within the departments of health and commerce

Committee update

to provide for the external appeal of all adverse determinations involving health care services and claims. The process would exist, he said, for any member, or anyone acting on behalf of a member, of a health plan program who has received an adverse determination in the internal appeal process. The rest of the recommendations falling under the new external review process regard such items as procedures for filing a complaint, possible inclusion of a medical review panel to provide technical expertise, funding for external appeals and potential conflicts of interest.

No action was taken on the report, and some committee members questioned the necessity of many of the recommendations made by Peterson and Gross. Sen. Linda Berglin (DFL-Mpls) said she did not understand why another complaint process needs to be added, and Sen. Sam Solon (DFL-Duluth) pointed to a letter in the back of the report written by representatives from the Minnesota Council of Health Plans which, because less than one-third of one percent of consumers file health care complaints, argued against many of the recommendations made.

The meeting also included a report regarding trends in Minnesota's health care market which was given by Scott Leitz, from the Minnesota Department of Health. Among other things, statistics presented by Leitz showed that 11.1 percent of the economy of the state is spent on health care - as opposed to 13.1 percent of the nation's economy - for a total of \$15.7 billion. Leitz said in the coming year the health department will focus on ensuring that individuals can maintain access to public programs and on enabling individuals to better access private market choices. He said if the legislature opts for direct funding or a pool, the department will recommend targeting those funds to those providing large levels of uncompensated care and safety net providers with unstable funding sources. Leitz said the department hopes to perform follow-up studies on welfare reform and safety net providers as well.

Judiciary

Child support process debated

Positive and negative aspects of the current Administrative Child Support Process were discussed during a hearing of

the Judiciary Subcommittee on Family Law Fri., Jan. 8.

Sen. Leo Foley (DFL-Anoka) chairs the subcommittee that is taking testimony on the process because its constitutionality is being challenged in the Minnesota Supreme Court because of its alleged violation of the separation of powers.

Janice Allen, the assistant Anoka County attorney, noted that the Administrative Child Support Process was initiated to make matters more streamlined and efficient. She cited statistics showing that the previous District Court system took less time. "I'm not arguing that we go back to the District Court," she said, "but we need to try to develop a process that meets the goals of the original legislation."

Francine Mocchi, an administrative law specialist of Anoka County, presented a number of problems she said the current system offers. She related that those problems include due process issues, people frequently ignoring documents, lack of scheduled hearings, time frame difficulties, inaccurate default orders, a shift of burden to county personnel, a lack of room for judicial discretion and a lack of training in legal background for personnel.

On the positive side, Mocchi cited the knowledge of family law held by the administrative law judges, the informality that allows relevant evidence to be entered and evidence that people are feeling that they are being heard.

Representatives of the Department of Human Services (DHS) stressed the importance of a process that is easy to use, consistent across the state and one that minimizes adversarial tendencies.

According to Laura Kadwell, director of the DHS Child Support Division, the Legislature has wanted the Administrative Child Support Process to allow accessibility to parties without counsel. She said that to some extent, that goal has been reached, and she emphasized the importance of maintaining that accessibility.

However, the difficulty of going through the child support process without an attorney was described by Natalie Benson, a stepmother and wife of a non-custodial parent. "There's a very uneven balance of power," she noted. "We had to bring in multiple information on our finances, and the custodial parent required no verification of hers." She said

her family spent countless hours in the system, and it was not simple.

A difference of opinion arose on whether to place child support issues under the jurisdiction of District Court judges or maintain the current system of having administrative law judges in charge. Judge Gary Meyer, chief judge of the 10th Judicial District in Wright County, said he believes this matter should be returned to the District Court. Speaking in favor of administrative law judges retaining responsibility were Ken Nickolai, director of the Office of Administrative Hearings and Mark Gardner, representing the Minnesota State Bar Association.

Making a final plea for the current administrative process for child support, Clark Gustafson, director of Meeker County Social Services, said he supports the administrative process because it is cost effective, faster and more satisfying to parents. "Wait until the Supreme Court rules before coming up with any remedy; we may not need any remedy," he said. "Just fix what's needed and don't throw the baby out with the bath water."

State Court Administrator Sue Dosal reported that a Child Support and Collections Workgroup is studying the various alternatives to the current process.

K-12 Education Budget Division

Class size discussed

The K-12 Education Budget Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met Weds., Jan. 13, to hear a technical corrections bill and begin discussing class size reduction.

The committee heard S.F. 86, carried by Pogemiller, which provides technical corrections to kindergarten through grade 12 education provisions. Senate counsel said this bill is necessary to reflect items which were repealed last session, but not removed from the statute. Sen. Charles Wiger (DFL-North St. Paul) offered an amendment to the bill changing the language in the authority of the desegregation/integration and inclusive education rules to allow for the delay in implementation caused by the turnover in administration. In addition, the amendment inserts language making this section of the statute effective retroactive to Jan. 1, 1999. The amendment was

adopted and the bill was approved and recommended for placement on the Consent Calendar.

The discussion on class size began with a brief overview and the history of the existing formula used to reduce class size, presented by Eric Nauman, Senate fiscal analyst. In 1993 the Legislature enacted legislation to provide funds to reduce class size in grades K-6 to an instructor/learner ratio of 1:17. The funds must first be directed to the lower grades and then to higher grades as revenue becomes available. Nauman noted that making policy for the entire state becomes difficult when you consider some districts have already achieved the mandated class size, while some have not and are using the funds for other purposes. He went on to say the current statute provides no system to monitor the use of the funds.

Wiger asked if there was convincing evidence on whether class size improves the learning outcome of students. "Research shows," said Pogemiller, "that lower class size is not the only determining factor."

Sen. Gen Olson (R-Minnetrista) asked if the money is used solely to buy down class size and if so, what mechanics are required of the school districts in order to do this. Tom Melcher, program finance manager of the Minnesota Dept. of Children, Families and Learning, responded that, "the department sends out guidelines, but each district does it differently; our department doesn't get a detailed plan as to how this is being done." He stated that basically, the money is set aside while the district prepares its budget and then it is applied to the instructor/learner ratio in the lower grades first.

Melcher provided the committee with an updated elementary analysis that showed statewide, the learner/instructor ratio for grades K-6 improved from 20.24 students per teacher in 1990-91 to 18.34 students per teacher in 1996-97. Another trend shown in the analysis was learner/instructor ratios have improved both statewide and in the Metro Area; kindergarten and grades 1 through 3 showed the most improvement. Melcher also noted that the instructor/learner ratio includes special subject teachers, such as music and physical education teachers, as well as regular classroom teachers, therefore actual class size may be larger while the instructor/learner ratio is lower.

Rules and Administration

Advisory opinions sought

The Rules and Administration Subcommittee on Ethical Conduct met Tues., Jan. 12, to hear requests for advisory opinions from two Senators.

The committee received new evidence regarding the request from Sen. Dallas Sams (DFL-Staples). Sams requested the advisory opinion after reports surfaced that he received payment from the University of Minnesota's College of Agriculture, Food and Environmental Science (COAFES) which originated from a Legislative appropriation bill that he sponsored in 1997. The committee explored whether the money paid to Sams for the work he did in the fall of 1997 originated from the state appropriation, whether Sams knew the source of the money, and when the contract for the work was drafted and signed. The bipartisan subcommittee, chaired by Sen. Ember Junge (DFL-New Hope), heard testimony from Sams and three other people with knowledge of the circumstances.

Shelley Diment, an administrator with COAFES, testified under oath about two telephone conversations she had -- both of which she recorded on audiotape -- one with COAFES Dean Mike Martin, and the other with Sams. Diment said that in her May 6, 1998 conversation with Martin, she questioned the propriety of the \$12,500 payment made to Sams from state dollars. In response, Martin arranged for a contract to be drafted between Sams and a third party, Media Integrated Training Services (MITS), so that the payment to Sams would not come directly from the state appropriation. Diment also said that Martin became angry with her for raising the issue. When questioned about her taped conversation with Sams which occurred two days later, Diment said that Sams was aware by that time that state money had been used to pay him. In a transcript of the conversation, Sams said that he "should just give it back and say 'that's it' and forget it" because it wasn't worth the risk.

Next, the panel received sworn testimony about the contract from Martin via telephone. Martin said that he believed that Sams thought that the payment would come from private money. Martin said that when he paid

Sams, the "Dean's discretionary fund," from which he intended to pay Sams, had been depleted but he was soon expecting a \$96,000 donation to replenish it. Martin said that he used whatever money he could find to pay Sams, with the intention to repay that source of money from the expected donation. Martin said that in retrospect he should have been more careful, but he didn't think it was a big deal at the time.

Sen. Dennis Frederickson (R-New Ulm) asked Martin if he drafted the contract between Sams and MITS. Martin replied that he wrote memos about what terms he wanted in the contract, but the contract was actually written by MITS director Tom Powell. Martin said that it was his idea to use MITS as a third party through which to pay Sams.

Afterwards, the committee received sworn testimony via telephone from Powell. Powell said that the contract between Sams and MITS was drafted by Martin, but that Powell didn't receive it from Martin until June 18, 1998, after an audit was begun by the University into the matter. Powell said that his office reprocessed the contract with their letterhead and sent it to Sams on June 22, 1998 for signing. Sams said that he dated his signature on the contract October 1, 1997 to represent the time that he began the work he performed for COAFES.

Junge closed the fact finding phase of the proceedings in the Sams case and said the panel planned to vote on the findings the following week.

The panel also heard a request for an advisory opinion from Sen. Dan Stevens (R-Mora) as to whether a job he has been offered might present a conflict of interests with his duties as a Senator. In a prepared statement, Stevens said that he has received a job offer from the C.E. Rogers Company to be the project manager for the construction of a wastewater treatment facility in Mora. Stevens said that funding for the project comes from a grant from the Dept. of Trade and Economic Development (DTED) and was authorized as part of the 1998 bonding bill. He said that although he helped write the grant request, he did not author legislation to create the program and he did not support the bonding bill when it passed the Senate. Stevens also said that he can't foresee the grant program coming before the Legisla-

Committee update

ture in the near future, but if it does, he intends to excuse himself from voting according to the applicable Senate rules.

Stevens was then questioned by committee counsel Peter Wattson on the details of Stevens' involvement with the project and prior work for the city of Mora. Stevens said that it was the idea of Mora city officials to apply for the grant, not his own, and that he did not gain any confidential information from city officials that could be used by the C.E. Rogers company to win the contract for the wastewater treatment facility. Stevens also said that the company approached him with the job offer, rather than the other way around. Wattson said that because nothing in the facts of the matter indicate a previous conflict of interest and that Stevens indicated that he will excuse himself from voting if any relevant matters come before the Senate, the job did not present a conflict of interests. The panel agreed with the opinion and planned to formally vote on it at a later meeting.

Transportation

Issue overview given

Partnership, a more multi-modal focus and improvement of productivity and efficiency were cited as the primary themes for the Department of Transportation (Mn/DOT) at a meeting of the Transportation Committee held Tues., Jan. 12. Sen. Carol Flynn (DFL-Mpls.) chaired the meeting. Elwyn Tinkenberg, commissioner of transportation, indicated that he wants to work in a partnership with other entities, such as the Legislature, transit, construction companies, cities and counties. He also stressed the need for a broader focus for the department, exploring opportunities with biking, hiking and railroad systems. He added that he wants to avoid some of the tremendous costs associated with delays in construction and assure the public that money is being used effectively.

Edwin Cahoon, deputy commissioner and chief financial officer for Mn/DOT, told the committee that the department is in the midst of a number of efforts to increase its efficiency.

"We're involved in a program called Activity-based Costing," he said. "This allows an organization to understand fully its costs. We measure output." He noted that a major restructuring of the

department's work force is under way, with an emphasis on creating a staff that can do many different tasks.

"We're involved with the University of Minnesota Center for Transportation Studies, looking at what has caused urban sprawl and what role transportation plays," he said. Cahoon said he is working on an update of a transportation plan. He also described the possibilities of living snow fences- planted vegetation that could save money on snow plowing. Cahoon said his department is studying the 19,600 bridges in the state of Minnesota and the large costs of repairing some of those bridges in the future.

Tinkenberg responded that it sometimes takes too long to deliver on projects, and meanwhile the expenses are growing. "Delays are expensive and come back to the taxpayers," he said. He added that he wants to make it clear to the Legislature how Mn/DOT uses taxpayers' money.

Concerns were raised by Sen. Mark Ourada (R-Buffalo) about traffic growth areas that do not receive sufficient snow removal and what he said is Mn/DOT's use of "the biggest, best and latest equipment." Cahoon replied that Mn/DOT is a technology-driven organization that uses state-of-the-art equipment. He said the work force had been cut by 2,000 because of the department's technology investment.

Al Schenkelberg, investment management director, brought committee members up to date on federal legislation. A major feature of the federal legislation is the strengthening it provides for safety programs. Much of the funding is offered to states as incentives for increasing seat belt and child safety seat usage, lowering the blood alcohol level that constitutes a DUI offense and deterring drunk driving.

Public safety discussed

Commissioner of Public Safety Charlie Weaver presented an overview of his department's issues at the Transportation Committee meeting held Weds., Jan. 13. The committee is chaired by Sen. Carol Flynn (DFL-Mpls.). Weaver said he does not know yet what his department budget will be, but he cited some of the most frequently asked questions he has heard regarding driver and vehicle issues: Why do I have to stand in line so long? Why does my license fade after only a year?

Why can't I renew my license over the Internet, or pay with a credit card?

Weaver noted two other problem areas in the Public Safety Department. He said a large number of immigrants are taking their driving road tests, and many are failing and coming back several times to repeat the test. "We have the same number of testers, but with this huge influx of immigrants we need more testers," Weaver said. He also said there is a need for more computerized written tests. Four languages are being added to the computers: Hmong, Vietnamese, Russian and Somali. Weaver said many people bring their own interpreters for the written tests, and testers are needed to work with the interpreters.

Weaver commented that the Public Safety Department could benefit from a centralized computer system, a need that was emphasized by Flynn. "As a committee, we have thought there should be a good computerized system," Flynn said, "to keep track of things like unlicensed drivers and scheduling."

Weaver also spoke of the need for increasing the number of state troopers. He said some areas of rural Minnesota are without 24-hour coverage. He said 40 minutes was the fastest response time in smaller communities because of the lack of manpower. "There are troopers with failing radios, and Motorola doesn't even make the parts anymore," he said. He said he is hoping to increase the State Patrol by 25 troopers at a cost of \$5 million. He said he is also asking to replace two of the department's helicopters, which are very old. "These helicopters can play a big part in safer criminal pursuits, rather than car chases. They can save lives," he said.

Col. Anne Beers of the State Patrol said. She said she has asked for an additional trooper position to protect the governor and his family. "Today's world is different from 20 or 30 years ago," she said, "and families need protection." Beers also reported on the State Patrol's diversity efforts. The position of a community service officer has been created, and three candidates have been selected. She also spoke about the Intelligent Traffic System (ITS), saying it is a key to the future success of the department. Beers said ITS has a system which can detect where the center line is, a function that can be helpful in winter driving.

Preview

Monday, January 18

Senate offices will be closed in honor of Martin Luther King, Jr. Day.

Tuesday, January 19

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: To be announced.

Environment and Agriculture Budget Division

Chair: Sen. Steven Morse

8 a.m. Room 123 Capitol

Agenda: Pollution Control Agency Environmental Enforcement.

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8 a.m. Room 15 Capitol

Agenda: Safe and Healthy Communities: overview and evaluation.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: S.F. 25-Samuelson: Nursing home restraints.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: Tour of Northern States Power trading floor, control room and grain exchange.

Senate is in Session at 12 noon.

Joint Governmental Operations and Veterans Committee and Governmental Operations Budget Division

Chairs: Sen. James Metzen and Sen.

Leonard Price

12 noon Room 15 Capitol

Agenda: Discussion of Legislative Audit Reports: Department of Employee Relations; Minnesota State Lottery; Arts Board.

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

2 p.m. Room 107 Capitol

Agenda: Scoping document, GEIS on animal agriculture; Rules relating to the application of "connected actions" to animal feedlots.

Information Policy Task Force

Chair: Anne Barry

7 p.m. Room 15 Capitol

Agenda: Review and consider comment from public hearing. Finalize Report.

Wednesday, January 20

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: To be announced.

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8 a.m. Room 15 Capitol

Agenda: The Power of Attachment: Implications for Policymakers. Presentation by Martha Farrell Erickson, Ph.D., Director, Children, Youth and Family Consortium, University of Minnesota and Byron Egeland, Ph.D., Professor, Institute of Child Development, University of Minnesota.

Transportation Committee

Chair: Sen. Carol Flynn

10 a.m. Room 112 Capitol

Agenda: Discussion of vehicle registration tax, including S.F. 16-Johnson, D.J.; S.F.-20 Metzen; S.F.-48 Fischbach; S.F.-100 Metzen; S.F.-110 Lessard. No action will be taken.

Joint Crime Prevention and Judiciary Budget Division and Judiciary Committee

Chairs: Sen. Randy Kelly and Sen. Jane

Ranum

12 noon Room 15 Capitol

Agenda: Minnesota Legislative Auditor Report: Juvenile Out-of-Home Placement Program Evaluation.

Election Laws Committee

Chair: Sen. John Marty

12 noon Room 112 Capitol

Agenda: S. F. 87-Marty: Public right to know. S.F. 88-Marty: Membership qualifications for Campaign Finance & Public Disclosure Board.

Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

12 noon Room 107 Capitol

Agenda: Presentation of the Fish Stocking Subcommittee findings.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

2 p.m. Room 125 Capitol

Agenda: Dept. of Finance Performance and Audit Reports for MN Accounting and Procurement System and SEMA4 Database Security Audit.

Local and Metropolitan Government Committee

Chair: Sen. Jim Vickerman

2 p.m. Room 107 Capitol

Agenda: S.F. 2-Kelley, S.P.: Y2K problem.

Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: S.F. 89-Junge: Harassment/stalking penalty enhancement for prior offenses in other states. Dept. of Corrections report on alternatives to Minnesota's civil commitment of sexually dangerous persons and persons with sexual psychopathic personalities.

Thursday, January 21

The Senate is in Session at 9 a.m.

Joint Jobs, Energy and Community Development Committee and Health and Family Security Committee

10 a.m. Room 15 Capitol

Chairs: Sen. Steven Novak and Sen. John Hottinger

Agenda: Overview of legislative actions

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on welfare to work - panel discussion with Minnesota Department of Human Services, Department of Economic Security, Department of Trade and Economic Development, Department of Labor and Industry, and MN State Colleges and Universities.

Joint Governmental Operations and Veterans Committee and Governmental Operations Budget Division

Chairs: Sen. James Metzen and Sen. Leneord Price

12 noon Room 15 Capitol

Agenda: Discussion of Legislative Audit Report regarding the Department of Administration.

Transportation Committee

Chair: Sen. Carol Flynn

12 noon Room 112 Capitol

Agenda: Presentations by the Regional Rail Authorities.

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

2 p.m. Room 107 Capitol

Agenda: S.F. 132-Hanson: Extending the agricultural property tax classification to property used for the production for sale of insects. S.F. 57-Stevens: Providing for shared savings loans for demonstration projects of manure digester technology. S.F. 37- Lesewski: Relating to drainage.

Friday, January 22

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8 a.m. Room 15 Capitol

Agenda: Prevention and intervention process overview

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: Tour of the St. Paul Technical College and the ISEEK program.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: Informational hearing on Employer Reference Immunity.

Crime Prevention and Judiciary Budget Division

Chair: Sen. Randy Kelly

2 p.m. Room Capitol

Agenda: Dept. of Corrections reports to the Legislature: Community Based Sex Offender Program Evaluation Project; Recommendations regarding educational funding mechanisms - Red Wing. Minnesota Sentencing Guidelines Commission - review sentencing practices report and the report to the Legislature - Debra Dailey, executive director.

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Photo by Andrea Murrill



January 22, 1999

Senate Highlights

Deadlines set

This week, Majority Leader Roger Moe (DFL-Erskine) announced the committee deadlines agreed to by House and Senate leaders for the 1999 session. Under the agreement, Fri., Mar. 19, is the deadline by which Senate policy committees must hear bills originating in the Senate and House policy committees must hear bills originating in the House. The second deadline, Weds., Mar. 31, is the deadline by which time policy committees of each body must hear bills originating in the other body. The third deadline, Fri., Apr. 16, is the deadline for the omnibus budget bills. Senate committees will not meet Thursday, Apr. 1, or Monday, Apr. 5 in order for members to return to their districts.

Members of the Senate held brief floor sessions Tuesday, Jan. 19 and Thursday, Jan. 21. At this point in the legislative session, floor sessions are held primarily for the purpose of introducing bills, referring bills to the appropriate committee and processing the referral of bills from one committee to another. Consideration of bills by the full Senate occurs after the measures have been thoroughly examined by the appropriate committees and referred back to the Senate Floor.

Registration tax reviewed

Minnesota's vehicle registration tax was reviewed at the Transportation Committee meeting Weds., Jan. 20. Sen. Carol Flynn (DFL-Mpls.) chaired the meeting, in which several bills regarding vehicle registration tax reduction were also presented.

Amy Vennewitz, legislative fiscal analyst, said that Minnesota's registration tax ranks in about the middle, compared to other states. "Our rank varies depending on the value and age of the vehicle," she said. The average registration tax paid in Minnesota is higher than that in neighboring states of Wisconsin, North and South Dakota and Iowa. Vennewitz said that 100 percent of revenues from the vehicle registration tax are deposited in the Highway User Tax Distribution Fund (HUTDF) and may be spent only for "highway purposes." She reported that in 1998, almost half of the total HUTDF revenues came from the registration tax. "Registration taxes have provided growth beyond the rate of inflation," she said.

Currently owners of passenger vehicles pay an annual registration tax based upon the value and age of the vehicle. Owners of vehicles that are 11 years and older pay a flat tax of \$35. According to

Vennewitz, of the \$511 million collected from vehicle registration tax in FY 1998, 85 percent was paid by passenger vehicles, 12 percent by commercial trucks and 3 percent by other classes of vehicles.

Vennewitz cited the benefits of the current passenger vehicle registration tax as raising a significant amount of money for HUTDF and annual revenue growth. Vennewitz said that about 40 percent of the vehicles are taxed the minimum of \$35 and the tax is deductible on federal and state income tax returns.

From a negative standpoint, many taxpayers view the tax on newer vehicles as being too high and want the depreciation schedule to provide for a tax reduction every year, Vennewitz said. In addition, Vennewitz said the tax on newer vehicles is significantly higher than in neighboring states and many taxpayers feel transportation taxes should be user-fee based, rather than value-based.

Committee members heard several options for changing the registration tax from Senate staff. The options include charging a flat registration tax, simply reducing the tax rate, changing the depreciation schedule, setting a maximum tax or assessing a weight registration tax. Each option has both pros and cons. For example, Vennewitz said that while a flat registration tax is easily understandable and will significantly reduce taxes for owners of newer vehicles, this option also has a potential for substantial revenue loss and would result in a tax increase for the 40 percent currently paying the minimum tax.

In tax rate reduction, all owners of vehicles not paying the minimum tax would see a tax reduction and the annual growth rate in revenues is maintained. However, this plan keeps the current hard to understand formula and is not user-fee based. Vennewitz said that changing the depreciation schedule can give more significant tax relief to owners of the newest vehicles and provide tax reductions from year to year. However, revenue loss will probably range from \$50 to \$100 million. Setting a maximum tax, according to Vennewitz, provides tax relief to those currently paying the most and creates no tax increase for those paying the minimum. She said the option does not provide tax relief across the board and can result in a significant revenue loss. Vennewitz said the weight-

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based registration tax is more regressive in that owners of older, heavier vehicles often pay a higher tax than owners of newer vehicles.

Members then discussed several bills related to the vehicle registration tax. Sen. Douglas Johnson (DFL-Tower) authored S.F. 16, designed to reduce passenger vehicle registration taxes. The bill requires the commissioner of finance to transfer at least \$80 million from the general fund to HUTDF in FY 2001-2002 and in each biennial budget thereafter. The bill also reduces the passenger automobile tax rate from 1.25 percent of the vehicle's base value to .95 percent of the base value, effective Jan. 1, 2000, and appropriates \$40 million from the general fund to HUTDF.

Two bills authored by Sen. James Metzen (DFL-South St. Paul) reduce by half the vehicle registration tax and leave the \$35 flat rate alone. S.F. 20 creates a surface transportation fund that may be expended by appropriation for any state surface transportation purpose. Under the bill receipts from the sales tax on motor vehicles (MVET) will be divided equally between the surface transportation fund and the general fund. The bill also appropriates \$180 million from the surface transportation fund for transfer to HUTDF and \$16 million from the surface transportation fund to the Met Council for transit capital. The measure proposes a constitutional amendment to require the Legislature to appropriate at least 50 percent of MVET each fiscal year from the general fund for surface transportation needs. S.F. 100 credits 62 percent of the proceeds of MVET to the general fund and 38 percent to HUTDF.

A bill imposing a flat vehicle registration tax was presented by Sen. Michelle Fischbach (R-Paynesville). S.F. 48 creates a new category called "commercial automobile" for taxation purposes. Commercial automobiles are subject to the current passenger automobile vehicle registration tax of \$10 plus 1.25 percent of base value. Only commercial vehicles pay tax at this rate. Passenger automobiles used exclusively for personal noncommercial activities are taxed at the rate of \$35 annually. The bill provides that revenue from MVET be deposited in the general fund, then 50 percent of those receipts must be transferred to HUTDF.

The final bill presented was authored

by Sen. Janet Johnson (DFL-North Branch). S.F. 151 reduces the passenger vehicle registration tax rate from 1.25 percent of the vehicle's base value to one percent of the base value and changes the depreciation schedule to 100 percent in year one, 90 percent in year two, 80 percent in year three, 70 percent in year four, 60 percent in year five, 50 percent in year six, 40 percent in year seven, 30 percent in year eight, 20 percent in year nine and 10 percent in year ten. Vehicles in the eleventh year and older remain at the current total tax of \$35. Fifty percent of MVET revenue is deposited in the general fund, 20 percent in the transit assistance fund and 30 percent in HUTDF. If a proposed constitutional amendment is adopted by voters in the 2000 election, a section will be added to the Minnesota Constitution that requires at least 30 percent of the proceeds from the sales tax on new and used motor vehicles be deposited in HUTDF and 20 percent into a fund for transit assistance. No action was taken on any of the bills.

Restraint bill okayed

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), approved S.F. 25, a bill regarding the use of nursing home restraints, at the meeting held Tues., Jan. 19.

The bill authorizes nursing facilities to provide side rail restraints on the beds of residents even when not required to treat a medical symptom if the facility informs the resident of alternatives to restraints and the risks involved with restraint use, the restraint use is requested by the resident and if the resident signs a consent form. A family member or legal representative may act in the place of a resident who is not competent.

Current law restricts the use of restraints on nursing home residents. The bill provides that the provision of a physical restraint under the above conditions is not grounds for a citation by the commissioner of health and is not a violation of the state rule requiring residents to be free from any physical or chemical restraints imposed for discipline or convenience purposes and not to treat medical symptoms.

The chief author of the bill, Sen. Don Samuelson, (DFL-Brainerd), said the attitude that government "knows best"

should stop and that the resident, their family and the nursing home should decide if a bed rail is necessary for each resident.

Eagan resident Barb Ritter was one of three citizens who testified on the necessity of passing the bill. She said her 85 year old grandfather, a nursing home resident of four years, slept with side rails from the day of his admission to the home, but in July of 1998, she was informed the rails would be removed because the state Department of Health was enforcing the Minnesota Statute. In September, she said, her grandfather fell out of bed, resulting in injuries so severe he spent four hours in an emergency room and required the care of a plastic surgeon. She said he needed both internal and external stitches, broke both his dental plates and was bruised and swollen. Although her grandfather has recovered now, she said his is an accident that could have been avoided.

In her remarks to the committee, Linda Sutherland, director of the Facility and Provider Compliance Division with the Minnesota Department of Health, said she was not sure if the proposed legislation would work as well as it was intended. She said she was not speaking in opposition or support of the bill, but simply there to provide technical assistance. She pointed out that people have suffered injuries and have even died after becoming tangled in the side bar or wedged between the side bar and the mattress. She also said many have been known to climb over the side bar.

Others involved in issues relating to nursing homes were present to provide their opinions regarding the bill. Scott Allen, administrator of the Birchwood Health Center in Minneapolis, said he feels "relief" and "gratitude" that the committee is forcing the side bar issue with the Legislature. He said he "strongly supports" the overall goal of the bill. Iris Freeman, from the Advocacy Center for Long Term Care, said the side rail issue has created a great deal of "soul searching" in her organization. Offering some advice for the members of the committee, she said the scope of the bill should be limited to side rails, the definition of a residents competency should be clarified and the Department of Health should compile data regarding injuries due to side rails and falls from bed. The bill was referred to the budget division.

Committee update

Agriculture and Rural Development

Hog crisis discussed

Representatives of several groups affected by the hog situation testified before the Agriculture and Rural Development Committee Thurs., Jan. 14. The committee, chaired by Sen. Dallas Sams (DFL-Staples), listened for four hours as hog farmers, lenders and others affected by this situation described the current crisis and suggested ways the Legislature could help provide relief to the pork producers.

Minnesota Dept. of Agriculture Assistant Commissioner Perry Aasness, cited two major contributing factors to the hog crisis. He said there has been an increase in hog production combined with an increase in the number of Canadian hogs imported, which has created a larger supply of hogs. Secondly, the processing capacity has diminished due to the closing of some major processing plants, said Perry. He went on to say "This is a national and even international problem, not just a Minnesota problem. The USDA has taken steps to help, however, by making money available to hog producers."

"Couldn't we see this coming?" asked Sen. Tracy Beckman (DFL-Bricelyn). Dave Preisler, executive director, Minnesota Pork Producers, said that they really could not see it coming. While hog operations were expanding, several packing plants closed and they had no way of foreseeing that, he said. This caused a bottleneck to develop, according to Preisler. "Although the product is moving, the dollar isn't getting shared well at the producer level," Preisler said. Sen. Charles Berg (IND-Chokio) said the problem now is recapitalizing the operations still in existence. Preisler said the best way to do that is through the marketplace, but until the market price for hogs is restored, some type of stopgap measure is needed.

Hormel Director of Hog Procurement Raymond Bjornson, told the committee the current situation has created a lot of untruths. He said the crisis has more to do with an oversupply of hogs than with a lack of processing capacity. In response to questions about hogs purchased on a contract, Bjornson said one reason Hormel created long term contracts was

to help keep farmers in business, since hog production is a very capital intensive business and most producers can't assume the market risk. In addition, since sow numbers are decreasing in Minnesota, it assures a long term supply of hogs for the processor, he said.

Several hog farmers described how they've been affected by the crisis. Dennis Timmerman, Boyd, Minnesota, said that only 19 percent of hogs are marketed on a cash basis and this skews the market, since the price for the whole industry is determined by the 19 percent. Timmerman suggested that true market discovery is needed to determine the fair value of the hogs. He said increasing the number of independent hog producers would help to create a fair market value. "I would like to see something done about contract situations here and in the surrounding states," said Timmerman, "to see if there is price collusion, especially related to window and ledger contracts."

Paul Zimmerman, of Waseca County, who is with the Farm Bureau Swine Committee, told members that the single biggest increase in cost on his farm is property taxes. He said property tax relief for rural Minnesota farmers would be an excellent place for relief to start, rather than subsidizing an industry that traditionally has never been subsidized.

A hog farmer from Rice County, Mark Bartusek, spoke on behalf of the Minnesota Pork Producers. He said he agreed that property tax relief for farms would be welcome, and in addition, stated that his organization is in full favor of market disclosure for hog prices. He would like to see disclosure implemented on a federal level, since disclosure ultimately helps every producer.

Representatives from the lending community presented their concerns to the committee. "Lenders are very concerned about the profitability and debt structure of our pork producers," said John Connacker, of the Minnesota Bankers Association. The Association has encouraged all of their members to meet with hog producers and be proactive, instead of reactive. Mark Novak, Americana National Bank, told the committee that federal guarantee programs exist, but in order to use them a positive cash flow has to be insured. He said the lenders could help sustain some of the farms that are borderline if they could get someone to "help them share the risk".

Rupert Fraser, representing Fibrowatt, Ltd., spoke to the committee about his company, which develops, builds, owns, and operates electrical power stations that use poultry litter and related biomass as the fuel. He stated that since Minnesota is the second largest producer of turkeys in the country, it is an ideal location for a facility of this type. Fraser asked the committee to consider classifying poultry litter as a renewable energy source, like biomass. He said the generation of renewable energy, the recycling of nutrients, and the reduction of pollution is a local solution to a local problem in which everyone wins.

GEIS update

The scoping document of the Generic Environmental Impact Statement (GEIS) on animal agriculture was presented to the Agriculture and Rural Development Committee Tues., Jan. 19. Sen Dallas Sams (DFL-Staples) chairs the committee.

Environmental Quality Board Project Manager Susan Schmidt, explained that the GEIS on animal agriculture is a statewide study authorized and funded by the 1998 Minnesota Legislature and ordered by the EQB. She said this study provides Minnesotans with objective information and offers them an opportunity to weigh future policy options.

The scoping document is the result of the first phase of the project and outlines what topics will be addressed in the GEIS on animal agriculture as well as proposed study goals and objectives and an overall study framework, said to Schmidt. The first phase is aimed at determining specific topics to include in the statewide study on animal agriculture, she said.

The scoping document is based on extensive public input during the period June 1998 to December 1998, said Schmidt. The EQB held a series of six public meetings in which approximately 800 people attended, she said. The purpose of the meetings was to get public input on the question of "What topics should be included in this statewide study on animal agriculture," Schmidt said.

There are two more phases to the study, which will be completed in 2000, said Schmidt. The final GEIS will be presented to the Legislature in 2001. The overall goal of the GEIS is to help the people of Minnesota understand the issues and controversy surrounding

animal agriculture, said Schmidt. The success of the final GEIS will be measured by how well it educates and informs the public and the lawmakers, and by the extent to which the information is reflected in future policy decisions enacted by state and local governments, she said.

Gregg Downing, environmental review program, EQB, discussed proposed rules relating to the application of connected actions to animal feedlots. The proposed rule amendment eliminates the requirement that certain multi-site animal feedlots be treated as connected actions, and it lowers the size thresholds at which new feedlots and expansions require preparation of an environmental assessment worksheet (EAW), said Downing. The proposal also changes the exemption category for feedlots, to exempt feedlot projects that are not now exempted from the program, Downing said.

The need for the rule amendment comes from the Legislative directive that the EQB revise and clarify the application of connected actions to animal feedlots, according to the statement of need and reasonableness prepared by the EQB and presented by Downing. The underlying problem that caused the Legislature to give the directive is controversy over the treatment of multi-site feedlots as connected actions, and the more fundamental controversy caused by the trend of increasing large feedlots, particularly hog feedlots, said Downing.

Before the EQB proposed the rule change they solicited public input, said Downing. A series of public hearings will be held during the month of January with additional days of hearing scheduled if necessary, he said. He said it is important to the EQB to hear public comment before the modification in the law is made.

Crime Prevention

DWI issues reviewed

A recurring theme of the complexity of current DWI laws was stressed at a meeting of the Crime Prevention Committee Fri., Jan. 15. The committee was chaired by Sen. Allan Spear (D.L.-Mpls.). A judicial perspective was offered by Judge James Dehn, representing the Tenth Judicial District, Isanti County. Dehn said that practical day-to-day issues on electronic monitoring and sentencing

must be simplified. "We have not done a good job on educating judges across the state on the benefits of monitoring and how it works," Dehn said. He emphasized that the DWI laws should not be made any more complicated.

Capt. Mike Asleson of the Minnesota State Patrol said the percentage of alcohol-related crashes is down. He said the process of DWI arrests is complex, with the arresting officer spending a lot of time in discussion with attorneys. Sen. Randy Kelly (DFL-St. Paul) asked if any jurisdictions in the United States handle procedures differently, and if someone else in the system could meet with the arrested driver's attorney. Asleson said that years ago an alcohol van was on the scene, with its operators carrying out the arrest. "We've considered having one officer just do the processing," he said.

Sen. Leo Foley (DFL-Anoka) said he was a deputy commander of the State Patrol in Minneapolis for 14 years, and it was easier if the individual officer who made the arrest followed the process all the way through. Lt. Dave Graham of the Minnesota State Patrol agreed, saying the amount of time required does cost, but it is exaggerated. "I would not like someone taking over the procedure," he said. "I do think more video cameras would help greatly, though." Asleson said he believed lowering prohibited alcohol concentration in Minnesota's DWI law from .10 to .08 would save lives. He added that the main thing is to not make the current laws any more complex.

Perspectives on DWI issues from the views of both prosecution and defense were examined by Marsh Halberg, part-time Edina city prosecutor and DWI defense attorney. He said the defense is finding DWI charges a more complicated and expensive process to defend. The prosecutor finds different rules for DWI offenses with snowmobiles, boats and cars, making the procedure hard to follow. "To throw it all out and start over again would be worse," Halberg said.

Assistant Attorney General Joel Watne said that a law passed in 1911 stated that whoever operates an automobile under the influence of alcohol is guilty of a misdemeanor. "Since 1971, the law keeps getting amended," he said. "The law has become exceedingly complex." Watne said statistics show that although officers are not finding as many intoxicated drivers, an increasing number are repeat

offenders. He said there are also problems with forfeitures. "If there is a lien on a vehicle, there is not much equity. Our main plea is to not further complicate the system and make any drastic changes. Let the dust settle for two or three years," Watne said.

Several statistics were presented to the committee by Katherine Burke Moore, director of Driver and Vehicle Services. She said the percentage of first DWI incidents was 41 percent in 1998, and the percentage of multiple incidents was 59 percent. The first-time percentage was down from 50 percent in 1997. Burke Moore said there is no known reason for the decrease, but some people speculate that because of the complexity of the DWI law, arrests are not being made. Burke Moore also said that the .20 law, which enhances penalties for anyone registering a blood alcohol level of .20, has not increased the number of refusals by people to be tested. She said that if people test over .20, most of them plead guilty and agree to go on record at a lower percentage.

Karen Sprattler, safety program coordinator for the Department of Public Safety, reported on federal funds each state receives. She said federal funds are given to every state on a formula basis and do not need to be applied for. She said those funds have been used to purchase quick reference guides for officers and attorneys on enforcement of DWI and related statutes. Sprattler said Minnesota has also received other federal funding that provides for improved technology and special enforcement projects. Minnesota has met the requirement of satisfying five of seven grant criteria to receive this funding. If a state passes a .08 law, an additional \$3 million in funding is available.

Steve Simon, director of the Minnesota Criminal Justice System DWI Task Force, said that the task force operates without any funds. "One reason for the decrease in the number of DWI arrests is lack of personnel," he said. Simon said he believes there has to be a way of finding an alternative funding system. "Violent crimes are primarily connected to alcohol," Simon stated. "Most of DWI deaths connected to alcohol occur in rural areas, where there is a lack of personnel."

Alternatives and recommendations for DWI legislation were presented by Dan

Committee update

Storkamp, director of planning and research for the Department of Corrections. The recommendations include establishing a legislatively-created commission to review specific DWI issues, simplifying DWI laws, providing additional programming in jails, providing ongoing research of DWI offenders and increasing use of intensive supervised probation and electronic alcohol monitoring for selected DWI offenders.

DOC report

The Crime Prevention Committee, chaired by Sen. Allan Spear (DFL-Mpls.), met Weds., Jan. 20. Committee members heard a report from the Department of Corrections (DOC) on alternatives to Minnesota's civil commitment of sexually dangerous persons and persons with sexual psychopathic personalities.

Steve Huot, director of the Sex Offender and Chemical Dependency Unit of the DOC, said that the management of sex offenders has greatly changed in the past 10 years. "We have longer sentences, longer probation with intensive supervision and post-release programs," he said, "as well as DNA testing and sex offender registration." Huot said Minnesota leads the nation in development of one of the most sophisticated and respected systems for management of sex offenders. The cost of the system is a per diem of \$330 per day for each offender, approximately \$110,000 per year. The average per diem cost for inmates in the DOC is \$82 per day.

There are two sex offender treatment programs in the medium custody facilities at Lino Lakes and Moose Lake, which currently house 150 and 50 offenders respectively. Huot said that as of July 1, 1998, 126 offenders are in the Department of Human Services (DHS) Minnesota Sex Offender Program. These offenders have been civilly committed on either a final commitment order or a warrant of commitment.

Huot said the DOC refers approximately 45-50 released sex offenders each year to the county of last conviction for consideration for civil commitment. "The referrals are made 12 months prior to the release date," he said. Of this number, Huot said about 50 percent are pursued by the county for commitment, then committed. He said the county finds 10 percent do not require commitment, and 40 percent are not pursued. Commit-

tee members wanted to know why this percentage of offenders are not pursued, and Huot said the reasons vary. He stated that sometimes the behavior of the offenders is not sufficiently severe and sometimes the cases are bad. He added that the DOC keeps open communication with the counties as to the whereabouts of the released offenders.

Huot told the committee that approximately 50 percent of sex offenders enter treatment while incarcerated and of these, about half successfully complete the treatment. "Most offenders referred for civil commitment are those who have either refused or failed sex offender treatment," he said.

Alternatives and recommendations to the current sex offender management program were proposed by a Civil Commitment Study Group (CCSG). The group recommends that the court be required to commit a person found to be a sexually psychopathic person (SPP) or a sexually dangerous person (SDP) to the custody of the commissioner of Human Services for placement in a secure treatment facility. The group also recommends eliminating the 60-day review hearing and consolidating the initial commitment and the final determination into a single commitment hearing; exploring ways to separate funding sources for SPP/SDP provisional discharge aftercare and case management from other mental health funding; and retaining the current confidentiality law.

Currently, in civil commitment cases, the offender can be required to testify against himself, even though the result may be commitment. However, the respondent may invoke the privilege against self-incrimination question by question if the answers may incriminate the respondent with respect to pending or possible criminal charges. John Stuart, Minnesota state public defender, told the committee he disagreed with the confidentiality recommendation. He said that effective treatment benefits both the offender and the public by reducing recidivism. He said that full disclosure by the offender maximizes the effectiveness of treatment and provides the opportunity for services to victims of previously undisclosed offenses. He said that currently inmates have no idea what can or cannot be used against them. He recommends no prosecution or civil commitment based on offenses disclosed

in treatment for cases not covered by mandatory reporting.

Committee members questioned what they said they considered to be the high cost of treatment for sexual offenders. Some members also wondered what measurements are used to determine if treatment has been successful. Members expressed an interest in hearing at a future date from judges, prosecutors and attorneys as well as DHS staff involved in the sex offender treatment program.

Election Laws

Two bills heard

The Election Laws Committee, chaired by Sen. John Marty (DFL-Roseville), met Wed., Jan. 20, in order to hear two bills relating to campaign finance.

The first bill presented to the committee was S.F. 88, offered by Marty. The Campaign Finance and Public Disclosure Board is the only board with a partisan restriction on it, said Marty. The statute, as written, requires one member of the board to be a former Legislator from the same political party as the governor, he said. Because there are no former Legislators from the Reform party, the best solution is to change the law, Marty said. The bill changes the board requirement to two members who are former Legislators who do not support the same political party, he said.

The change is needed to allow the open seat on the board to be filled, according to Jeanne Olson, executive director. The board needs all six members in place now so this is a timely issue, Marty said. Members recommended that S.F. 88 be recommended to pass and be placed on the Consent Calendar.

"The public does have a right to know what lobbyists do and if there are any potential conflicts of interest," Marty said when he presented S.F. 87. "The bill addresses the gaps that are in the disclosure law and it allows the public to know what financial connections the legislators have," he said.

Sen. Ember Junge (DFL-New Hope) asked Marty about privacy issues in a situation where a Legislator might need to keep a list of clients private. Marty said he is open changing the language to allow for situations where certain client information needs to remain confidential.

Beth Fraser, from the Minnesota

Alliance for Progressive Action, spoke to the committee regarding the registration and disclosure of conduit funds, which is addressed in the bill. Fraser said the registration and disclosure of conduit funds in no way changes the function of the funds. It is simply a way for the public to know which companies have conduit funds and how much money is contributed to candidates through the funds, she said. "Conduit funds are the black hole of the disclosure laws," said Fraser.

Sen. Douglas Johnson (DFL-Tower) asked Fraser to give examples of conduit funds. Fraser replied that she could not because currently they are not required to register with the Campaign Finance and Public Disclosure Board. Marty added that the public is very concerned about the impact of money in politics. The bill simply asks for disclosure and nothing more, said Marty.

Nate Gravis, representing the Dayton-Hudson Corporation told the committee that his company has a conduit fund which is called the DH Citizens Forum. He said the fund is a service the company provides for employees, but that the company has no control over who participates, how much money is disbursed or to whom the money goes. Gravis said the fund just makes it easier for the employee to save money through a payroll deduction and then contribute to a candidate at election time. He said there is no bundling of the money because the contributions are sent by the individual along with a cover letter provided by the company. Gravis said more regulation might discourage participation and create more administrative burdens for an already overloaded system.

Environment and Natural Resources

Fish stocking discussed

Last year a subcommittee was established to look at fish stocking by the Dept. of Natural Resources (DNR). The subcommittee was formed after an amendment to a game and fish bill by Sen. Douglas Johnson (DFL-Tower) which would have required the DNR to annually stock 300 million walleye fry and 4.4 million walleye fingerlings in Minnesota lakes, passed the Senate but

failed in the House last session.

On Weds., Jan. 20, the Environment and Natural Resource Committee, chaired by Sen. Bob Lessard (DFL-Int'l. Falls), met to hear a summary of the findings and recommendations from the subcommittee's two co-chairs, Sen. Jane Krentz (DFL-May Township), and Sen. Gary Laidig (R-Stillwater).

Krentz said the subcommittee's hearings last summer in Grand Rapids, St. Paul, Alexandria, Willmar, and Brainerd, were well attended. "There was lots of interest with varying perspectives," she said, "There was a lot of negativity at first but as the dialogue progressed, people began listening."

Laidig said subcommittee members learned that the issues involved in fish management are more complex than just increasing the amount of fish stocking in lakes. He said issues such as the fertility rates of the various species of fish, the size and oxygen levels of the lake, all play a part in determining the strategy of fish stocking in a particular lake.

"All people want better sport fishing in Minnesota. But whatever we and the DNR do, it must be grounded in science," Laidig said, "We have to look at each lake individually... It's not just a matter of throwing fish into a bathtub," he said.

Krentz said the subcommittee's work increased the level of dialogue around the state about the issue. She said she hoped the work the subcommittee accomplished would continue. "I would hate to lose the progress we made. I want to keep that going. We have to realize the huge economic impact this has on the local level and on tourism," Krentz said.

Lessard praised the subcommittees work. "This is one of the most productive subcommittees I've seen in getting results. The debate really accomplished something- some people said it wouldn't, but it did," he said.

Ron Payer, chief of the DNR's Section of Fisheries, outlined a program the department is proposing to address issues of the number of walleye in the state's lakes. Payer said the Accelerated Walleye Program has been agreed to by groups representing sportfishing interests like the Fish Funding Citizens Oversight Committee, and the Fishing Roundtable.

The program increases the annual walleye fingerling production number from 70,000 to 100,000 pounds per year

to 120,000 to 130,000 pounds per year. It also includes increasing the frequency of sampling on stocked walleye lakes to shorten the amount of time it takes to evaluate stocking strategies, Payer said.

"One of the issues we have had is bad communication. We have to do a better job getting information out to address the level of concern out there," he said. He said the Accelerated Walleye Program includes a provision for public input through increased meetings, use of the Internet, and open houses at area fishery offices.

Payer said the DNR would be less conservative in its goals for managing walleye levels by being more liberal in its approach with requests to stock privately raised fish in addition to DNR quotas. "We have heard the criticism that we have been too conservative. We will be more aggressive and more ambitious with our goals," he said.

He said the Accelerated Walleye Program also provides for a walleye program specialist, who would oversee statewide coordination of the program, maintain a database of information on stocked walleye lakes, and review management plans, goals and walleye population status.

Sen. Dennis Frederickson (R-New Ulm), questioned Payer about the wisdom of labeling the new position "walleye" program specialist because it would raise the possibility that groups interested in other species of fish would then want the DNR to assign a specialist for that species. Payer said he was not opposed to renaming the position's title.

Payer said because the funding has not been approved yet by the governor's office, it is not a part of the DNR's budget request. Sen. Steven Morse (DFL-Dakota) said that if the program is not funded, fees for licenses may increase to pay for some of the costs.

Sen. Dan Stevens (R-Mora) said, "No one likes to see fees increase but what people really want is value for their money. An increase from \$13 to \$15 is not a great deal to spend if the perception is that they will catch more fish. If people go out and don't catch fish they don't see the value."

Sen. Jim Vickerman (DFL-Tracy) disagreed with Stevens. "With the two and a half to three billion dollar surplus I would hate to try and sell the raise of license fees to people."

Committee update

Environment and Agriculture Budget Division

MPCA's record examined

The effectiveness of the Minnesota Pollution Control Agency (MPCA) in dealing with water quality issues was the subject of the Environment and Agriculture Budget Division's hearing Tues., Jan. 19. The division, chaired by Sen. Steven Morse (DFL-Dakota), heard from members of the MPCA as well as representatives from various environmental groups.

"It's more than a question of enforcement," Morse said. "It's also an issue of how does the MPCA lead on emerging environmental issues."

Lisa Thorvig, acting commissioner of the MPCA, said the agency has done a effective job in helping to protect the state's environment. "Compliance is the goal of the agency's activities," she said, "Enforcement is only one of the tools we use."

She said the MPCA believes its programs should strike a balance between providing training and assistance along with its enforcement activities. "Most businesses want to comply with environmental regulations if they are shown what they must do," she said. "Collaboration rather than confrontation can lead to better and longer lasting results."

Thorvig said that Minnesota communities and companies are in 98 percent compliance with their pollution reporting and permit requirements. She said the agency has provided the lead in working with the communities and companies so that they are in compliance with pollution standards.

Barbara Liukkonen from the Rivers Council of Minnesota, a nonprofit organization dedicated to helping the state protect its rivers and streams, said better monitoring is needed to "protect and improve the quality of our abundant and precious surface water resources."

She said the system lacks accurate measurements on the quality of water in the state's rivers and lakes. She said the council wants to see more community involvement in the permitting process. "A healthy river is an essential element of a community's infrastructure," she said. "If we want the community to thrive, we need to invest in the infrastructure."

Liukkonen gave the committee a fact sheet from the Rivers Council stating

that the National Pollution Discharge and Elimination System (NPDES) established in 1972 under the Federal Clean Water Act, requires the issuing of permits to regulate the discharge of pollutants into United States waters. In Minnesota the MPCA is responsible for issuing the permits and enforcing the regulations.

Sol Simon from the Mississippi River Revival, a nonprofit organization from Winona, said the MPCA's records show that 72 percent of Minnesota's major discharge facilities are in violation of their NPDES permits. He said the same records show that 67 percent of all Minnesota NPDES facilities are in violation of their permits.

Simon said that there are two major categories of violations: reporting violations and effluent violations. He said reporting violations occur when a discharger fails to submit their reports or submits an incomplete report. Effluent violations are violations where the concentration, volume, or temperature violate the permit limits.

He said the number of violations are of concern not only because of the high percentages but also because the reporting relies on the dischargers to provide the information. "It's like having to stop and fill out a report saying how fast you are driving every hour. And if you are driving over the speed limit the police would then go ahead and issue you a ticket."

He suggested the agency develop a report card to better communicate with the public the rate of compliance of NPDES permits. "The MPCA needs to be consistent. We need to reward companies that are doing well. We do not want to penalize good behavior," he said.

Family and Early Childhood Education Budget Division

Child care overview

The Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Fri., Jan. 15, to discuss issues related to child care in Minnesota.

The first report was given by Zoe Nicholie, supervisor of child care development for the Minnesota Department of Children, Families and Learning. Nicholie spoke regarding the results of a

survey administered to Minnesota Family Investment Program Employment Services (MFIP ES) job counselors in Nov., 1998. According to the survey-to which a total of 225 counselors across the state responded-64 percent of current MFIP ES clients receiving child care assistance experience problems finding child care as they transition from welfare to work, she said. Also, Nicholie said that 93 percent of the counselors reported that their clients have trouble locating child care that fits a non-standard work schedule, 79 percent have trouble finding care near home or work, 78 percent experience difficulty finding care for a special needs child and 72 percent have problems finding care in time to begin a new job. Nicholie reported that 84 percent of the counselors said their clients have missed work because of child care problems, while 69 percent said they have had at least one client lose or quit a job because of a child care problem. Nicholie told the committee members that many families often try "patching" together a variety of child care arrangements - such as through family members, friends or a center - in order to meet the demands of their job.

In a separate report, Laurie Possin, director of family services and planning with the Greater Minneapolis Day Care Association, said her organization has found many of the same problems as discussed by Nicholie. Finding child care for parents with infants or toddlers and children who have special needs is difficult, she said, as is finding child care for parents whose jobs start before 7 a.m. and after 5:30 p.m. She said finding child care that is culturally relevant is also difficult. Possin said to combat these problems, the business community must be made aware and become involved in creating private sector child care solutions.

South Side Child Care representative Carla Jacobson detailed the results of a child care related survey based on interviews of 210 families in four South Minneapolis neighborhoods. According to the results, she said, the average annual income of those surveyed is \$12,259, with 61 percent of the families living below the established federal poverty level. She said the low income left the families with very little child care purchasing power. Also, 52 percent of those surveyed work full or part time and

50 percent receive child care subsidies. Two-thirds responded that they did not receive all the care they needed during the past year due to issues of transportation, cost or non-standard working hours, while some were simply on a long waiting list. Jacobson also said many parents reported refusing overtime or weekend hours because of the lack of child care. The most important factors in a child care situation were, she said, related to its environment, location and safety.

Representatives from the St. Paul-Ramsey County Children's Initiative spoke to the committee as well. Elona Street Stewart said the goal of the initiative is to create partnerships between parents and the community to create better child care opportunities. She said the organization is an advocate not only for the parents but also for the providers, and focuses mainly on health issues, family development and school readiness. She said parents are making more requests for child care providers with cultural competency as well.

Independent consultant Karen Kurtz Reimer discussed the Minnesota Department of Children, Families and Learning funded "Hope and Dreams, Challenges and Strengths" report. The report, based on interviews conducted with 100 parents in Bemidji, Duluth, Minneapolis, St. Paul and Worthington, was designed to discover what Minnesota parents value, Reimer said. Among other questions, parents were asked what would help them achieve their goals for their children and their family, and according to the survey, many spoke of the need for more child care options. They especially noted the need for quality infant and culturally specific care, as well as the need for financial assistance for child care. The parents also noted more child care options would allow them to attend school or training programs.

Overviews heard

The Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Tues., Jan. 19, to hear an overview of safe and healthy communities and to discuss the benefits and challenges of public recreation.

Mary Ellison, manager of the Prevention Division in the Minnesota Department of Children, Families and Learning (CFL), reported on the various programs

sponsored by the department, such as the After School Enrichment Program and the Make the Peace Campaign. Ellison said the After School Enrichment Program was established in 1996 to provide activities through a community collaborative for nine to thirteen year old youth in the state. Each collaborative, she said, consists of representatives of community organizations, the county, city and school district, as well as parents and youth. According to data Ellison provided, during the 1997-98 school year, 52,143 students across the state participated in the enrichment program. They were involved in academic or tutoring activities, art, athletic, or cultural activities or classes, skill training and mentoring sessions and various special events. Ellison also described the Make the Peace Campaign, which is a state-wide initiative working to prevent violence. In its fifth year, the aim of the campaign, she said, is to promote personal responsibility for peacemaking, and it uses the mass media to tell stories about small, individual actions that can have a real affect on people's lives. She pointed to the billboards on various sections of highways in Minnesota which state "You're the One Who Can Make the Peace" as an example of the Make the Peace Campaign.

Independent evaluator Christa Treiche spoke regarding her overview of the Children's Trust Fund and the In-School Behavior Intervention program, both of which are a part of CFL. The Children's Trust Fund, Treiche said, collaborates with 45 existing or new child abuse and neglect intervention programs. She said she is analyzing the extent of parental involvement in the program, how other child neglect prevention organizations view the program and how well the program partners with others in the community. The In-School Behavior Intervention program, she said, work with four school districts to implement restorative justice demonstration projects. Treiche said she is currently analyzing the program's effect on student attendance and achievement, suspensions and expulsions and general classroom climate.

Under the benefits and challenges of public recreation, Jim Crotty, executive director of the Boys and Girls Club of Minneapolis, said the mission of the club is to prepare and enable all young people to reach their full potential. He said the

club works with young people during non-school hours, and the club's mission is enhanced by collaborating with the school and park systems to provide better services for youth in Minneapolis.

Minneapolis Henry High School student Waseng Xiong spoke about how he has been enriched by the Boys and Girls Club. One of four children, he said he immigrated to the U.S. with his parents at the age of six, and in elementary school was taken to the boys and girls club. Through his participation, he said, he learned about computers, sports and theater, made many friends and learned to respect others. He said he has seen kids change from being "street bangers" to smart and respectful people through their involvement, and said his own life may have been one of "mischief" and "crime" without the influence brought by the boys and girls clubs.

Edison High School student Jaquita Cook spoke about how her life has been enhanced through the Boys and Girls Club as well. She said she grew up with a drug addicted mother who was involved in prostitution, but that the boys and girls club gave her somewhere to go and someone to show her the "right way." She said the club has a "loving staff" and her life was turned around because she was able to be around adults who cared about her.

Maureen Durand, assistant superintendent for recreation with the Minneapolis Park and Recreation Board, said the park staff is faced with many unsupervised children in the city who come to the parks after school or during the summer. As an example of this, Corky Wiseman, the center director at Powderhorn Park, said he sees between 200 and 300 children every day at his park during the school year, and as many as 400 during the summer. Many parents, he said, use the park as a kind of day care, and the kids stay all day long in the summer. He also said there is not enough staff to properly supervise all of the children who stay in the parks.

Child development discussed

Dr. Martha Farrell Erickson, director of the Children, Youth and Family Consortium at the University of Minnesota, spoke to members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), about the power of infant to parent

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attachment at the meeting held Wed., Jan. 20.

According to Erickson, attachment is the lasting, intimate relationship that develops between a baby and his or her parents or primary care giver. It is a secure attachment, she said, that provides a strong foundation for positive human development. Erickson identified certain risk factors—such as poverty and unstable housing—that prevent children from reaching a secure attachment, and listed other factors that help a child develop a secure attachment. These include a relationship with caring adults, at least one domain of competence, service to others and faith and support of a faith community. Of the general population, she said, 80 percent of children develop a secure attachment, while in a high risk family, only 60 percent develop a secure attachment to their care givers.

Erickson discussed a recent study of 267 high risk families, in which the children were divided into four categories of attachment—secure, anxious resistant, anxious avoidant and disorganized—based on the observed interaction between parent and child. Those children with a secure attachment to their care giver were observed to have been given sensitive care. This sensitive care can be seen in daily interactions, said Erickson, such as a parent responding to a crying baby, and the children were seen to feel secure and trusting because their needs are being met. She said a secure attachment usually results in a later connectedness.

The children with an anxious resistant attachment to their care giver were observed to be the recipients of erratic care. These children, according to Erickson, get their needs met only occasionally, and as a result become anxious, dependent, hesitant and vulnerable. She said this does not usually predict later violent tendencies. The children with an anxious avoiding attachment were observed to be chronically under cared for. As opposed to a secure child, a child in this category will cry with no response from a care giver, said Erickson, and as a result can become distant and lacking in empathy toward others. She said these children can also become aggressive and may at a later date become violent. Finally, the children with a disorganized attachment were observed to be the recipients of threats from their care givers. Not only are they

under cared for, but they are also abused by their parents, causing them to become confused, dissociative and anxious. Parents are supposed to be a place of refuge, Erickson said, but these children do not know whether to reach out to their parents or to brace for more abuse, and as a result those in this category may later have mental health problems.

Erickson also spoke regarding what she called the intergenerational continuity of maltreatment. Citing a different research project, she said that of 47 mothers studied who were abused in their childhood, 40 percent also abused their own children. Also, 30 percent provided borderline care for their children. On the opposite spectrum, she said, of 114 mothers studied who received good care as a child, only one abused her own child. She said the abused parents who did not return that abuse on their child were found to have had a supportive adult available at some point in their childhood, a supportive partner as an adult and some resolution (usually at least six months of counseling) of their own childhood experiences. She said it is critical for parents to get past the history of their own negative childhood.

Erickson also told the committee that there are certain items parents need in order to succeed. She said parents need their basic needs met (food, shelter, etc.), an understanding of child development, support for themselves and a guided look at their past. She stated that she was not speaking before the committee to advocate any specific policy proposals, but to present her basic findings and hopefully be an important part of any family related policy decisions to be made in the future.

Governmental Operations and Veterans

OT audit heard

The Governmental Operations and Veterans Committee and the Governmental Operations Budget Division, chaired by Senators James Metzen (DFL-South St. Paul) and Leonard Price (DFL-Woodbury) respectively, held a joint meeting Thurs., Jan. 14, to review the Office of Technology (OT) financial audit.

Claudia Gudvangen, deputy legislative auditor, explained the scope of the audit

and presented the conclusions to the committee. Since the Office of Technology is relatively new, this is the first audit that's been conducted, said Gudvangen. The scope of the audit included general financial management, travel, grants, payroll, and other administrative expenditures for the period from July 1, 1996 through June 30, 1998. Two significant concerns were found relating to the overall financial management of the office, according to Gudvangen. The office showed a lack of fiscal responsibility in many of its early spending decisions, and office did not adequately separate key financial duties among its staff, Gudvangen said. She said, "The state should avoid this type of a funding arrangement in the future."

Price asked if this type of audit result is an anomaly or if it is seen often. Gudvangen said the audit had more significant issues than most, due partly to the funding structure. Jeanine Leifeld, audit manager, told the committee the funding arrangement for the Office of Technology is unusual, because some of the funding comes from the Dept. of Administration and some of the funding comes from mobility assignments in other state departments.

Outgoing Executive Director of the Office of Technology JoAnn Hanson, responded to the audit report. Because she had concerns she had when she first joined the department in 1997, she requested an early audit, Hanson said. She said the audit laid out for her the things that needed to be done such as the separation of duties. She said she took steps to put the procedural changes into place. Hanson assured the committee that the shortcomings brought out in the audit report have been remedied.

The tracking report of information technology expenditures was presented by Debra Bean, from the Office of Technology. Report findings state that the state of Minnesota spent \$326 million on information technology in FY 1997, which is 8.3 percent of total operation expenditures. Bean noted that the report did not include IT expenditures from K-12 schools, since most of that money is from grants. Sen. Martha Robertson (R-Minnetonka) said that the money given to schools for IT should be included in the report, regardless of whether or not it is grant money. Bean said that state agencies project information technology

expenditures to grow over the current biennium at rates double that of inflation. The Office of Technology recommends IT investments be evaluated in the context of the programs they serve. "We need a better way to determine the validity of the IT expenditures," said Bean.

Sen. LeRoy Stumpf (DFL-Thief River Falls) said the Office of Technology should be exclusively under the Dept. of Administration. "It's hard for an office outside of everything to coordinate things within all the state agencies," he said. Hanson explained that there is an Information Policy Council on which members from state agencies have a seat, and the OT works most closely with the Dept. of Administration and the Dept. of Finance. Hanson said there are more pros than cons in keeping the department as a separate entity. She said she does not recommend folding the department into the Dept. of Administration.

Financial audits presented

The Governmental Operations and Veterans Committee and the Governmental Operations Budget Division met jointly Tues., Jan. 19, to hear the financial audit reports of three state agencies. Sen. James Metzen (DFL-South St. Paul) and Sen. Leonard Price (DFL-Woodbury) chair the committees, respectively.

The financial audit of the Dept. of Employee Relations was presented by Brad White, audit manager with the Office of the Legislative Auditor. The scope of the audit included statewide payroll expenditures, employee insurance programs, and state employee workers' compensation liabilities. White listed four areas of concern based on the audit results: Incompatible access for certain users of the human resource and payroll information system (SEMA4), inability to repay a \$2 million loan, ineffective monitoring of certain insurance collections and an excessive pretax benefit plan administrative balance. To correct these problems, procedural changes have been implemented or programs have been discontinued, according to White.

Karen Carpenter, commissioner, presented an internally prepared overview of the department. Price asked Carpenter if the report was necessary, in addition to the Legislative audit report. Carpenter said it takes many hours to produce the report and the department would still track the information whether

or not a performance report was compiled. All agencies were asked to put together a document for the new administration, said Carpenter.

Jim Riebe, audit manager, gave the audit report on the Minnesota State Lottery. Riebe began with background information about the agency. The lottery was created in 1989 and is governed by statute. Sixty percent of net proceeds go to the general fund and 40 percent of the net proceeds go to the Environmental and Natural Resources Trust Fund. Riebe highlighted some of the 1998 financial statistics of the agency and said that the annual financial statement audit is required by statute. The scope of the audit covered prize expense and unclaimed prizes, operating expenses, transfers of money to state funds, and employee payroll.

The objectives of the audit were to review the internal control mechanisms and to test compliance with statutory provisions, according to Riebe. Audit conclusions found that the lottery complied with state statutes tested and that adequate payroll controls and transactions tested complied with bargaining unit provisions, said Riebe. He said the audit found that detailed electronic retailer transactions were accidentally purged for six months of FY 1996, but paper copies of the information were made available to the auditors.

The Minnesota State Arts Board audit was presented by Renee Redmer, audit manager. The audit covered the three years ended June 30, 1998 and included the areas of grants, artwork purchases, employee payroll, other administrative expenditures and promotion of the Arts Partnership Agreement. Redmer explained that state appropriations and federal grants are the source of funds for the agency and the funds are disbursed as grants, employee payroll, and other administrative expenditures. Redmer said legal provisions were complied with and appropriate internal controls were implemented. She said the agency did not properly deposit and use some state and federal refunds and also the department circumvented state purchasing policy for purchases over \$1500. Executive Director Robert Booker addressed the committee regarding the audit conclusions. He said the department has now complied with the concerns about the federal program.

Governmental Operations Budget Division

Dept. of Finance report

The Governmental Operations Budget Division, chaired by Sen. Leonard Price (DFL-Woodbury), met Weds., Jan. 20, to hear the performance report and audit results of the Dept. of Finance.

Acting Commissioner Wayne Simoneau made brief statements about the dedication of the employees in the Finance Dept. He then introduced the assistant commissioners who presented portions of the performance report applicable to their responsibilities. Gordon Yurich, of the Finance Dept. told the committee that the primary customers of the department are state agencies and entities. The department provides business processes and systems management for daily operations such as accounting, payroll, procurement and human resources, he said. State employees, vendors, individuals, school districts and local governments receive payments through the business systems the department provides, said Yurich. In addition, the financial management functions provide information to the governor and executive branch, the Legislature and the public, Yurich said.

Yurich said Minnesota ranks nationally in the top tier of states in financial management and is ranked AAA by all national bond rating agencies. Minnesota is one of only ten states to have this triple A bond rating, said Yurich. In his discussion of key operating measures, Yurich said the department has acted aggressively to upgrade systems to implement necessary Year 2000 changes. Sen. Dennis Frederickson (R-New Ulm) asked if the department has an emergency procedure in place for Y2K. Michael Ladd, assistant commissioner, said that although all the changes have been tested, the department will continue to monitor other systems because the accounting and payroll systems interface with 57 separate state agency systems, as well as banks and financial institutions. He said the department will work with business partners to ensure that no disruptions occur.

The financial audit of the Dept. of Finance was presented to the committee by Cecile Ferkul, audit manager. She stated the primary objectives of the audit

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were to render an opinion on the financial statements and satisfy federal single audit requirements. The financial reporting responsibility of the Finance Dept. is to coordinate the preparation of the state's financial statements and help other agencies to understand and apply generally accepted accounting principles, Ferkul said. She said that one of the findings of the audit was that there were some problems working with other agencies. The Finance Dept. didn't have problems, but the agencies they work with did not understand accounting principles, did not have accurate information, and did not submit information in a timely manner, according to Ferkul. The recommendation for resolution of the problem is for the department to work with the other agencies to ensure that they understand accounting principles and know how to obtain accurate data.

Christopher Buse, information systems audit manager, discussed the IS audit findings. The focus of the audit is the management and control of information and related technology. Two areas of audit are the Minnesota Accounting Procurement System (MAPS) and the State Employee Management System (SEMA4). The complexity of the technical world and the sensitivity of security issues are the biggest challenges faced in the field of information systems, according to Buse. Most of the state's major computer systems rely on a large overnight batch stream and the audit concluded that the MAPS batch stream is at risk because most jobs run from an unsecured environment, said Buse. The audit also showed that some IS people had more clearance than they needed for their job responsibilities, Buse said. The department is working on solutions to the security issues, Ladd told the committee.

Health and Family Security

DHS updates

Representatives from the Minnesota Department of Human Services provided members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), with updates on various programs within the department at the meeting held Thurs., Jan. 14.

Mary Kennedy, assistant commissioner of health care, spent the majority of her

time before the committee discussing the new Senior Drug Program. According to her report the program, implemented Jan. 1, is designed to help senior citizens over the age of 65 pay for their prescription drugs. To qualify for the program, seniors must have an income below 120 percent of the federal poverty level, have assets below \$4,000 for a single person or \$6,000 for a married couple (not including homesteads), have been a Minnesota resident for at least six months and receive or apply for a Qualified Medical Beneficiary or a Service Limited Medicare Beneficiary. Those who do qualify for the drug program must pay a yearly non-refundable fee of \$120 and a \$25 monthly deductible.

Several Senators had concerns about the program. Questions were raised regarding how affordable the \$120 yearly fee would be for those on a fixed income, the possibility of a sliding fee scale based on income and the feasibility of keeping eligible for the program those who had more than the allowable amount of assets due to a recent sale of their home.

Kennedy also spoke briefly on various health insurance options, Minnesota's federal assistance waivers and an ongoing health plan performance study.

LaRhae Knatterud, project director of the Aging Initiative with the department, spoke to the committee about Project 2030. According to Knatterud, Project 2030 is a two year initiative with the goals of identifying the impact of the baby boom generation that begins turning 85 in the year 2030, and to prepare a state response to the changes that will accompany the aging of the state's population. The study was necessary, she said, because by 2030, 25 percent of Minnesotans will be over the age of 65, not only fueling the need for senior related goods and services but creating a significant rise in the state's Medicaid budget. Although Project 2030 is not intended to develop specific programs or policy proposals, she said, four major themes emerged as methods to best prepare the citizens of the state for the age shifts that will accelerate in 2030. The themes are helping baby boomers prepare financially for retirement, promoting personal responsibility for health maintenance and long term care costs, increasing "age-sensitivity" of physical, social and service infrastructures and contributing to the state's economic

growth through the creative use of the aging population through working and voluntary roles. Knatterud said the key to the success of the project is making sure that the people of Minnesota understand and are prepared for the coming changes.

Committee members also heard a presentation about the Minnesota Senior Health Option Project (MSHO) from Pam Parker, manager of the project. According to Parker the project, which started in March of 1997, is meant to simplify the health care of senior citizens who are enrolled in both the Medicare and Medicaid programs. MSHO membership simplifies their health care, she said, because it combines the Medicaid and Medicare benefits in to one program and because a care coordinator - who helps ensure the needs of a patient are met - is also provided. Currently, the program is offered in Anoka, Dakota, Hennepin and Ramsey Counties and has an enrollment of approximately 2,600 senior citizens.

MFIP update

The Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Fri., Jan. 15, to hear an update on the Minnesota Family Investment Plan (MFIP) given by members of the Department of Human Services.

The first report was given by Bonnie Becker, director of adult supports for the Transitional Supports Division with the department. Becker spoke regarding the Food Stamps for Non-Citizens program, which, officially titled the Agricultural Research, Extension, and Education Reform Act of 1998 (ARRERA), restored federal Food Stamp eligibility to those who had lost Food Stamp eligibility in 1997 because they were not U.S. citizens. The act became effective Nov. 1, 1998, and provides 100 percent state funded food stamp assistance to all immigrants who met criteria specified by the federal government. According to data Becker provided, as of Nov. 1998 a total of 3,996 people were receiving food assistance, of which 2,695 were receiving MFIP benefits as well.

Deb Huskins, assistant commissioner of Economic and Community Supports Strategies with the department, provided committee members with an MFIP update. Huskins said it has been a year of

“tremendous change” for everyone involved in the implementation of MFIP, which is now in its 13th month of operation in Minnesota as the replacement for AFDC. She said “huge numbers” of people were added to the program in May and June, but since then the number of additions has declined. She also advised the committee members that now is not the time to make major changes in the program, but to make certain areas work better. She said paperwork and caseloads of job counselors need to be eased to allow the counselors to spend more time with each family, communication between the various social service agencies needs to increase and people still need help expanding their job skills even after finding their initial job. She also said a major challenge is dealing with people who have multiple issues such as mental health problems, literacy problems and chemical addictions. Another major problem Huskins discussed was child care. She said many parents are able to take only part time jobs because of child care needs, and because of that, child care should be a “strong focus” in the coming year.

Chuck Johnson, co-director in the Families with Children division, spoke about work rates of those receiving MFIP benefits. According to Johnson, as of Sept. 1998 the number of MFIP cases in the state was holding at a “fairly steady” total of 46,248, of which 33,625 were families with one eligible parent. Johnson also said that of those just over 46,000 cases, 12,910 were involved in a paid work activity, while another 1,555 were involved in a non-paid work activity such as job training. He said the number of cases involved in paid and non-paid work activities equals 31 percent of the case total.

Some time was given to discuss local MFIP implementation issues as well. Mary Ann Senjum, from the South East Minnesota Private Industry Council, said 1,800 people are enrolled in employment services through her organization, two-thirds of whom are still receiving MFIP benefits. She said most of her clients do not care what kind of job they acquire, but that most jobs do pay under \$7 per hour. The challenge, she said, is to continue to work with the clients to provide them with more job training and long term goals in order to increase their

pay and skills. She said she believes MFIP is working, and any major changes to the program should not be made for at least another year.

Edna Hoiium, income maintenance director with Anoka County Human Services, spoke to the committee members as well. She described the new work force center in Blaine as a positive addition to the county, because clients now have one place they can go to for consistent advice. She also said that although she thinks MFIP is working well so far, she is concerned about the large number of cases job counselors must see and about how to deal with clients who have multiple issues. She also said that stable housing would help any employment effort and that child care is a problem, as there are 700 families currently on the waiting list for child care in Anoka County.

Jobs, Energy and Community Development Committee

Affordable housing discussed

Members of the Jobs, Energy and Community Development Committee, chaired by Steven Novak (DFL- New Brighton) heard testimony Thurs., Jan. 14, and Fri., Jan. 15, about the growing shortage of affordable housing in Minnesota.

Tom Fulton from the Family Housing Fund, a nonprofit organization created to address affordable housing needs, told the committee the problem is getting worse despite the growing economy. He said affordable housing is usually defined as paying no more than thirty percent of income for housing costs. “There is a fallacy that if you solve the job problem you will solve the housing problem,” he said. “But the work doesn’t always pay for a home.” He said housing costs are rising faster than the wages people are earning and thus, working full time does not always guarantee access to affordable housing.

“A typical two-bedroom apartment in the Twin Cities area rents for at least \$621 per month. To afford this apartment, a family would need to earn at least \$25,000 per year,” Fulton said. He said a person earning the minimum wage would earn less than half that amount. In addition to the gap between wages and housing costs, Fulton told the committee

that the rental housing vacancy rate in the Twin Cities is now less than one percent.

Warren Hanson, also from the Family Housing Fund, said the housing shortage is a problem statewide. “There is a tremendous amount of job growth—20,000 to 30,000 new jobs in Greater Minnesota every year,” he said, “The state must continue to invest in affordable housing in order for the economy to grow.”

The committee was told that business owners are looking to the state for help in dealing with a shortage of workers. Mike Helgason, of Gold’n Plump Poultry, which employs over 1,900 people in Cold Spring, said the shortage of housing is making it increasingly difficult for his company to find qualified help. “People are unable to take a job because there are not enough affordable places to live in the area. The commute or access to vehicles, or lack of childcare, reduces employees’ access to viable jobs,” he said. “As an employer trying to expand we are hampered by the lack of qualified employees.”

The shortage of affordable housing has increased the number of homeless people in the state. Michael Dahl, from the Minnesota Coalition for the Homeless said that according to a Wilder Research Center survey there are approximately 16,000 homeless people in Minnesota. He said that one-sixth of the people in shelters have jobs. “The Legislature is required to deal with the impact of a natural disaster. We ask that you deal with this housing crisis. Of course it is not the same, but the results are often the same. The last thing we need is for the number to grow,” Dahl said.

Nancy Mischel, an attorney for the Legal Services Advocacy Project, and June Jordan from the Tenant Screening Advocacy Project, said the increasing number of people looking for affordable places to live, along with the declining availability of apartments and homes, has created a process that furthers the problem. “Tenants pay an average of \$25 per application,” Jordan said, “They aren’t told the criteria on which they are being judged. They aren’t told the number of applications that have been submitted so they don’t know their chances. And, they aren’t informed of the reason for their denial.” Jordan said the non-regulated cost of the fees limits

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the opportunities for those looking for a place to live.

The committee heard that increasing crime in the state contributes to the housing problem. Charles Disney and William McGaughey, from the Minneapolis Property Rights Action Committee, a group of Minneapolis landlords, said because of a growing crime rate, landlords are limited in helping to find solutions to the housing shortage. Disney said landlords are sometimes forced to close an entire apartment building because criminals move in. "The city of Minneapolis has a 94 to 1 arrest to retention ratio," Disney said. "We are not dealing with our crime issues. All we end up doing is moving the criminals around. If we get the criminals off the street we wouldn't have this housing crisis," he said.

Ted Blaesing, superintendent of the White Bear Area Schools, said that the housing problem also impacts education. "For students attendance equals achievements. Mobility significantly impairs the ability of a child to achieve." He said his district is having a difficult time hiring new teachers. "I was stunned to learn the number of new teachers, especially first time teachers, who simply cannot afford to live in the community," Blaesing said.

Sen. Randy Kelly (DFL- St. Paul) urged legislative action. "We've neglected our infrastructure. What used to be a half hour drive now takes two to three hours. We don't have the will to address the issues. We know what the problems are; we need more leadership."

Judiciary

Malpractice bill okayed

Discussion continued at the Judiciary Committee meeting Fri., Jan. 15, on a bill, S.F. 90, designed to modify the statute of limitations for medical malpractice actions. Sen. Jane Ranum (DFL-Mpls.) chaired the meeting. The bill, authored by Sen. Don Betzold (DFL-Fridley), provides that a patient can sue a health care provider for malpractice within two years after the patient discovers malpractice. The bill also provides for a six-year limitation overall during which the patient can take action. Concern was raised by some committee members regarding wording in the bill recommending that an action can be brought against a health care provider

alleging, among other things, a failure to cure. Chris Messerli, an attorney whose practice in Minneapolis consists of medical negligence, said no physician is responsible for failure to cure unless there is negligence. He added that the issue has never come up in any litigation he is aware of.

Discussion ensued over an amendment to change the statute of limitations in the bill from six years to four years. Betzold said that he is opposed to this amendment. "The reason for the six years is largely to do with cancers, which grow at different rates and may not be discovered for six years," he said. Roger Hagen, representing Minnesota Medical Association and Minnesota Medical Insurance Company, said that he sees difficulty with the discovery rule and that six years would triple the current statute of limitations.

"The defense doesn't like the discovery rule," said Sen. Allan Spear (DFL-Mpls.). "It seems to me the discovery rule is a matter of fundamental fairness." He said most states have adopted some kind of discovery rule. Spear said that in a perfectly fair world, the statute of limitations should run forever, but there has to be some point when a physician knows he or she is not liable. "A cut-off at two years without a discovery rule is unfair," he said. The amendment did not pass, and the bill's statute of limitations over-all remains at six years.

Committee members considered another amendment that would allow action to be taken by a patient retroactively. Hagen said this was of enormous concern, especially for physicians who have retired. "They're left without any (insurance) coverage, and it could be hard for them." Betzold opposed the amendment, saying the bill should affect people who are currently barred from taking action. Spear said that although he supports the bill and believes the law needs changing, he does not think there is a need to reopen cases that have previously expired. "I generally believe we shouldn't do things that have a retroactive effect," he said.

Sen. Thomas Neuville (R-Northfield) offered an oral amendment specifying an effective date of Aug. 1, 1999, for which the applicable statute of limitations has not expired. The amendment was adopted.

An amendment authored by Sen.

Sheila Kiscaden (R-Rochester) setting forth the requirements for qualifications of experts providing affidavits in malpractice cases was debated. "The qualification of experts has been up to the trial judge, historically," Sen. Richard Cohen (DFL-St. Paul) said. "The amendment opens up a Pandora's box." Kiscaden cited the case of a neighbor who is a specialist in threading catheters in infants' hearts. She said she believed such an area of specialization would require judgment by other such specialists. "It's only fair to be judged by experts," she said. Bill Stori, representing Mayo Clinic, added that there is a concern with experts not understanding an issue, listing as examples an expert who has been retired many years or does not do the procedure at issue. "Practically, I have never heard of this being done, bringing in someone who has retired ten years ago," Messerli said.

The amendment was not adopted.

Another amendment offered by Kiscaden relates to a review of attorney's fees on a malpractice case and provides that the court may approve the attorney fee arrangement or reduce the amount of the fee, but could not increase the fee. Following a brief discussion, the amendment also failed.

The bill was approved and re-referred to the Health and Family Security Committee.

Juvenile report heard

A Legislative Auditor's report evaluating juvenile out of home placement programs was the focus of a joint meeting of the Judiciary Committee and the Judiciary and Crime Prevention Budget Division Weds., Jan. 20. The combined panel, co-chaired by Sen. Jane Ranum (DFL-Mpls.) and Sen. Randy Kelly (DFL-St. Paul), heard Joel Alter, of the Legislative Auditor's staff, describe the various kinds of placements and outline a series of recommendations.

Alter said the study related to all juveniles from infancy to adolescence and included consideration of juveniles who were removed from their homes because of delinquent behavior and because of abuse or neglect by their parents. Alter said the out-of-home placements include foster homes, correctional facilities, group homes, shelters, mental health facilities and chemical dependency facilities. Accord-

ing to Alter, counties pay for about 60 percent of the placement costs, although there is variation among counties. High spending counties spend more on all categories of facilities and tend to have above average poverty rates. Low spending counties, according to Alter, prefer community-based alternatives to placements and have more intensive screening mechanisms in place. In addition, budget constraints affect some placement decisions and some county agencies have a very limited internal review of those decisions, he said.

Alter also said that more than one-third of county human services directors think decisions are often not based on adequate needs assessments. He said the human service directors also expressed concern that chemically dependent juveniles are sliding through the cracks in the system and are not receiving adequate treatment.

The largest percentage of out-of-home placements are caused by parental conduct which includes both abuse and neglect, Alter said. According to the report, African-American and American Indian children are over 12 times as likely as whites to be placed for parent related reasons. He said that most county officials and judges, when questioned, do not think the placement process is culturally biased. However, representatives of communities of color have a different view and said they think bias slips in, Alter reported.

He said that the length of placement varies from less than a month to as long as three years and that adolescents predominate, except in foster care where all different age groups are found. He indicated that improved residential services could reduce the need for out-of-home placement.

Among the recommendations included in the report are requiring counties to set forth the intended goals of each placement, requiring state agencies to collect data on whether or not the goals are achieved, requiring counties to develop case plans for delinquency dispositions and allowing counties to use state funding for residential or non-residential services. The report also recommends that the Dept. of Human Services collect complete and accurate data on juvenile placements. Finally, Alter said that there needs to be better ways to treat the needs of children of color.

K-12 Education Budget Division

Equity funding reviewed

Members of the K-12 Education Budget Division Equity Subcommittee, co-chaired by Sen. Jane Krentz (DFL-May Township) and Sen. Paula Hanson (DFL-Ham Lake), discussed potential school district equity proposals for the 1999 legislative session Thurs., Jan. 14.

Three proposals were addressed at the meeting, two of which dealt with equity adjustment based on the 95th and 5th percentiles, and one which dealt with the general education formula. The first equity proposal was based on funneling more education dollars to school districts which generate the least amount of money in the state. These districts, in what is called the 5th percentile, are generally those that have not benefitted from a referendum. Under the proposal they would receive an amount based on adding \$25 more per pupil to what they currently receive, multiplied by the difference in the percentage of dollars between them and the top districts. The proposal will not allow them to reach the 95th percentile (the top 15 school districts in the state), but it will bring them closer.

The second equity proposal was based on spreading the education dollars more evenly among all of the districts not in the 95th percentile. Under the proposal districts would receive an amount based on adding \$65 more per pupil to what they currently receive, multiplied by the difference in the percentage of dollars between them and the top 15 schools. School districts in the bottom five percent would receive \$65, plus an amount of up to \$75 dollars paid on a sliding scale, while a school in the 50th percentile would receive approximately \$35 more per pupil.

According to Krentz, each proposal is based on coming up with an end total amount of approximately \$100 million for all the districts, and as such the amounts of \$25 and \$65 were simply chosen to help fit that formula.

The third item discussed was the proposal to add \$100 to the general education formula. The general education formula is based on such things as school population--not money generated - and the \$100 addition was based on

inflationary increases. School districts receive this money as well as the equity adjustment dollars.

Krentz stated that in the equity adjustment proposals she was looking not just for equity, but adequacy. She said it is difficult for rural areas to compete with other districts, and hoped the playing field would continue to be leveled.

The panel recommended that the concepts of the proposal based on the \$65 increase and the general education proposal be forwarded to committee as a joint bill.

Recommendations heard

The K-12 Education Budget Division Facilities and Infrastructure Task Force, chaired by Sen. Charles Wiger (DFL-North St. Paul), met Fri., Jan. 15, to review recommendations from the task force.

The K-12 Facilities and Infrastructure Task Force conducted four meetings to examine existing ways of financing school facilities, concentrating on specific financing remedies that could be altered to improve the manner in which school facilities are financed.

The task force developed a series of recommendations including: increasing the annual operating capital funds by \$61 million annually; reducing the debt service threshold rate from 12 percent to 10 percent; increasing the debt service equalizing factor from \$3,956 to \$4,500; consolidating all separate facilities levies into a single levy; reducing the square footage requirement on the Alternative Bonding and Levy program to 1,200,000 sq. ft.; phasing out the disabled access levy in five years; providing districts with levy authority to pay for leases on new school buildings provided that districts request permission from the voters; and providing an alternative design study grant to help finance a pilot school construction site utilizing a monolithic dome construction.

The task force forwarded the recommendations on to the full K-12 Education Budget Division for further consideration.

School days bill okayed

The K-12 Education Budget Division, chaired by Lawrence Pogemiller (DFL-Minneapolis), met Weds., Jan. 20, to hear recommendations made by two task forces and to discuss a bill eliminating the three extra school days added to the

Committee update

school year by the 1996 Legislature.

Sen. Charles Wiger (DFL-North St. Paul) presented the recommendations of the Facilities and Infrastructure Task Force. The task force conducted four meetings to examine existing mechanisms for financing school facilities, concentrating on specific financing remedies that could be altered to improve the way school the way school facilities are financed, said Wiger.

Sen. Jane Krentz (DFL-May Township) presented the recommendations of the Equity Task Force. She said that the problems of adequacy and equity were discussed by the task force. We considered different strategies for equity, said Krentz. To address the issue of adequate funding, the task force recommends adding \$100 to the basic funding formula, Krentz said. She said the increase is basically an inflationary increase for K-12 funding and all school districts would receive the increase. The task force also recommends changes to correct the per pupil funding discrepancy between school districts that generate the most money and school districts that generate the least amount of money.

The committee also discussed S.F. 185, a bill that eliminates the three additional days of instruction added by the Legislature in 1996. Pogemiller said there is no minimum number of school days required by law, just a range of school contact days that must be complied with. It should be up to the individual school districts to determine how many school contact days are required, he said.

Sen. Martha Robertson (R-Minnetonka) said part of the problem was that the school districts were required to add three days of instruction, but the Legislature did not provide the funding for it. She agreed that the number of school contact days should be decided by individual school districts.

"We support this bill. There is no proof that adding three days is the answer to improving education," said Cheryl Furrer, of Education Minnesota. It ought to be a local decision, she said. The issue has caused a lot of disturbance within the districts and our members strongly support a repeal of the three days, Furrer said.

Pogemiller said more and better professional development is needed, but the school districts are the best ones to determine how to do that.

The bill, authored by Sen. Don

Samuelson (DFL-Brainerd) was approved and advanced to the Children, Families and Learning Committee.

Local and Metropolitan Government

Y2K bill forwarded

A bill to assist government organizations in coming up with solutions to year 2000 issues was discussed by the Local and Metropolitan Government Committee Wed., Jan. 20.

The committee, chaired by Sen. Jim Vickerman (DFL-Tracy) first heard a brief summary of the Y2K problem from the bill's author Sen. Steve Kelley (DFL-Hopkins). Kelley, along with Rep. Bill Hilty (DFL-Finlayson) has co-chaired a task force looking at Y2K problems.

Kelley said to save computer space a lot of software was written using two digits instead of four digits to represent years. He said this means many programs are unable to distinguish between the years 1900 and 2000 reading both as "00." Kelley said this could affect data in spreadsheets and areas like the processing of paychecks.

He said another issue is with the microchips used in many systems which have the same problem in being able to distinguish years. Kelley said the widespread use of these hard wired chips could affect public utility services causing safety problems in areas such as water, telephone, electricity, and heating systems.

Kelley said his bill, S.F. 2 addresses many issues raised by the Y2K problem. The bill requires electric utilities to file status reports on their systems Y2K issues as well as what they are doing to address the issues. The bill also establishes a year 2000 loan fund to be available to assist units of government in updating their computer and related systems. The measure requires the Department of Health to survey municipal water supply systems and disseminate information about possible solutions, as well as granting immunity to agencies collecting and distributing information used in solving Y2K problems.

"Federal legislation dealing with the year 2000 problem, known as the 'Good Samaritan' legislation, is very broad in its immunity," Kelley said, "The approach I've taken is to start narrow and make it simple for people to understand," he said.

Kent Sullem from the League of Minnesota Cities, Kevin Corbid from the Association of Minnesota Counties, and Melenie Soucheray and David Feinwachs from the Minnesota Hospital and Health Care Partnership, all spoke in support of the bill. They said that the many jurisdictions, agencies, commissions, and associations their organizations represent are at various levels in dealing with the Y2K issue.

"The counties I've spoken to are at all different stages but all are aware of the issue," Corbid said, "All are working on addressing and solving issues by the year 2000."

"We've been asked what happens to the little old lady that has a stroke on January 1, 2000," Soucheray said, "The hospital will be there. The services will be there."

Kelley said that because no one is sure how prevalent the affected software programs and computer chips are, it is important to be prepared in advance for problems that may arise. "No one is sure what the heck is going to happen. There is a substantial risk to all involved. All we can do is to plan and prepare. We also need to continue to develop contingency plans," he said.

Sen. Claire Robling (R-Prior Lake) said she is already hearing from citizens concerned about how widespread the problem will be. "We have to make sure to address the panic issue," she said, "We have to assure people that the issues are being dealt with and to make the public know what each of our institutions are doing to handle this problem."

Kelley agreed that cooperation is a key issue in addressing the problem. "The next step is for everybody to get involved. It might mean checking up on an elderly neighbor to see if they are ok. And on a broader citywide level, getting the whole community involved," he said.

After an amendment clarifying language in the bill was approved by the committee, the bill was then forwarded to the Jobs, Energy and Community Development Committee.

Transportation

Transit reviewed

Administrators of The Twin Cities Metropolitan Transit System hope to double the system's ridership over the next 20 years.). The Transportation

Committee, chaired by Sen. Carol Flynn (DFL-Mpls) heard this report at its meeting Thurs., Jan. 14. Jim Solem, Metropolitan Council regional administrator, said other long-term objectives of the transit system are to build five new bus garages, add 50 new buses per year and complete three to four new transitways. The Met Council is seeking a total of \$120.6 million for FY 2000-2001 for the transit system.

A number of accomplishments by Metro Transit were cited by Arthur Leahy, Met Council general manager. Ridership was up 6.4 percent for a total of 66 million rides and was up 10 percent during the last third of the year. Leahy said ridership is the highest it has been in five years, and Metro Transit growth is the fastest in 21 years. Leahy said most rider increase has come from enhancement to service on already existing lines.

"Are we getting good returns because we have an increased ridership?" asked Sen. Steve Murphy (DFL-Red Wing). "Normally, we would expect ridership to trail an increase in service," responded Leahy, "but we've had a 4 percent service increase and a 10 percent rider increase. Those are good numbers to report."

Flynn said she expected that some of the increased ridership resulted from the buses being painted. "People thought they were new buses," she said. Leahy said the Metro Transit is focusing on providing clean buses, being on time and having courteous operators. He said added 24-hour service has been important to people who do not work "bankers' hours." Leahy noted that four companies have subsidized their employees' bus fare. He said private companies are subsidizing public transportation to gain a competitive advantage in benefits they pass on to employees.

Leahy said another positive factor for Metro Transit is its responsiveness. "We were contacted by the Minneapolis schools. Their private service provider couldn't fulfill its obligations." Leahy said Met Transit carried large numbers of students, using about 20 additional buses. Other citizens could use these buses at the same time. So far seven high schools are involved, and in December the service became permanent.

"We've also improved our labor relations," Leahy said. "We are working with our employees and the union, and the vast majority of our employees are

also happy with our growth. They feel a sense of ownership and pride." He added that the labor market is very tight, and Metro Transit pays wages similar to those in the private sector.

Natalio Diaz, director of Met Council Transportation Planning, emphasized the need to pay attention to the transit system. "For the first time in many years," he said, "we have a good news message."

Hearing-impaired services available

The Minnesota Senate is continuing to offer TTY service for the hearing-impaired. Located in Senate Index, the TTY telecommunications service allows deaf or hearing-impaired persons to communicate with Index staff in order to find out bill status, bill content and bill authorship. The telephone numbers for the TTY service are 651-296-0250 or 1-888-toll free. In addition, a public access TTY pay telephone is located near the Information Desk on the first floor of the Capitol Building.

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The Senate Information Office and the Office of the Secretary of the Senate are located in Room 231 of the Capitol. These offices distribute all public materials and handle inquiries about Senate committee meetings, Senate districts, Senate telephone numbers, bill reference numbers and status, and bill sponsorship. Interested citizens may also request copies of bills or ask to be put on the mailing list for Senate publications. If you want to know the name of your Senator or have any other questions concerning the Minnesota Senate, call 651-296-0504. Senate staff members are available to answer general questions about the Senate and the legislative process. For daily updates on committee meetings, call the Senate Hotline at 651-296-8088.

Television coverage offered

Senate Media Services plans to provide live gavel-to-gavel television coverage of committee hearings from 8 a.m. until 5 p.m. weekdays. The hearings will run on Channel 6 the Metro Cable Network. In addition, Media Services will continue to broadcast gavel-to-gavel coverage of Senate floor sessions on Channel 6 the Metro Cable Network.

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Senate TV services

Television coverage of Senate and House floor sessions and selected committee meeting is again available in the Metro Area on broadcast TV.

KTCI, channel 17, will carry Senate and House programming during the daytime hours throughout the session. KTCI reaches about one million households in the Metro Area. In addition, this year Senate and House coverage is closed-captioned for hearing-impaired viewers of KTCI. The services will be extended to Greater Minnesota cable channels when statewide distribution begins in mid-March.

Capitol Report, the weekly legislative public affairs program produced by Senate Media Services, will air on the PBS broadcast network throughout the state this year. The programs air at 9:30 p.m. Tuesdays on KTCI 17 (Twin Cities) and at 11:30 a.m. Sundays on KWCM 10 (Appleton), KAWA 9 (Bemidji) and KAWB 22 (Brainerd). The show also airs on WDSE 8 (Duluth) and KSMQ 15 (Austin), at 12:30 p.m. Sundays.

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Committee update

Policy Committees

Agriculture and Rural Development (15)

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Members:

Beckman	Johnson, D.E.	Morse	Vickerman
Berg	Lesewski	Murphy	
Dille	Lessard	Piper	
Fischbach	Lourey	Scheevel	

Children, Families and Learning (32)

Co-Chairs: Piper, Pogemiller, Stumpf
Meets: Tues., Weds., Fri., 8-9:45 a.m. Room 15
Office: 235 Capitol **Phone:** (651) 296-7809
Members:

Foley	Knutson	Neuville	Solon
Hanson	Krentz	Olson	Ten Eyck
Higgins	Langseth	Pappas	Terwilliger
Janezich	Larson	Ranum	Wiener
Junge	Lesewski	Robertson	Wiger
Kelley, S. P.	Lourey	Robling	
Kiscaden	Marty	Scheevel	
Kleis	Murphy	Scheid	

Commerce (16)

Chair: Solon **Vice Chair:** Wiener
Meets: Tues., Thurs., 2-3:45 p.m. Room 112
Office: 303 Capitol **Phone:** (651) 296-5776
Members:

Belanger	Kleis	Novak	Scheid
Cohen	Larson	Oliver	Spear
Day	Marty	Runbeck	
Hottinger	Metzen	Samuelson	

Crime Prevention (17)

Chair: Spear **Vice Chair:** Johnson, D.H.
Meets: Mon., Weds., Fri., 2-3:45 p.m. Room 15
Office: 120 Capitol **Phone:** (651) 296-4191
Members:

Anderson	Foley	Knutson	Neuville
Beckman	Junge	Krentz	Ranum
Belanger	Kelly, R.C.	Laidig	Ten Eyck
Berglin	Kleis	Limmer	

Election Laws (11)

Chair: Marty **Vice Chair:** Junge
Meets: Mon., Weds., 12 noon-1:45 p.m. Room 112
Office: 326 Capitol **Phone:** (651) 296-5712
Members:

Flynn	Johnson, D.J.	Ourada
Frederickson	Larson	Sams
Johnson, D.E.	Moe, R.D.	Scheid

Environment and Natural Resources (19)

Chair: Lessard **Vice Chair:** Anderson
Office: 111 Capitol **Phone:** (651) 296-1113
Meets: Mon., Weds., Fri., 12 noon-1:45 p.m. Room 107
Members:

Berg	Krentz	Pariseau	Stumpf
Dille	Laidig	Pogemiller	Vickerman
Frederickson	Morse	Price	
Higgins	Novak	Samuelson	
Johnson, J.B.	Olson	Stevens	

Governmental Operations and Veterans (15)

Chair: Metzen
Office: 303 Capitol **Phone:** (651) 296-4175
Meets: Tues., Thurs., 12 noon-1:45 p.m.; Weds., 10-11:45 a.m. Room 15
Members:

Berg	Morse	Runbeck	Wiener
Betzold	Pogemiller	Stevens	Wiger
Cohen	Price	Stumpf	
Fischbach	Robertson	Terwilliger	

Health and Family Security (17)

Chair: Hottinger **Vice Chair:** Lourey
Office: 120 Capitol **Phone:** (651) 296-1323
Meets: Tues., Thurs., Fri., 10-11:45 a.m. Room 15
Members:

Berglin	Foley	Robertson	Stevens
Betzold	Kiscaden	Sams	Ten Eyck
Dille	Morse	Samuelson	Terwilliger
Fischbach	Piper	Solon	

Jobs, Energy and Community Development (20)

Chair: Novak **Vice Chair:** Kelley, S.P.
Office: 322 Capitol **Phone:** (651) 296-1767
Meets: Tues., Thurs., Fri., 10-11:45 a.m. Room 123
Members:

Anderson	Johnson, D.H.	Limmer	Pariseau
Beckman	Johnson, D.J.	Metzen	Runbeck
Frederickson	Johnson, J.B.	Murphy	Scheevel
Higgins	Kelly, R. C.	Oliver	
Janezich	Lesewski	Ourada	

Judiciary (13)

Chair: Ranum **Vice Chair:** Betzold
Office: 306 Capitol **Phone:** (651) 296-0249
Meets: Mon., Weds., Fri., 12 noon-1:45 p.m. Room 15
Members:

Berglin	Foley	Limmer	Ten Eyck
Cohen	Kiscaden	Neuville	Wiener
Fischbach	Knutson	Spear	

Local and Metropolitan Government (16)

Chair: Vickerman **Vice Chair:** Higgins
Office: 226 Capitol **Phone:** (651) 296-4150
Meets: Mon., Weds., Fri., 2-3:45 p.m. Room 107
Members:

Day	Langseth	Pappas	Scheevel
Flynn	Lessard	Pariseau	Wiger
Hottinger	Lourey	Price	
Kelley, S.P.	Olson	Robling	

Rules and Administration (24)

Chair: Moe, R.D. **Vice Chair:** Junge
Office: 208 Capitol **Phone:** (651) 296-4196
Meets: On call
Members:

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Berg	Johnson, D.E.	Metzen	Solon
Berglin	Johnson, D.J.	Novak	Spear
Cohen	Laidig	Olson	Stumpf
Day	Langseth	Piper	
Flynn	Larson	Pogemiller	

Transportation (16)

Chair: Flynn **Vice Chair:** Murphy
Office: 120 Capitol **Phone:** (651) 296-5099
Meets: Tues., Thurs., 12 noon-1:45 p.m.; Weds. 10-11:45 a.m. Room 112
Members:

Belanger	Johnson, D.H.	Laidig	Robling
Day	Johnson, D.E.	Langseth	Sams
Hanson	Johnson, J.B.	Ourada	
Janezich	Kelly, R.C.	Pappas	

Budget Divisions

Crime Prevention and Judiciary Budget Division (13)

Chair: Kelly, R.C.

Office: 323 Capitol

Phone: (651) 296-5285

Meets: Mon., Weds., Fri., 2-3:45p.m. Room 15

Members:

Anderson	Betzold	Laidig	Ranum
Beckman	Junge	Limmer	Spear
Belanger	Knutson	Neuville	Ten Eyck

Economic Development Budget Division (14)

Chair: Beckman

Office: 124G Capitol

Phone: (651) 296-5713

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Members:

Anderson	Kelly, R.C.	Novak	Wiener
Higgins	Larson	Oliver	
Janezich	Lesewski	Ourada	
Johnson, D.H.	Murphy	Runbeck	

Environment and Agriculture Budget Division (12)

Chair: Morse

Office: G-24 Capitol

Phone: (651) 296-5649

Meets: Mon., Weds., Fri., 12-1:45p.m. Room 107

Members:

Berg	Johnson, J.B.	Lessard	Stumpf
Dille	Krentz	Pariseau	Vickerman
Frederickson	Laidig	Price	

Family and Early Childhood Education Budget Division (9)

Chair: Piper

Vice Chair: Foley

Office: G-9 Capitol

Phone: (651) 296-9248

Meets: Tues., Weds., Fri., 8-9:45 a.m. Room 15

Members:

Higgins	Lesewski	Marty	Terwilliger
Janezich	Lourey	Robling	

Governmental Operations Budget Division (11)

Chair: Price

Office: 235 Capitol

Phone: (651) 297-8060

Meets: Tues., Weds., Fri., 12-1:45p.m. Room 15

Members:

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Cohen	Metzen	Scheid	
Frederickson	Robertson	Stevens	

Health and Family Security Budget Division (14)

Chair: Samuelson

Office: 124 Capitol

Phone: (651) 296-4875

Meets: Tues., Thurs., Fri., 10-11:45 a.m. Room 15

Members:

Berglin	Hottinger	Piper	Terwilliger
Dille	Kiscaden	Sams	
Fischbach	Lourey	Solon	
Foley	Morse	Stevens	

Higher Education Budget Division (9)

Chair: Stumpf

Vice Chair: Ten Eyck

Office: G-24 Capitol

Phone: (651) 296-8660

Meets: Tues., Weds., Fri., 8-9:45 a.m. Room 107

Members:

Kelley, S.P.	Kleis	Murphy	Wiener
Kiscaden	Larson	Solon	

K-12 Education Budget Division (15)

Chair: Pogemiller

Vice Chair: Wiger

Office: 235 Capitol

Phone: (651) 296-7809

Meets: Tues., Weds., Fri., 8-9:45 a.m. Room 112

Members:

Hanson	Krentz	Pappas	Scheid
Janezich	Langseth	Ranum	
Junge	Neuville	Robertson	
Knutson	Olson	Scheevel	

Property Taxes and Local Government Budget Division (14)

Chair: Pappas

Office: 120 Capitol

Phone: (651) 296-1802

Meets: Mon., Tues., Weds., Thurs., 4-6 p.m. Room 15

Members:

Day	Kelley, S.P.	Pariseau	Vickerman
Flynn	Novak	Pogemiller	
Hottinger	Oliver	Price	
Johnson, D. J.	Olson	Scheevel	

Transportation Budget Division (10)

Chair: Johnson, J.B.

Office: G-9 Capitol

Phone: (651) 296-5419

Meets: Tues., Thurs., 12-1:45 p.m.; Weds. 10-11:45 a.m. Room 112

Members:

Belanger		
Day	Johnson, D.E.	Ourada
Flynn	Johnson, D.H.	Sams
Hanson	Langseth	

Taxes and Finance Committees

Committee on Taxes (23)

Chair: Johnson, D.J.

Vice Chair: Scheid

Meets: Mon., Tues., Weds., Thurs., 4-6 p.m. Room 15

Office: 205 Capitol

Phone: (651) 296-8881

Members:

Anderson	Hottinger	Novak	Price
Belanger	Kelley, S.P.	Oliver	Runbeck
Berg	Knutson	Olson	Vickerman
Betzold	Lesewski	Pappas	
Day	Marty	Pariseau	
Flynn	Murphy	Pogemiller	

Education Finance Committee (13)

Chair: Langseth

Vice Chair: Krentz

Office: 122 Capitol

Phone: (651) 296-3205

Meets: Mon., Tues., Weds., Thurs., 4-6 p.m. Room 123

Members:

Foley	Johnson, D.E.	Piper	Scheevel
Hanson	Larson	Robertson	Wiger
Higgins	Moe, R.D.	Robling	

Human Resources Finance Committee (15)

Chair: Berglin

Vice Chair: Sams

Office: 309 Capitol

Phone: (651) 296-4151

Meets: Mon., Tues., Weds., Thurs., 4-6 p.m. Room 112 Capitol

Members:

Beckman	Kleis	Samuelson	Terwilliger
Johnson, D.H.	Lourey	Spear	
Kelly, R.C.	Neuville	Stevens	
Kiscaden	Ranum	Ten Eyck	

State Government Finance Committee (16)

Chair: Cohen

Vice Chair: Janezich

Office: 317 Capitol

Phone: (651) 296-5308

Meets: Mon., Tues., Weds., Thurs., 4-6 p.m. Room 112

Members:

Dille	Junge	Metzen	Stumpf
Fischbach	Laidig	Morse	Wiener
Frederickson	Lessard	Ourada	
Johnson, J.B.	Limmer	Solon	

Preview

Monday, January 25

The Senate is in Session at 10:30 a.m.

Environment and Agriculture Budget Division

Chair: Sen. Steven Morse

12 noon Room 107 Capitol

Agenda: Cost benefit analysis report.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: S.F. 2-Kelly: Provides immunity from damages resulting from the collection or publication of Year 2000 solution information.

Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: Extended juvenile jurisdiction (EJJ) implementation; other juvenile reports.

Local and Metropolitan Government Committee

Chair: Sen. Jim Vickerman

2 p.m. Room 107 Capitol

Agenda: Overviews. Indian Gaming Association and MN Racing Commission.

Tuesday, January 26

Children, Families and Learning

Chairs: Sen. Pat Piper, Sen. Lawrence

Pogemiller and Sen. LeRoy Stumpf

8 a.m. Room 15 Capitol

Agenda: S.F. 185-Samuelson: Repeal of three instructional days. S.F. 86-Pogemiller: Technical corrections bill.

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8:30 a.m. Room 15 Capitol

Agenda: Overview of Hunger in Minnesota, Minnesota Food Shelf Association; Energy Gap Study, Energy Cents Coalition; Overview of Lead Hazard Reduction Efforts, Sustainable Resources Center and Overview of Self-Sufficiency Programs, MN Department of Children, Families and Learning.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8:30 a.m. Room 112 Capitol

Agenda: To be announced.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: Continuation of presentation on Medicare by the Department of Health, Department of Human Services, and Council of Health Plans; S.F. 121-Ten Eyck: Repealing the requirement that licensees of health-related boards receive continuing education in infection control. S.F. 194-Berglin: Eliminating the application deadline for essential community provider status.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: To be announced.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

12 noon Room 15 Capitol

Agenda: Review of legislative audit reports for: Secretary of State, State Auditor, Board of Government Innovation and Cooperation, and Minnesota Planning Office of Strategic and Long Range Planning.

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

2 p.m. Room 107 Capitol

Agenda: Proposed Chapter 7020 Animal Feedlot Rules.

Property Taxes and Local Government Budget Division

Chair: Sen. Sandra Pappas

4 p.m. Room 15 Capitol

Agenda: To be announced.

Health and Family Security Budget Division

Chair: Sen. Don Samuelson

4 p.m. Room 123

Agenda: S.F. 25-Samuelson: Nursing home restraints use regulations modifications.

Wednesday, January 27

Higher Education Budget Division

Chair: Sen. LeRoy Stumpf

8 a.m. Room 107 Capitol

Agenda: Briefing by MnSCU and U of M on full year equivalent enrollment trends for 1995-2001, credit transfer progress and partnerships with business and industry.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: To be announced.

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8:30 a.m. Room 15 Capitol

Agenda: Protecting Teens from Harm - What Works? Michael D. Resnick, Ph.D., professor of pediatrics, School of Medicine, University of MN; Judith A. Kahn, M.S.W., director, Institute for Best Practices in Adolescent Health, University of MN.

Transportation Committee

Chair: Sen. Carol Flynn

10 a.m. Room 112 Capitol

Agenda: S.F. 14-Day: Requiring metered ramp study by Dept. of Transportation.

Governmental Operations and Veterans Committee

Chair: Sen. James Metzen

10 a.m. Room 15 Capitol

Agenda: Panel discussion on rulemaking.

Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

12 noon Room 107 Capitol

Agenda: S.F. 27-Samuelson: Lifetime crossbow permits for persons with permanent physical disabilities. S.F. 53-Samuelson: Modifying operation provisions of all-terrain vehicles. S.F. 83-Stevens: Changing the classification of public waters wetlands. S.F. 173-Moe, R.D.: Allowing the shipment of wild animals that were taken on the northwest angle portion of Red Lake Indian Reservation.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: To be announced.

Legislative Coordinating Commission Working Group on the Taxation of Telecommunications Services

Chairs: Sen. Steve Kelley and Rep. Alice Johnson

12:30 p.m. Room 125 Capitol

Agenda: To be announced.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

2 p.m. Room 125 Capitol

Agenda: Overview of Dept. of Revenue performance report and legislative audit; State Treasurer legislative audit; State Board of Investment legislative audit.

Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: SF 76-Foley: Eliminating requirement to hold DWI vehicle forfeiture proceeding at the same time as implied consent hearing. SF 174-Ranum: Extending sex offender registration and notification laws to persons committed as mentally ill and dangerous. Dept. of Human Services presentation on the Minnesota Sex Offender Program. Sentencing Guidelines Commission presentation on sex offender sentencing practices.

Environment and Agriculture Budget Division

Chair: Sen. Steven Morse

4 p.m. Room 107 Capitol

Agenda: Climate Change Overview: The State of the Science.

Thursday, January 28

The Senate is in Session at 9 a.m.

Joint Jobs, Energy and Community Development Committee and Family and Early Childhood Education Budget Division

Chairs: Sen. Steven Novak and Sen. Pat Piper

10 a.m. Room 15 Capitol

Agenda: Universal service proposals;

Discussion of Minnesota heat fund proposal.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 123 Capitol

Agenda: Presentations on the health care worker shortage from the State Demographer, Minnesota Department of Health, Health Care Education-Industry Partnership and the University of Minnesota; S.F. 73-Murphy: Modifying the eligibility criteria for the consumer support program. S.F. 195-Berglin: Removing the sunset on eligibility for certain services.

Transportation Budget Division

Chair: Sen. Janet Johnson

12 noon Room 112 Capitol

Agenda: S.F. XXX- Johnson, J.B.: Major projects commission. Discussion of Welfare to Work funding and construction funding.

Joint Governmental Operations and Veterans Committee and Governmental Operations Budget Division

Chairs: Sen. James Metzen and Sen.

Leonard Price

12 noon Room 15 Capitol

Agenda: Discussion regarding performance reports and legislative audit reports: Department of Veterans Affairs; Department of Military Affairs.

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

2 p.m. Room 107 Capitol

Agenda: To be announced.

Legislative Audit Commission

Chair: Sen. Deanna Wiener

4 p.m. Room 316 Capitol

Agenda: Release and discuss program evaluation report on animal feedlot regulation.

Friday, January 29

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: To be announced.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: S.F. 2-Kelley, S.: Year 2000 problem.

Jobs, Energy and Community Develop- ment Committee

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: S.F. XXX - Redevelopment proposal - changes in criteria.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: To be announced.

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Minnesota Senate 1999

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DFL	296-5537	Anderson, Ellen R.	G-24 Cap.	66	DFL	6-5645	Marty, John	325 Cap.	54
DFL	6-5713	Beckman, Tracy L.	124B Cap.	26	DFL	6-4370	Metzen, James P.	303 Cap.	39
R	6-5975	Belanger, William V.	113 SOB	41	DFL	6-2577	Moe, Roger D.	208 Cap.	2
IND	6-5094	Berg, Charles A.	G-51 SOB	13	DFL	6-5649	Morse, Steven	G-24 Cap.	32
DFL	6-4261	Berglin, Linda	309 Cap.	61	DFL	6-4264	Murphy, Steve	301 Cap.	29
DFL	6-2556	Betzold, Don	306 Cap.	48	R	6-1279	Neuville, Thomas M.	123 SOB	25
DFL	6-5931	Cohen, Richard J.	317 Cap.	64	DFL	6-4334	Novak, Steven G.	322 Cap.	52
R	6-9457	Day, Dick	147 SOB	28	R	6-4837	Oliver, Edward C.	121 SOB	43
R	6-4131	Dille, Steve	103 SOB	20	R	6-1282	Olson, Gen	119 SOB	34
R	6-2084	Fischbach, Michelle L.	149 SOB	14	R	6-5981	Ourada, Mark	145 SOB	19
DFL	6-4274	Flynn, Carol	120 Cap.	62	DFL	6-1802	Pappas, Sandra L.	120 Cap.	65
DFL	6-4154	Foley, Leo T.	G-9 Cap.	49	R	6-5252	Pariseau, Pat	109 SOB	37
R	6-8138	Frederickson, Dennis R.	139 SOB	23	DFL	6-9248	Piper, Pat	G-9 Cap.	27
DFL	6-3219	Hanson, Paula E.	328 Cap.	50	DFL	6-7809	Pogemiller, Lawrence J.	235 Cap.	59
DFL	6-9246	Higgins, Linda I.	227 Cap.	58	DFL	7-8060	Price, Leonard R.	235 Cap.	57
DFL	6-6153	Hottinger, John C.	120 Cap.	24	DFL	7-8061	Ranum, Jane B.	306 Cap.	63
DFL	6-8017	Janezich, Jerry R.	328 Cap.	5	R	6-4314	Robertson, Martha R.	125 SOB	45
DFL	6-9261	Johnson, Dave	111 Cap.	40	R	6-4123	Robling, Claire A.	151 SOB	35
R	6-3826	Johnson, Dean E.	117 SOB	15	R	6-1253	Runbeck, Linda	107 SOB	53
DFL	6-8881	Johnson, Douglas J.	205 Cap.	6	DFL	7-8063	Sams, Dallas C.	328 Cap.	11
DFL	6-5419	Johnson, Janet B.	G-9 Cap.	18	DFL	6-4875	Samuelson, Don	124 Cap.	12
DFL	6-2889	Junge, Ember R.	205 Cap.	46	R	6-3903	Scheevel, Kenric J.	129 SOB	31
DFL	7-8065	Kelley, Steve	321 Cap.	44	DFL	6-8869	Scheid, Linda	317 Cap.	47
DFL	6-5285	Kelly, Randy C.	323 Cap.	67	DFL	6-4188	Solon, Sam G.	303 Cap.	7
R	6-4848	Kiscaden, Sheila M.	135 SOB	30	DFL	6-4191	Spear, Allan H.	120 Cap.	60
R	6-6455	Kleis, Dave	143 SOB	16	R	6-8075	Stevens, Dan	105 SOB	17
R	6-4120	Knutson, David L.	133 SOB	36	DFL	6-8660	Stumpf, LeRoy A.	G-24 Cap.	1
DFL	6-7061	Krentz, Jane	235 Cap.	51	DFL	6-4913	Ten Eyck, David J.	G-24F Cap.	4
R	6-4351	Laidig, Gary W.	141 SOB	56	R	6-6238	Terwilliger, Roy	115 SOB	42
DFL	6-3205	Langseth, Keith	122 Cap.	9	DFL	6-5650	Vickerman, Jim	226 Cap.	22
R	6-5655	Larson, Cal	153 SOB	10	DFL	7-8073	Wiener, Deanna L.	303 Cap.	38
R	6-4125	Lesewski, Arlene J.	131 SOB	21	DFL	6-6820	Wiger, Charles W.	325 Cap.	55
DFL	6-4136	Lessard, Bob	111 Cap.	3	Capitol address: 75 Constitution Avenue				
R	6-2159	Limmer, Warren	127 SOB	33	State Office Building address: 100 Constitution Avenue				
DFL	6-0293	Lourey, Becky	G-9 Cap.	8	St. Paul, MN 55155				

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Senate Briefly

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Photo by Andrea Murrill

View of the Rotunda from the third floor balcony of the Capitol.



January 29, 1999

Senate Highlights

Brief floor sessions held

Members of the Senate again met for two very brief floor sessions Mon., Jan. 25, and Thurs., Jan. 28. At this point in the Legislative Session, floor sessions are held in order to allow for bill introductions and to provide for the referral of bills from one committee to another.

At the Thursday session, Majority Leader Roger Moe (DFL-Erskine) took a few moments to eulogize former Assistant Sergeant at Arms Ralph Graham who died Tues., Jan. 26. Moe said that for over 30 years Graham was a dedicated public servant who exemplified the best of Minnesota values. "Ralph was dedicated to maintaining the dignity and decorum of the Minnesota Senate and leaves a legacy of good will," Moe concluded.

Metered ramp bill heard

Chief author Sen. Dick Day (R-Owatonna) presented a bill requiring a metered ramp study at the Transportation Committee meeting Weds., Jan. 27. The committee, chaired by Sen. Carol Flynn (DFL-Mpls.), heard testimony on the bill, S.F. 14.

"My testimony will be about as long as

some people wait in the ramp line," Day said. He proposed in his bill that ramp lights be turned off during the month of October 1999 and the Minnesota Department of Transportation (MnDOT) study the effects and see if traffic runs more smoothly. Day said he had started looking at ramp meters two years ago, when he noticed 20 to 40 cars lined up on some of the ramps.

Day said that after a two-week study in 1970, MnDOT installed the first ramp meter at Maryland and Highway 35E. "Now we have 400 meters, and by 2001 we plan on having 500," Day said. He said that Chicago has 109 meters; San Francisco has 96 and Detroit 49. "It's not that meters are bad, but we're going to meter the entire highway," he said. He said that although there are statistics for on-road accidents, there are none for meter ramp accidents. "There has to be a goodly number of fender benders on the ramps," Day said.

He said that 80 percent of the calls and e-mail he has received on the topic express a lot of frustration on the ramp meter system. According to Day, some callers have said that ramp meters increase freeway speed, because drivers

have to wait so long at the ramps they need to speed in order to reach their destination on time. Callers have told Day they drive through neighborhoods rather than wait on the ramps. Some said traffic is backed up so far that other roads are blocked. Others have said waiting cars release unnecessary pollutants into the atmosphere.

Sen. Janet Johnson (DFL-North Branch) said she is willing to take a look at Day's bill. She said that in North Carolina there are no meters, but there is a law that moving traffic has to make way to let the waiting car come in.

Dick Stehr, an engineer for MnDOT, said the weaknesses of the overall transportation system are freeway bottlenecks and lack of frontage roads, lack of continuity of arterial streets and lack of mass transit systems. He added that the system's strengths include freeways that provide travel choices and alternate routes, as well as a comprehensive traffic management system that optimizes the use of available capacity. He added that ramp metering is the least expensive and by far the most effective of traffic management programs. "We have one of the lowest commute times in the nation," he said. Stehr said that ramp metering is not perfect and can be improved.

Glen Carlson, manager of Traffic Management Center, MnDOT, said the study of ramp meters began in 1969, and the system has been added to and evaluated over a 30-year period. He said when the system was installed on Highway 35W, the crash rate was cut by 40 percent. He said Interstate 694 had the highest accident rate in Minnesota, but dropped out of the top 20 when ramp meters were used. "We consistently reduce crashes with our meters," he said.

Sen. William Belanger (R-Bloomington) said he believes people feel frustration with things that make no sense. He said he sees no point in meter lights in use when his is the only car on the ramp, for example. Carlson said MnDOT tries not to meter when traffic is low.

"A lot of cities have five times our population, but no ramp meters," Day stated. "I would like to study those cities that do not use ramp meters." He moved to amend his bill and not have the meters shut off in October for a meter ramp study by MnDOT. Instead, he proposed a

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study be done by a Minnesota state college or university on the impact of access ramp meters on traffic flow in the Metropolitan Area. Under the amendment, the study is funded by an appropriation of \$100,000 from the trunk highway fund for FY 2000. An amendment, offered by Sen. Randy Kelly (DFL-St. Paul), calling for the study to compare average speed and capacity on Metropolitan Area highways with average speed and capacity on highways in selected cities of comparable size to the Metropolitan Area with no metered ramps or a limited number of metered ramps was incorporated into the Day amendment. The bill with amendments was adopted and referred to the Transportation Budget Division.

Juvenile chem dep debated

A bill modifying the law governing parental consent for juvenile chemical dependency treatment dominated discussion at the Weds., Jan. 27, meeting of the Judiciary Committee. S.F. 144, authored by Sen. Claire Robling (R-Prior Lake), allows parents of 16 and 17 year-old juveniles to authorize chemical dependency treatment for their children. Under current law, parents cannot admit 16 and 17 year-old children to chemical dependency treatment if the juveniles do not want to go to treatment.

A parent, Cindy Nevins, spoke of the difficulty she and her spouse encountered when trying to get their 16 year old son into a chemical dependency program over the son's objections. Under current law, there was no legal recourse short of a complicated civil commitment procedure that might not have been successful, she said. Nevins said that even though several professional mental health and chemical dependency professionals agreed that her son should be in treatment, the professionals also said that there was nothing they could do under the law.

Discussion by the committee centered on two areas. The first was that by simply changing the age in the voluntary admission section of the law, there would be an unintended consequence of altering the law for voluntary mental health treatment. The second area of discussion concerned the use of the word voluntary. Members ultimately adopted an amendment providing that a person who is 16 or 17 years of age may be admitted as a

voluntary patient for chemical dependency treatment with the consent of a legal guardian and that it must be determined by an independent examination that there is reasonable evidence that the proposed patient is chemically dependent and suitable for treatment. That last portion of the amendment specifies that the person conducting the examination must notify the proposed patient of the chemical dependency determination.

The committee, chaired by Sen. Jane Ranum (DFL-Mpls.), approved the bill and re-referred the measure to the Health and Family Security Committee.

Members also approved a bill, authored by Sen. David Knutson (R-Burnsville), granting prosecutor discretion not to disclose a victim's or witness's date of birth. According to Knutson, S.F. 98 adds to the law that gives prosecution discretion not to disclose a victim's or witness's home or employment address or telephone number. The measure was approved and sent to the Senate floor.

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Committee update

Agriculture and Rural Development

Two bills advance

The Agriculture and Rural Development Committee, chaired by Sen. Dallas Sams (DFL-Staples), met Thurs., Jan. 21, and approved a bill extending the agricultural property tax classification to property used for the production for sale of insects used primarily as food for animals.

Chief author Sen. Paula Hanson (DFL-Ham Lake) said S.F. 132 extends the definition of agricultural property to include insect farms. Insect farms have always been classified as agricultural until recently, when tax assessors said that the law did not include insect farms, said Hanson.

Gordon Vadis, who raises crickets, testified that there are not a lot of insect farmers in the country, but the states that have insect farmers classify the farms as agricultural property. Sen. Dean Johnson (R-Willmar) asked Vadis how many insect farms there are in the state. Vadis replied that he is the only cricket farmer, but he knows of other insect farmers who are raising insects for the bait industry.

Johnson moved that the bill be recommended to pass and be re-referred to the Committee on Taxes. The motion was adopted.

Sen. Dan Stevens (R-Mora) offered S.F. 57, which allows the commissioner of agriculture to make interest-free loans up to \$200,000 for projects demonstrating farm manure processing and odor control technology. The bill requires that money from the repayment of the loans be deposited in a revolving loan account to be used for future projects.

Sen. Charles Berg (IND-Chokio) suggested that pilot projects in other states be looked at before pilot projects are set up in Minnesota. Stevens said it isn't necessary to look at pilot projects in other states because the technology is already proven. "We have to look at location because the other pilot projects were done in states with more temperate climates. We need to test the cost effectiveness of the technology in Minnesota," said Stevens. Gene Short, Redwood County 5th district commissioner said, "I visited a dairy farm in Pennsylvania and looked at the technology. It does work," Stevens said animal agriculture is important to the economy of the state and we need to know that

the technology works before we make a six figure investment in something that won't be feasible in Minnesota.

"We've funded the GEIS mainly because of odor control. Here we have an opportunity to do something about the odor," said Sen. Arlene Lesewski (R-Marshall). I think people aren't using the technology because of the high cost, she said. We need to get a few pilot projects out there and once others see the technology, they will see the benefits of it, said Lesewski. Stevens added that lenders need to know that the technology works in Minnesota before they finance that type of capital improvement.

The bill was recommended to pass and was re-referred to the Environment and Agriculture Budget Division.

Feedlot rules proposed

Representatives of the Minnesota Pollution Control Agency reviewed proposed animal feedlot rules to the Agriculture and Rural Development Committee at the Tues., Jan 26, meeting. Sen. Dallas Sams (DFL-Staples) chairs the committee.

Gary Pulford, PCA feedlot lateral manager, said recent changes in the livestock and poultry industries have caused citizens to bring many environmental and economic concerns to state and local government. He said the top three environmental challenges posed by feedlots are water pollution from manure mismanagement, water pollution from manure runoff, often at older, smaller feedlots, and air pollution at newer larger feedlots. Pulford said there are about 22 permanent and 12 temporary PCA staff assigned to feedlot regulation and 52 counties in Minnesota have been delegated to administer a county feedlot program. Even though the number of feedlot permit applications has not increased significantly in the past three years, the review of some of the projects has become more complex and time consuming, said Pulford.

The proposed changes are designed to enhance the existing regulations as well as add a number of new requirements, Pulford said. Many of the other proposed changes will simply put into rule what has been required in feedlot permits for some time, while other proposed changes in the rules are designed to clarify issues that are not clear or specific in the current rule, he said. "This will result in

greater environmental protection for less cost," said Pulford.

"Often the PCA takes a rigorous enforcement approach, which is unpopular and not the best way to deal with the problem. The best way to solve the problem is to deal with the long term issues," Pulford said. A major goal of the rule revision effort has been to come up with rules that are reasonable and practical for existing smaller producers, he said. The new rules will make it much easier for existing small farms to use lower cost runoff control measures to reduce pollution, while high standards will remain in place for new feedlots and feedlots that are expanding, said Pulford.

Pulford told members that some of the new requirements in the rules will be costly to producers, such as surcharge fees for new construction and large facilities, a requirement that medium to large farms test their manure for nutrient content, and water setbacks for spreading manure.

Before any proposed new rules are put into place, the PCA will undergo a rigorous hearing process mandated by the Legislature, said Pulford. Public hearings will be held before an independent administrative law judge and the PCA will need to justify before the judge why each proposed change is needed and reasonable, he said. Any individual or group is welcome to participate in the public hearings, he added.

David Nelson, PCA feedlot coordinator, told members that a better system is needed. "We are striving to have the permitting system be very user friendly," he said. We're getting a lot of great designs, but we still see problems with construction, said Nelson. Our intent is to shift from a design review process to a construction review process, he said.

Paul Christ, representing Land O' Lakes, said that there are a lot of questions that the feedlot rules will not answer, but that the process has to be ongoing. He said a consistent set of rules is needed that will allow flexibility to meet the desired outcomes.

Children, Families and Learning

Two bills gain

Members of the Children, Families and Learning Committee, chaired by Sen. Pat Piper (DFL-Austin), Sen. Larry

Pogemiller (DFL-Mpls.) and Sen. LeRoy Stumpf (DFL-Thief River Falls), met briefly Tues., Jan. 26 to discuss S.F. 86 and S.F.185.

Carried by Pogemiller, S.F. 86 is a non-controversial, though complex, bill which provides for technical and other changes to kindergarten through grade 12 education provisions. The bill amends the wording of various revisions made to Minnesota law in 1998 but makes no major changes. S.F. 86 was approved by the committee and sent to the Senate floor.

S.F. 185, authored by Sen. Don Samuelson (DFL-Brainerd), eliminates the three additional days of instruction mandated by a 1998 Minnesota law. Among other reasons, Samuelson said the bill is necessary because the extra days caused school districts to spend more money and reduce spending and time on such issues as staff development. The bill was approved and sent to the Senate floor.

Crime Prevention

DOC reports given

Reports from the Department of Corrections (DOC) continued at the Crime Prevention and Judiciary Budget Division meeting Fri., Jan. 22. Sen. Randy Kelly (DFL-St. Paul) chaired the meeting. Steve Huot, Denise Hesselton and Will Alexander spoke on the Community-Based Sex Offender Program Evaluation Project (CBSOPEP).

Hesselton said that the management strategy for working with sex offenders seems to be working well. "It has reduced the secrecy between the offender and his treatment provider," she said. Hesselton also said the use of the polygraph in the supervision and treatment of sex offenders released from prison is being studied. Hesselton said there have been some problems with the sex offender tracking system. Law requires CBSOPEP staff to provide follow-up information on community-based sex offenders for a period of three years following their completion of or termination from treatment. Hesselton said the staff has not been able to actively oversee the collection of the information, due to their tremendous involvement with community notification activities. She also said that it is difficult to separate sex offenders from other offenders on agents' caseloads and identify them as a unique population.

The Community Notification Act provides that the DOC give information to various law enforcement agencies on an offender who has been or is about to be released from prison for a sexual offense. Alexander said that a number of offenders change addresses soon after their release date. "Our biggest issue is the movement of offenders who are already in the community," Alexander said. He said that by mid-1999 over half of the notifications will be on offenders who are already in the community, but are moving.

Sen. David Ten Eyck (DFL-East Gull Lake) asked for a profile of the typical sex offender. Alexander said the rape of a stranger is usually a more youthful crime. Those who sexually abuse children are generally older. The offenders are predominantly male, and race and income apply the same as to the general population.

In response to a question by Kelly, Alexander said the notification process is going better than anyone thought it would. "Much of the credit for that goes to law enforcement," he said. He said notification is carried out in uniform and consistent methods throughout the state. He said that most law enforcement officers have made it clear at the community notification meetings that harassment of the released offender at his workplace or home will not be tolerated. He said the meetings have also raised questions on general safety issues.

Alexander said the involvement by the community in the notification meetings has generally improved the safety of the community every time a meeting is held.

Huot said he sees a problem area in the prison program. "Offenders are really afraid of community notification," he said. He admitted the fear could be a good thing, but it also prevents the offender from sharing information. Alexander said it is too early to tell, yet, if the community notification process has resulted in less recidivism by sex offenders.

A lengthy discussion was held regarding the educational funding of the juvenile correctional facility at Red Wing. DOC and the Department of Children, Families and Learning (CFL) invited counties and school districts to participate in four working meetings reviewing the education budget at Red Wing. An evaluation of the education

services was undertaken by local and out-of-state correctional educators or education department representatives. Debbie Eng, juvenile services director, said the evaluators were impressed with the cognitive restructure program at MCF-Red Wing, which addresses social skill building, moral judgment and anger management. "They recommend we more clearly define our curriculum," she said, "by listing outcomes and what we hope to accomplish." Eng said the average resident at MCF-Red Wing is 16.8 years old, with reading levels varying from second grade to college level. Most students are behind two or more years in school credits and basic skills. Otis Zanders, superintendent at MCF-Red Wing, said that prior to removal, the students have met goals set by themselves and their teachers. He said the facility has a program to help the students transfer back into their home school district more easily.

Eng said the commissioners of the DOC and CFL, with support from county and school district participants, recommend that the funding for educational services at MCF-Red Wing continue under direct state appropriation. Several other models were examined, but the finding was that these models would incur additional costs.

EJJ report heard

Several reports on extended juvenile jurisdiction (EJJ) were given at the Crime Prevention Committee meeting Mon., Jan. 25. Sen. Allan Spear (DFL-Mpls.) chairs the committee. In 1994 the Legislature created a new blended juvenile/adult jurisdiction within Minnesota's Juvenile Justice System that became effective Jan. 1, 1995.

Heidi Green, manager of the Minnesota Supreme Court Research and Evaluation Unit, spoke on the implementation of EJJ sentencing. EJJ motions and Adult Certification motions can be filed by the county attorney on serious young offenders. The number of EJJ motions has increased since the EJJ statutes went into effect, while adult certification cases have decreased. Green said she speculated that most of the increase in EJJs is due to cases directly pulled out of Juvenile Court. She said juveniles are designated as EJJ mostly in Hennepin County. In 1997, according to Green, there were two EJJ cases for every one

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adult certification in most districts.

She said the EJJ population is slightly younger than the adult certification juvenile population. In both populations, females make up only 4 to 5 percent of the juveniles. EJJ juveniles are 42 percent white, 35 percent African American, 8 percent Hispanic, 8 percent American Indian and 7 percent Asian. The highest percentage of offenses, by both EJJ and adult certification cases, is in crimes against other persons, followed by property crimes. Drug offenses account for 6 percent in EJJ cases and 5.5 percent in adult certification cases. Green said one of the biggest differences between the two populations is in the felony history. Sixty-six percent of EJJ juveniles have no prior history of offenses, while only 4.4 percent of adult certification juveniles have no prior history.

"It looks like we are getting kids at an earlier stage in their careers," said Marcy Podkopacz, director of research at Hennepin County District Court. She reported on EJJ sentencing in Hennepin County. "We are getting a younger group of kids with fewer offenses in their background," Podkopacz said all EJJ youths receive stayed prison sentences, and over a two-year time period 41 percent have had their probation revoked. She said three-fourths of the revocations have resulted from probation violations, rather than new offenses. "For example, a child smoked marijuana at a treatment center and was put in jail for 18 months," she said.

Committee members commented on the severity of such a sentence. Podkopacz said the EJJ juveniles are being watched very carefully. Podkopacz said a full sentence is not automatically given to the juvenile upon revocation, for a lot of reasons. Sen. Ember Reichgott Junge (DFL-New Hope) said she is concerned that a number of youth violating EJJ are not given adult incarceration.

Fred Bryan, EJJ unit supervisor for Hennepin County Community Corrections, said that 86 percent of 313 EJJ youth in Hennepin County are persons of color, with 57 percent African American. The majority are 17 or over, with 94 percent male. He said 85 youths had their probation revoked— 23 for new offenses and the rest for probation violation. He said EJJ services are focusing on transition and aftercare, as well as education.

EJJ implementation and sentencing in Ramsey County was examined by Peter Jesson-Howard, juvenile probation supervisor for Ramsey County Community Corrections. He said 95 percent of EJJ juveniles in Ramsey County have committed person or weapon offenses. Only 4 percent of the offenders are female, and Jesson-Howard said an additional disparity in both the adult and juvenile justice systems is that of race. "Because differing racial and ethnic populations within our society experience widely varying impact from social factors such as poverty, substandard housing, educational difficulties, family instability, deteriorating neighborhoods, poor health care and crime, it's not surprising that youth from these populations are much more likely to be drawn into the negative influence of gangs, drugs and criminal behavior," he said.

Jesson-Howard said that out of a total of 107 EJJ juveniles, 31 have been revoked. Thirteen of these have received their stayed adult prison sentences, while 18 others have received an initial adult sanction of workhouse time plus a long period of adult probation with the stayed prison sentence still available. Two have successfully completed the EJJ program and 74 are still under supervision.

Kenneth Schoen, director of the Institute on Criminal Justice, said that although juvenile crime is up, violent crime is down in Minnesota. He attributed this to police activity. He also said that race is no small detail in juvenile crime. "If we're thinking in terms of prevention, we've got to look at this," he said, adding that persons of color need to be involved in the solutions.

"We need better data, and we need to develop a program on outcomes," Schoen said. He said issues of race and poverty need to be discussed. He said that overall, Minnesota arrests are lower than the national average but are higher for juveniles.

A report on the juvenile gun offender pilot project was provided by Geanne Torma and Theresa Wise of Hennepin County Community Corrections. The program is a court-ordered condition of probation for juveniles adjudicated delinquents for firearms-related offenses. Thirty-nine have graduated from the program, and to date none of those juveniles have had a new offense, according to Torma.

Bills discussed

Two bills were presented for discussion by their authors at the Crime Prevention Committee meeting Weds., Jan. 27, chaired by Sen. Allan Spear (DFL-Mpls.). A continuing report on the Minnesota Sex Offender program was also part of the agenda.

S.F. 174 is sponsored by Sen. Jane Ranum (DFL-Mpls.) The bill extends sex offender registration and notification laws to persons committed as mentally ill and dangerous. Jacquelyn Hauser and Daryl Coppoletti, representatives of WATCH, an organization created to make the courts more effective and responsive in handling cases of violence, spoke on behalf of the bill. Ranum said the bill derived from an article in WATCH Post, the organization's newsletter, describing a recent case in Hennepin County District Court.

Hauser said an individual recently sexually assaulted a teen-age girl, shortly after being released from a corrections facility. He had previously been diagnosed paranoid schizophrenic and had a long history of inappropriate behavior. Coppoletti said the individual did not register under the current statute, since he was found not guilty by reason of mental illness.

Ranum's bill requires registration for persons who are charged with or petitioned for certain offenses; found not guilty by reason of mental illness or mental deficiency; and committed pursuant to a court commitment order as being mentally ill and dangerous to the public. The bill also expands the community notification law to make it applicable to the same offenders for whom registration as a sex offender is being required. Ranum moved an author's amendment to the bill, which provides that a person must register if found not guilty by reason of mental illness or mental deficiency after a trial for felony sex offense. The amendment was adopted, and the bill was recommended to pass and sent to the floor.

Sen. Leo Foley (DFL-Anoka) authored a bill, S.F. 76, that would strike language in the DWI forfeiture law requiring that a judicial review and hearing regarding the forfeiture take place at the same time as a judicial review of the person's driver's license revocation under the implied consent law. "This bill allows two separate actions to be tried at the same

time, but it wouldn't mandate them," Foley said. Sen. Ellen Anderson (DFL-St. Paul) said she had been approached by some people who are concerned there is no time line for the process. "If someone is arrested for DUI, they lose their car and this bill would take away the only deadline," she said. Anderson said she is concerned people have an opportunity to get their property back in a reasonable amount of time.

Foley said he disagreed, that the forfeiture proceeding and the implied consent hearing are two separate processes of law. "All this bill does is simplify something in law," Foley said. Anderson offered an amendment to the bill, providing that if the forfeiture proceeding and the implied consent hearing are not held at the same time, the forfeiture proceeding must be held at the earliest practicable date. The amendment was adopted, and the bill was recommended to pass. The measure was referred to the floor.

A continuation of a report on the Minnesota Sex Offender Program (MSOP) was provided by Dr. Anita Schlank, clinical director, and Rick Harry, assistant administrator of the program. Frank Milczark, CEO of the Minnesota Sex Offender Facility, also presented information.

According to Schlank, 134 men are eligible for MSOP. Of those, 43 have refused to participate. She said that the psychopathic personalities committed to the Department of Human Services (DHS) are considered to be the most dangerous of all the sexual offenders. Schlank said they also have other diagnoses, such as personality disorders, mood disorders and obsessive compulsive disorders that make treatment complex.

The cost for MSOP is \$346 per diem. Sen. Randy Kelly (DFL-St. Paul) said that is an enormous cost to keep someone in a facility who is not participating in the program. "Is that level of treatment necessary to comply with licensing regulations?" Kelly asked.

"Our per diem is in line compared with other programs," Harry responded. Schlank said MSOP is following contemporary standards for sex offender treatment. "If we cut back, it might cost more because of longer treatment time required," she said. Milczark said DHS and DOC are working together to consider options with this population, realizing the high costs.

Environment and Natural Resources

Red Lake game and fish bill heard

A bill that allows the shipment of wild animals taken from the Northwest Angle portion of the Red Lake Indian Reservation was discussed by the Environment and Natural Resources Committee Wed., Jan. 27. The committee is chaired by Sen. Bob Lessard (DFL-Int'l Falls).

The bill, authored by Sen. Roger Moe (DFL-Erskine), allows the taking and possession of wild animals on the part of the Red Lake Indian Reservation north of the 49th parallel without requiring a state hunting or fishing license. Currently non-tribal members pay the Red Lake Band an \$100 license fee along with the license fees for hunting and fishing required by the Dept. of Natural Resources (DNR).

Bobby Whitefeather, the chairman of the Red Lake Band of Chippewa Indians said that non-members have been able to purchase deer licenses from the band since 1992. He said that during that time the band has sold around 40-60 licenses per year with the exception of 1996 and 1997 when the tribal council closed the season because of low populations. He said inconsistent statements by the DNR have hindered efforts to promote its hunting and fishing seasons.

Whitefeather said Red Lake is a unique reservation because unlike all the other tribes in the state, the Red Lake Band was specifically noted by congress as being exempt from Public Law 280 which grants the state civil and criminal jurisdiction on Indian lands.

The bill's co-author, Sen. Leroy Stumpf (DFL-Thief River Falls) said the Northwest Angle is accessible by air, water, and by land by going through custom checkpoints in Canada. Stumpf said in order to get to the angle by ground, a person must stop at a checkpoint and use a video phone to go through the customs process.

Whitefeather distributed a letter signed by residents and business owners of the Northwest Angle who support the bill.

Sen. Steve Dille (R-Dassel) asked what the limit of deer was for both members and non-members. Whitefeather said that non-members have to comply with the same limits set by the state but that there was no limit for members. Dave Harrington, an attorney for the Red Lake

Band, said the tribe's management has developed a comprehensive plan dealing with the deer population of the angle and that close monitoring is done of the number of deer non-members take. Sen. Dan Stevens (R-Mora) said a better reporting system that would track the number of deer and fish harvested by members and non-members was needed for conclusive documentation of the angle's deer population to be accurate.

Mike Grupa, from the DNR's enforcement division, said he was not testifying against the bill but that he thought there were enough questions and concerns to warrant further discussion of the issue. "There are long term concerns such as would this set a precedence and allow other bands to be exempt?" he said. Grupa said that in listening to discussions between Harrington and the Attorney General's Office, jurisdictional issues and the unique standing of the Red Lake Band needed to be addressed.

Lessard also questioned the wisdom of sending the bill forward without knowing whether or not a precedent would be set by the legislation. "I'm not concerned about the 40 or 50 licenses. My concern is are we setting a precedent? To pass this on to the floor in its present form might do more harm than good."

Stumpf said the question of jurisdiction was the issue. "The problem is the DNR isn't recognizing the jurisdictional status of Red Lake. That's the issue. One place to settle this is in the courts but we didn't go that route," he said, "We tried to bring this to closure without going to court. We've gone that route before and it hasn't always come out in favor of the state or the state's citizens. This bill would set the procedures in place as far as checking what is going on in the Northwest Angle."

Harrington agreed. "Sen. Stumpf hit the nail on the head. The DNR won't recognize the jurisdiction situation when they have no jurisdiction on tribal land. And yet they want people to have a license."

Grupa said the DNR could work with the Red Lake Band to resolve the issue. "I think there is a common ground to be reached. I'm quite comfortable that the DNR sees the Red Lake Band as a sovereign nation. But a different approach has been put forth by the Attorney General's Office."

The bill was laid on the table.

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In other action, S.F. 27, authored by Sen. Don Samuelson (DFL-Brainerd), which provides lifetime crossbow permits for persons with permanent physical disabilities, was forwarded to the Senate floor.

Environment and Agriculture Budget Division

Cost benefit analysis studied

Members of the Environment and Agriculture Budget Division met Mon., Jan. 25 to hear the findings of a task force's scoping study on a cost benefit model to analyze water quality standards. The hearing was chaired by Steven Morse (DFL-Dakota).

The 1998 Legislature authorized the Minnesota Pollution Control Agency (MPCA) to convene a task force with the responsibility of selecting a contractor to make recommendations to the Legislature and MPCA commissioner on the scope, cost, and time frame for developing a cost benefit model. The thirteen member task force was comprised of representatives from industry, environmental, municipal, labor, agriculture, and watershed groups.

Bill Ward from Tetra Tech, the contractor selected by the MPCA, outlined the process used in developing the scoping study. Ward said that while such a cost benefit model has not been used on a statewide basis thus far, the model is being increasingly used in other parts of the country for the study of water quality issues. He said that the cost benefit analysis provides a framework for discussion and decision making; gets everything on the table; clarifies disagreements; captures the intensity of feelings; provides answers to many policy relevant questions; and inherently gets past intermediates to look at what people really care about.

Ward said that the price of the cost benefit model development would be between \$3.6 to \$4.4 million dollars.

Task Force Chair Lloyd Grooms, from the Minnesota Chamber of Commerce, said the task force was "emphatic" about its recommendation that the cost benefit analysis was a tool to be used in decision making, not as the sole decision making criteria. "It will not provide the answer-it's a means to an end," he said.

Morse asked Grooms and Ward what

could be accomplished by the study should the \$3.6 to \$4.4 million dollars not be available in the governor's budget. Morse asked if the model could be used on a scaled back version for an individual watershed district as opposed to statewide analysis. Ward said that he thought the costs could be substantially reduced in a scaled back analysis but he would have to get back to the committee on any estimated cost reductions.

Sen. Steve Dille (R-Dassel) said if the analysis could be used to determine how effective processes like the upgrading of septic systems and use of tile lining have actually been for the state's water quality, it would be money well spent. "Initially I was startled by the price. But the more I hear about this, the more I like it," Dille said.

Sen. Charles Berg (Ind-Chokio) said he was concerned about whether or not funding the analysis would lead to more regulations.

Grams replied by saying the study in itself would not necessarily lead to more government regulation. "People could use this as a model for their side of the argument against a new regulation," he said.

Climate change overview

The Environment and Agriculture Budget Division met Wed., Jan. 27, to get an update on the state of climate changes. Sen. Steven Morse (DFL-Dakota) chaired the meeting.

Morse said that the focus of the discussion should "stay away from speculative policies and focus on what we know today- what has been documented and where there is a relatively strong scientific consensus."

Dean Abrahamson, professor emeritus from the Humphrey Institute for Public Affairs, said the basic science of the greenhouse effect has been understood for a hundred years and the numbers haven't changed much over that time.

"Scientists get their kicks in two ways," Abrahamson said, "One is to find something new, where you're the only one who knows it. And the other is to show someone else is wrong." He said there is little dispute in the scientific community that the byproducts resulting from the burning of fossil fuels, primarily carbon dioxide, were causing the overall temperature of the planet to increase. He said a 1992 United Nations Conven-

tion on Climate Change began with the stated goal of examining ways to stabilize the levels of major greenhouse gases and concluded with a treaty signed by 155 countries, committing those countries to taking steps to reduce the threat of global climate changes.

Abrahamson said in Dec. 1998, another worldwide summit was held in Kyoto, Japan, from which the Kyoto Protocol was established calling for a seven percent reduction of carbon dioxide emissions and other greenhouse gases from their 1990 levels, by the year 2012. He said the United States signed the protocol but it has not been ratified by the U.S. Senate. "The United States has not shown much in terms of leadership," he said.

Peter Ciborowski, from the Minnesota Pollution Control Agency, said that Minnesota emission levels are thirteen percent above their 1990 levels. He said major reductions in the use of fossil fuels would be required to meet the standards required by the Kyoto Protocol. He said that the surface temperature of the earth has risen one degree Celsius since 1856 but the rate of the temperature rise is increasing. "It's not the rise in temperature itself that we should be concerned about," Ciborowski said, "It's the rate of increase." He said that in the next hundred years the global temperature is expected to rise another three degrees.

J. Drake Hamilton, from Minnesotans for an Energy Efficient Economy, a coalition working on environmental issues, said that temperature records from 33 weather stations from across the state show air temperature in Minnesota is warming at a rate greater than the global average. She said the changes in climate will greatly effect the forests and ecosystems in the state.

However, David Riggs, from the Center for American Experiment, said that there is no scientific evidence linking human activity with the warming of the planet. Riggs pointed to a survey signed by over 16,000 scientists and environmental experts who say that the greenhouse effect is a natural occurring phenomenon and that there is no proof that human activity is causing an increase in the planet's temperature. "There is no evidence that human presence is causing catastrophic climate changes," Riggs said. He said to require drastic changes in the use of fossil fuels

would have a devastating effect on the economy. "It would cause a decrease in output, fewer jobs, and higher prices," he said.

Sen. Janet Johnson (DFL-North Branch) asked Riggs if his organization's stance on the greenhouse effect took into consideration the rise in health related problems, such as children's asthma caused by climate changes. Riggs said there is no evidence asthma is caused by changes in the climate and that the money used in decreasing our use of fossil fuels would be better spent looking for cures for health problems.

Ken Davis, from the University of Minnesota Soils, Water and Climate Dept., said decisions made today will influence the climate for at least the next 100 years. "Stabilizing CO₂ emissions would be substantial progress towards preventing serious climatic change," Davis said.

Margaret Davis, from the University of Minnesota Ecology Dept., said that agriculture in the state could adapt to a steady rise in temperature, but an increase in the variability of climate would cause serious economic problems to farmers. She said that warm temperatures in the 1970's and 1980's caused lakes to lose their ice earlier and earlier in the year.

Sen. Bob Lessard (DFL-Int'l Falls) said that perhaps the earlier ice-out was the easiest way to measure the impact of the problem. "It's hard for people to relate to it. But things like ice houses- perhaps those are the best indicators."

Family and Early Childhood Education Budget Division

Overviews heard

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Fri., Jan. 22, to hear overviews of various prevention and intervention programs of the Minnesota Department of Children, Families and Learning (CFL).

Mary Ellison, manager of the Prevention Division within the department, first reviewed the general prevention and intervention funding application process. She said 445 applications, requesting a total of nearly \$47 million in funds, were received by the department in 1998. Because funding was limited and not all

the requests met the criteria, she said, just 55 applications totaling \$5.9 million were approved for grant awards. Ellison also reported that most applications are first read by citizen review groups made up of volunteers from the community. According to data provided, over 400 people volunteered to review applications in 1997.

An overview of Club Fed, an after school enrichment program located in North Minneapolis, was provided by Club Fed Director Mona Moede. She said the program, designed to serve youth between the ages of nine and thirteen, consists of 21 agencies with 73 programs in North Minneapolis neighborhoods. The programs, she continued, focus on the areas of academics, athletics, arts, cultural enrichment and skill building, with goals of reducing juvenile crime, juvenile related police calls and school suspensions, as well as increasing school attendance and computer related skills. Moede said she believes the program is working. She reported that summer school attendance has increased by 30 percent among Club Fed youth and that the majority of the 50 children involved in special Club Fed tutoring sessions improved their reading and math skills by two to three grade levels. She also said Minneapolis police report a 25 percent drop in juvenile crime calls since July 1996, some of which she attributes to Club Fed. Finally, Moede said since the program began in July of 1996, over 10,000 youth have been served by approximately 2,200 adult volunteers.

Next to speak was Linda Miller, coordinator of a CFL sponsored program called Speak Up, Clean Up. Speak Up, Clean Up, she said, is a crime reduction program located in the Thomas-Dale neighborhood of St. Paul and is designed to provide a wide range of legal services for residents who report such crimes as prostitution, drug trafficking, child or spousal abuse, as well as gang related activity. She said the two year old program targets groups who typically under report crimes-such as low income families and immigrants-who are afraid to report crimes because of potential retribution or the high cost of legal services. Among other items, she said Speak Up, Clean Up also helps obtain protective and restraining orders for those who need them. Speak Up, Clean Up is a free and confidential service, she said,

and from June 1 to the end of this year, had provided services to 95 people.

Parent Advocacy Coalition for Educational Rights (PACER) Associate Director Deb Jones discussed how her organization helps disabled children who have been maltreated. She said PACER help those children through the organization's Family Strength Program, which is aimed at educating the professionals who work with affected families across the state to better understand how to serve those families. According to data provided by Jones, children with disabilities are more likely to be abused than children without disabilities. Among other reasons, she reported, this is because children with disabilities may be perceived as being different, may require more time and energy, may be highly dependent on care givers and may be unable to self defend or ask for help.

The committee also heard a report from Proyecto Para Menores coordinator Kate Rios. Rios said the program, which serves Latino children in Minnesota, strives to ensure that families receive the services that are available to them. She said in the future her organization would like to provide more services in rural areas, as well as more services dealing with abused children, cultural issues and gay and lesbian issues.

Georgia Rowland, manager of the St. Louis Park office of Perspectives, Inc., discussed the role of her organization in supporting children and families. She said Perspectives, started in 1995, serves as a supervised visitation site for parents who have lost unsupervised visitation rights. Since 1995, she said, the organization has served approximately 250 families with 300 children, and has also provided for 825 visitations. Parents can also receive assistance in acquiring orders of protection and can take part in parenting classes through Perspectives, she said.

Self-sufficiency overview

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Tues., Jan. 26, to hear an overview of various self-sufficiency programs in Minnesota.

Janine Laird, executive director of the Minnesota Food Shelf Association, first provided members with statistics relating to food shelves and hunger in the state.

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She said in 1997, 310 Minnesota food shelves distributed over 24 million pounds of food to 1.34 million people. She said an estimated one in eighteen people received help from a food shelf during 1997. Of those using food shelves, she said two-thirds are families with young children, and one-fourth of those children are forced to skip meals because there is not enough food in their home. Laird reported 53 percent of the parents skip meals, too. Laird also said over half of the households using food shelves report incomes below \$599 per month—equaling an income of about \$7,000 per year—and approximately 85 percent of shelf users fall below federal poverty level guidelines. About 12 percent of food shelf users, she added, are senior citizens.

Catholic Charities representative Rosanne Healey said she has seen many changes in food shelf operations in her twelve years with the organization in St. Cloud. She said Catholic Charities is now able to offer milk and fresh fruits and vegetables to clients, which she said is essential in building a better diet for food shelf users. She also said more working households are using the food shelves now, because working households are not able to make ends meet. Healey reported serving more Hispanic families—due to the influx of immigrants and migrant workers—and said all food shelf forms have been translated into Spanish. She also reported a rise in the number seniors utilizing her food shelf from three percent a few years ago to between nine and ten percent today.

In his presentation, Reverend Gordy Elliott, assistant director of Community Emergency Services food shelf in Minneapolis, reported that the need to provide food to families is “great.” He said his food shelf provides between 85 and 90 tons of food for between 8,000 and 10,000 families every year, but with that help, families are still able to receive enough food for only two to three days. He also said the people who use the food shelf are changing; approximately twenty years ago 60 percent were white, but now are mostly Somali, Asian and Hispanic. Elliott said that although frozen food is sometimes provided for people, he is not able to offer fresh fruits and vegetables.

Pam Marshall, executive director of the Minneapolis based Energy Cents Coalition, told the committee that many Minnesotans have difficulty meeting

their basic energy needs. According to a study of low income households, she said, nearly 47 percent of those surveyed could not pay their electric bill at least once in 1998, 11 percent had their heat shut off or ran out of fuel and 51 percent turned their thermostats below 65 degrees during the winter. She also reported that in order to afford their energy bills, 17 percent of those surveyed went at least one day without food, almost 30 percent did not seek needed medical care and almost 40 percent did not seek needed dental care. To help low income households better afford their energy costs, Marshall recommended the state institute universal service, enhance low income consumer protections, increase the investment in energy conservation, provide opportunities for low-income consumers to increase their purchasing power through aggregation and study the relationship of unaffordable energy to other human services spending.

An overview of the lead hazard reduction effort was provided by Susan Gust, associate director of the Minneapolis based lead reduction agency Sustainable Resources Center (SRC). According to data provided, lead poisoning affects over 3,000 Minnesota children each year and is the number one environmental disease facing children today. Gust said lead poisoning in children causes severe and irreparable neurological damage, lower IQ’s, decreased verbal abilities, attention disorders, kidney damage and even death. She said lead in homes is usually transferred through dust particles and is found mainly in window troughs. According to Gust, SRC has made more than 200 homes safe for children and has worked with over 1,400 families to provide education and support in the last 12 months alone.

Adolescent study

Dr. Michael D. Resnick, professor of pediatrics at the University of Minnesota’s School of Medicine, spoke to members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), at the meeting held Wed., Jan. 27 about how to protect adolescents from harm.

Resnick discussed the results of the National Longitudinal Survey of Adolescent Health, which was administered in order to discover the extent to which family and school contexts and personal

characteristics protect kids from harm. It was conducted among teens in six different regions across the United States, with an ethnic ratio of about 64 percent white or European American, eighteen percent black or African American, 12 percent Hispanic and 6 percent classified as other. Teens surveyed were asked questions relating to violence, substance abuse, emotional health and sexual activity.

According to Resnick, juvenile homicide rose 54 percent during the 1980’s, and during that time African American homicide rose 800 percent. The largest increase, he said, is among African American fifteen year olds. Resnick also said that nearly twenty percent of children in grades seven and eight have access to guns at home, as do 26 percent of the children surveyed in grades nine through twelve. Also, he said seventeen percent of females surveyed and 31 percent of males have access to guns at home. Most at risk for violence perpetration, Resnick said, are those receiving welfare, younger teens, urban teens and Native Americans.

As far as substance abuse is concerned, Resnick reported that teens in the Northeast U.S. are most at risk to smoke cigarettes, white teens are most at risk to use alcohol and Native Americans and those on welfare are most likely to smoke marijuana. He said nearly 27 percent of the students surveyed in grades seven and eight have access to cigarettes at home, as do nearly 33 percent of children in high school. Also, he said 22 percent of seventh and eighth graders have access to alcohol at home, as do 30 percent of high school students, and just under two percent of seventh and eighth graders and between three and four percent of high school students have access to illegal drugs at home.

Resnick said that emotional distress increases by 50 percent in children between the ages of 13 and 18. Those found to have the most emotional distress, he said, are older teens, rural youth, those receiving welfare and Native American youth. However, those most at risk for suicide are females, rural teens, Western teens and Native American and Hispanic teens, he said. Resnick also said that of seventh and eighth grade students studied, an equal number of males and females attempted suicide at least once in the past year (nearly four percent).

However, he said of students surveyed in grades nine through twelve, two percent of males and five percent of females attempted suicide at least once in the past year.

By high school graduation, Resnick said nearly half of all youth in America have had sexual intercourse. He said those most at risk for early intercourse are rural teens, those receiving welfare, African American adolescents and teens from the South. Also, he said that of those who have had intercourse, nearly twelve percent in seventh and eighth grade have been pregnant at least once, as have nineteen percent of those in grades nine through twelve.

Resnick said through the survey he found that in all the areas studied, adolescents are positively affected by a parent, family and school connectedness, parental expectations for school and other areas, personal beliefs, religious identity and a good grade point average, among other items. He also found that access to substances and guns, paid work of more than twenty hours per week, a recent family suicide, perceived risk of an untimely death, a physical appearance that looks older or younger than most and perceived student prejudice, among others, are factors that negatively affect the life of an adolescent.

Governmental Operations and Veterans

Dept. of Admin audit

The Governmental Operations and Veterans Committee and the Governmental Operations Budget Division met jointly Thurs., Jan. 21, to hear Dept. of Administration audit results. The committees are chaired by Sen. James Metzen (DFL-South St. Paul) and Sen. Leonard Price (DFL-Woodbury), respectively.

The financial audit of the Dept. of Administration was presented by Jeanine Leifeld, audit manager of the Office of the Legislative Auditor. The scope of the audit included selected audit areas of the department, internal service funds and building fund appropriations, said Leifeld. It did not cover areas of the department which receive money from the general fund.

The audit showed that PrintComm, part of the communications media

division of the department, had made some duplicate payments, Leifeld said. The audit also showed that the department didn't comply with federal requirements relating to vendor certifications.

Scott Simmons, acting commissioner of the Dept. of Administration, presented the 1997-1998 performance report. The mission of the department, said Simmons, is to provide business management and administrative services that improve the productivity and quality of Minnesota government. He said the performance report focuses only on the major programs of the department, specifically those activities essential to and consistent with its mission.

Doug Schneider, assistant commissioner of the InterTechnologies Group, said that his group contracts an outside agency to perform a benchmark or baseline study for the division. The study compares the group to similarly sized agencies and businesses and makes recommendations for improvements. He said in a recently completed study the division did quite well when compared with agencies that have similar computing capacities.

Rulemaking discussed

The Governmental Operations and Veterans Committee, chaired by Sen. James Metzen (DFL-South St. Paul), met Weds., Jan. 27, to hear a panel discussion on rulemaking.

Minnesota Dept. of Health Rules Coordinator Dave Orren, explained why it is important for Legislators to know about state agency rulemaking. Rules are executive branch policies used to administer programs created by the Legislature and to fill any gaps left, explicitly or implicitly, by the legislation, said Orren. He said rules are extension of the law, therefore they have the force and effect of law. He told members that the Legislature is ultimately accountable for state agency rules because a state agency cannot adopt rules without the Legislature first delegating rulemaking authority to the agency and because the Legislature can always repeal or modify rulemaking authority.

Orren said that rulemaking is necessary to fill in any details in the laws passed by the Legislature. He said once laws are passed that set major policy directions and goals, the Legislature will sometimes delegate the details to an agency because

the agency has specific expertise; the agency has specialized knowledge or experience with a regulated industry, or the agency has the necessary resources to work with interested parties and adequately address all issues.

Paul Marinac, deputy revisor Office of the Revisor of Statutes, said his office helps agencies to draft administrative rules, and provides assistance to agencies to propose and adopt rules that are written clearly and concisely, consistent with Legislative direction, and are free of common drafting errors. He said quality controls for rule drafting include review and approval by the drafting attorneys and peer review by senior legal staff. Other elements included in the process are a clerical review, the use of specifically adapted computer programs, the text editing system, regular review of all processes, and instruction of staff in quality control, he said. He added that the computerized rule tracking system provides public information about the progress of rules through the rulemaking process. The system includes all rule proceedings since December 1980, and is available on the Minnesota Legislative Information System.

Administrative Law Judge Phyllis Reha, Administrative Hearings Office, told members the function of the Administrative Hearings Office is to determine if a rule is needed, or if it is reasonable, if correct procedures were followed when making the rule, and if the rule complies with statute. Reha said the department handles about 100 mostly noncontroversial proceedings annually, with about 20 rulemaking hearings. We ensure that all parties are treated fairly, are allowed to comment, and that agencies may respond to written and oral comments, she said.

Sen. Don Betzold (DFL-Fridley) presented a report by the Legislative Coordinating Commission Subcommittee on Generic Rulemaking. The subcommittee's major recommendation is that all Legislative policy committees should review the broad delegation of rulemaking authority that the subcommittee has identified, he said. The subcommittee also concluded that it is important for the Legislature to do a better job of overseeing agency rules, said Betzold. This would best be accomplished by ensuring the existence of a permanent bicameral group to review rules, Betzold added.

Committee update

Governmental Operations Budget Division

Audits reviewed

Audits of the Offices of State Auditor, Secretary of State, Minnesota Strategic and Long Range Planning, and the Board of Government Innovation and Cooperation were reviewed by the Governmental Operations Budget Division Tues., Jan. 26. The committee is chaired by Sen. Leonard Price (DFL-Woodbury).

Claudia Gudvangen, deputy legislative auditor of the Office of the Legislative Auditor, told members that the schedule for audits of the Constitutional Officers is established by the Legislative Audit Commission. Each office is audited twice during the four year term, once at midterm and once at the end of the term, she said.

The financial audit of the Office of the State Auditor for the calendar years 1995 and 1996 was presented by Jim Riebe, audit manager. Riebe said the function of the office is to audit local governments and relief associations, analyze local government financial information, conduct investigations, oversee relief association finances, and monitor compliance with federal requirements. The scope of the audit was a two year period ending December 31, 1996 and includes the areas of audit practice receipts, payroll, travel, equipment purchases, and other administrative expenditures. The audit concluded that the office was complying with material legal provisions and the audit practice receipts were in order, said Riebe. The payroll and administrative expenditure transactions tested were properly processed and recorded, but the office did not receive parking reimbursements from the Dept. of Administration, he said. The problem has been corrected, Riebe said.

Audit Manager Renee Redmer presented the financial audit report for the Office of the Secretary of State. The audit covered a period of two years ending December 31, 1996, and the areas audited were revenue, employee payroll, and equipment purchases and leases for the statewide computer network. Redmer said the department receives funding from state appropriations and from direct access revenue. She said other revenues, such as services charges for business filing fees, UCC surcharges,

and revenue refunds are non dedicated and deposited to the general fund. The department designed and implemented proper internal controls and it complied with laws and regulations for the items tested, therefore there are no recommendations, said Redmer.

The Minnesota Planning Office of Strategic and Long Range Planning financial audit for FY 96 and FY 97 was presented by Cecile Ferkul, audit manager. Ferkul listed the primary objectives of the audit as internal control and legal compliance. Specifically related to revenue programs, the objectives were internal control over revenue and fee setting to recover costs, said Ferkul. The audit concluded that operations were in compliance with guidelines, with two exceptions, said Ferkul. The Environmental Quality Board's fees did not recover overhead costs and the fees should include costs such as rent, utilities and other indirect costs applicable to the EQB, she said. The audit also concluded that administrative expenditure internal controls were adequate and the items test in the audit complied with legal provisions.

Created in 1993, the Board of Government Innovation and Cooperation was recently audited for the first time. Brad White, audit manager, presented the FY 96 and FY 97 financial audit of the department. White said the purpose of the board is to improve quality and delivery of services by local units of government by providing financial incentives in the form of grants and by removing state imposed barriers. The audit covered the areas of payroll and grants, and the testing objectives used in the audit were use of grant funds, the award process, contract administration in compliance with statutes, and financial reporting by recipients, said White. The audit concluded that grants were properly authorized and awarded, payroll and grants were accurately paid and recorded, and transactions tested complied with finance related legal provisions.

Audits heard

Audits of the Department of Revenue, the Office of the State Treasurer, and the State Board of Investment were heard at the Weds., Jan. 27 meeting of the Governmental Operations Budget Division, chaired by Sen. Leonard Price (DFL-Woodbury).

Dept. of Revenue Commissioner Matt Smith, presented the 1998 annual performance report of the department. He said the mission of the department is to achieve compliance with the tax laws. To accomplish that mission, he said the department works toward the goals of everyone paying exactly what is owed, customer satisfaction, operational excellence, and employee learning and growth. Smith cited rebating the budget surplus and moving into the new Revenue Building as major accomplishments of the department in 1998. He said the department will focus on re-engineering the processes they use in order to benefit the customer, building new support systems, and achieving dramatic results.

Tom Donahue, audit manager, presented the FY 98 audit for the Dept. of Revenue. The scope of the audit was limited to the fiscal year ended June 30, 1998, and material revenue and expenditure programs, he said. The objective of the audit was to ascertain whether the department complied with laws and regulations that may have a material effect on its financial statements, Donahue said. The audit concluded that financial statements fairly present revenue and expenditure activities, but found that the department did not adequately verify the integrity of withholding taxes remitted by employers, said Donahue. The finding first appeared in the 1992 audit report, but the department has made improvement on it each year and is now close to resolving the problem, he said.

Cecile Ferkul, audit manager, presented the audit for the Office of the State Treasurer. The objectives of the audit were to express an opinion on the state's financial statements and examine material revenues and expenditures. In the area of cash control, the audit concluded that internal controls were adequate, the cash balance was supported by the underlying transactions, and there was compliance with legal provisions. In the areas of debt service expenditures and revenue, reports were being accurately prepared and tested transactions complied with applicable legal provisions. In the area of administrative expenditures, the audit focused on travel, because there was an outside interest in the findings, said Ferkul. The audit concluded that out of state travel by members of the department complied with state policies

and procedures, served a public purpose, and was subject to the treasurer's discretion. Ferkul said the auditors recommend that the department develop a procedure to ensure that frequent flyer benefits are used for state business only.

The audit of the State Board of Investment (SBI) was presented by Jim Riebe, audit manager. Objectives of the audit were to determine if the state's and the SBI's financial statements fairly present investment activities, to evaluate internal controls, to determine compliance with legal provisions, and to review administrative expenses. The audit was for FY 97 and included the areas of investment balances, investment income and allocation, and investment expenses. The audit concluded that SBI and the state's financial statements did fairly present investment activities, and that there were adequate internal controls, and that administrative expenses were authorized and complied with laws. Riebe said the SBI complied with material legal provisions except stock ownership exceeded statutory limits for two companies. He said statute limits stock ownership to five percent per investment.

Health and Family Security

Welfare to work overview

Members of the Jobs, Energy and Community Development and Health and Family Security Committees, chaired by Sen. Steve Novak (DFL-New Brighton) and Sen. John Hottinger (DFL-Mankato), met jointly on Thurs., Jan. 21 to hear an overview of welfare to work programs.

Roger Hughes, executive director of the Minnesota Job Skills Partnership in the state's Department of Economic Development, spoke about the state sponsored Pathway grants, one program available through the partnership. Established in 1997, Pathways is designed, he said, to help people who are receiving public assistance move into employment. He said the keys to the program are the required career ladders and educational pathways, which are tailored to give those in the program the ability to continually upgrade their employment situation. Another key is the involvement of businesses in the program, he said, because he has realized that the private sector is the best job

creator. He said 53 businesses have been involved in the Pathway program, and 2,000 people have been trained for jobs.

Deb Huskins, assistant commissioner in the Economic and Community Support Strategies division of the Minnesota Department of Human Services, spoke about the 13 month old Minnesota Family Investment Program (MFIP). According to Huskins, the two main components of MFIP are the work requirement and the time limit. She explained that those receiving MFIP benefits have a strict work requirement, and those who do not follow through on their requirements have their assistance reduced or cut. Regarding the time limit, she said that those on MFIP have 60 months over a lifetime to receive MFIP assistance. At the end of those 60 months, she said, their benefits are terminated. Huskins said the program is still early in its maturation process, but she believes people are working more and are making more money than under the previous welfare system. She did say, however, that there needs to be more attention on combining the client's first job with opportunities to expand their job skills. This, she said, will enable them to continually upgrade their situation. Huskins also said that between Jan. and Oct. 1998, a total of 38,752 people were involved in MFIP employment services across the state.

Mary Jacquart, assistant director of Educational Grant Programs with the Minnesota State Colleges and Universities (MnSCU), reported on MnSCU's role in welfare to work. The state college and university system, she said, includes 36 public colleges and universities in 43 communities throughout the state, and provides Minnesota with 30,000 graduates annually. Besides academic training, Jacquart said the MnSCU system provides job coaching, internships and mentorships, as well as skills training, career planning, personal growth and development, adult basic education and English as a Second Language programs, among others. She said MnSCU collaborates with the Minnesota Workforce Center, Department of Trade and Economic Development, the McKnight Foundation, school districts, school to work programs and various community organizations. Jacquart said the three major challenges in responding to MFIP clients are that the ability to access

education varies by county, dealing with related conditions surrounding poverty—such as child care, transportation, and affordable housing—and dealing with gaps in the understanding of providers of how to work together. As ways to deal with those challenges, she recommended a closer alignment of resources and services, an evaluation of the total system and its outcomes and the matching of a policy which allows for investment in education and training to move to higher paying jobs.

Laura Turner, director of Employment Transitions with the Minnesota Department of Economic Security, reported her general findings regarding MFIP employment services. She said that nearly 27,000 people had found jobs through the employment services, but that did not mean those people were close to working themselves out of poverty. This is because, according to data provided, full time jobs received through MFIP employment services average \$7.62 per hour. She also said it has been a difficult year because the department is working with so many people, and as a result, the department is not where they "need to be" in regards to dealing with MFIP clients. She said the department is looking at ways to reduce caseloads for job counselors and to collaborate with other agencies and organizations.

In unrelated business, just before the meeting adjourned the committee moved to reconsider the motion to refer S.F. 25 (the nursing home restraint bill) to the Senate floor, sending it to the finance division instead.

Technical College tour

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), toured the St. Paul Technical College and the ISEEK program Fri., Jan. 22.

Medicare overview

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Tues., Jan. 26 to hear an overview of Medicare in Minnesota and to discuss two bills.

Scott Leitz, director of the Health Economics Program at the Minnesota Department of Health, continued his report regarding Medicare in Minnesota.

Committee update

He said that of those receiving health insurance in the state, 14 percent are covered by Medicare, and that Medicare accounts for about fifteen percent of an estimated overall health care spending of \$15.7 billion in the state. He also said that Medicare spending per enrollee in the state averages \$3,848 per year, as opposed to a national enrollee average of \$5,388. Spending continues to rise both nationally and in the state every year, he said. Leitz compared the ratio of Medicare spending between Minneapolis and Miami, FL to the national average. He said in Miami the amount spent on all services is 61 percent higher than the national average, while in Minneapolis the amount spent is 76 percent below the average. Also, in Miami 33 percent more than the national average is spent on inpatient hospital treatment, 104 percent more on professional and laboratory services and 60 percent more on home health care. In Minneapolis, he said, 88 percent below the national average is spent on inpatient hospital treatment, 62 percent less on professional and laboratory services and 39 percent less on home health care. Minnesota Medicare enrollees may pay less, he said, but they also receive fewer benefits.

Minnesota Council of Health Plans representative Michael Scandrett spoke regarding how much less benefits Minnesota enrollees actually receive. He said Minnesotans pay an extra \$60 to \$80 monthly out of their own pocket for the same health care many seniors in Florida receive for free. Even with the extra payment, he said, in Minnesota prescription drugs are not covered by Medicare, nor are eye glasses and hearing aids, and any dental care received is preventative only. Scandrett said in comparison, in Miami prescription drugs are covered, as are up to \$150 per year for eye glasses, up to \$700 per year for hearing aids and basic dental care. Also, he said the federal government pays HMO's \$763 per month to provide health care for seniors in Florida, but only \$414 per month for seniors in Minneapolis. Payment rates are based on per capita spending within a county, and Scandrett said Minnesota HMO's receive so much less because the health care system in the state is efficient and cost effective.

Sen. David Ten Eyck (DFL-East Gull Lake) authored S.F. 121, a bill that calls for the repealing of the requirement

under Minnesota law that licensees of health related boards receive continuing education in infection control. Ten Eyck said he is authoring the bill because the state should not be mandating what medical professionals study and because many do not even have exposure to infectious diseases such as AIDS. Dr. Blanton Bessinger of the Minnesota Medical Association and Dr. James Roelofs, a radiologist from Brainerd, both spoke in favor of the bill. They said mandating the study of a disease which may not be a part of a doctor's practice is a waste of time for both doctors and patients, and it is unnecessary to legislate the disease prevention process. Dr. Carol O'Boyle, infection control supervisor with the Minnesota Department of Health, and LeeAnn Ellingson, a representative with the Association for Practitioners in Infection Control, both spoke against the bill. They said the continuing infectious disease education is necessary because an increasing number of people are vulnerable to infectious diseases such as those with cancer—and because the safety of patients must be guarded. The bill was approved and sent to the Senate floor.

Sen. Linda Berglin (DFL-Mpls.) carried S.F. 194, which calls for the elimination of the application deadline for essential community provider status. Current law established a two year application period effective from the date the rules were adopted to implement the community provider statute. The period ended July 8, 1998, but under S.F. 194, an application for community provider status could be submitted at any time. Berglin said she is authoring the bill because of the recent influx of small community and ethnic oriented clinics in the state which would benefit from receiving community provider status. Discussion was brief and the bill was approved and sent to the Senate floor.

Higher Education Budget Division

Higher ed discussed

Presentations on higher education enrollment trends, credit transfer progress and partnerships with business and industry were given Weds., Jan. 27, at the Higher Education Budget Division meeting, chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls).

Morris Anderson, chancellor of Minnesota State Colleges and Universities (MnSCU), said his office has received only two complaints this past year on credit transfers. He added that another indicator of progress is that student organizations are not pursuing transfer related issues as a high priority. "We passed a board policy that speaks to the issues of transfer," he said. "The teeth of that policy is the appeal process we have in place. Any student dissatisfied with the transfer process can appeal to Linda Baer." Baer is MnSCU senior vice chancellor of Academic and Student Affairs.

Craig Froke, MnSCU, is working on a joint project with the University of Minnesota to put together a web site called Minnesota Transfer. Froke said the web site, which is scheduled to be up in about two weeks, will tell students all they need to know about transferability. He said transfer policy, guidelines and procedures will be listed in an easy-to-understand fashion.

Sen. Steve Kelley (DFL-Hopkins) said he appreciated the user-friendly aspect of the upcoming web site, but he said he thought all a student needed to see on the page is that credits will transfer.

Anderson replied that the presumptive answer is that credits will transfer, but there are qualifications. "We have inherited different curriculum and teaching standards, and we have to carefully walk our way through these standards and qualifications," he said. Kelley said he understood the realities, but he believed that the concerns of the people who work for the system cannot dominate over customers, or someone will come in and take the customers away. Anderson said MnSCU is keenly aware of the competitive environment, but he said it is a massive undertaking to insure consistency with 3,500 programs at various institutions.

Anderson said most of the problems in transferring credits occur because of lack of good planning up front. He said credit transfer depends a great deal on the major. He added that there is more focus on improving advice to students. Brent Glass, executive director of the Minnesota State College System, and Frank Viggiano, executive director of Minnesota State University Student Association, said they were satisfied with the progress MnSCU has made with the credit transfer program. Viggiano said he

is concerned about the faculty advising situation. "The faculty makes a good effort, but time isn't available," he said.

Craig Swan, vice provost for Undergraduate Education at the U of M, said he looks forward to a time when transcript information can be transferred electronically, a process that he said will improve the transfer of credits.

Full-year equivalent (FYE) enrollment trends for 1995-2001 in Minnesota state colleges and universities were explained by Peter Zetterberg, director of Institutional Research and Reporting at the U of M. He said enrollment is 10 percent less than it was 10 years ago. Graduation rates at the undergraduate level are higher, he said, and more graduate and professional degrees are being given.

Baer said that statistics show a decrease in high school enrollment, so there is a smaller population to recruit from. She added that as employment in an area increases, students work more and take fewer classes. She said an increase in university population is expected by 2003. "There has been a dramatic increase in our minority enrollment, and we are very proud of that," she said. She also said there is a slight increase in the average age of students, from 25.3 in 1988 to 26.5 in 1997.

Maureen Steinwell, director of Steinwell, Inc. in Coon Rapids, addressed the benefits of partnerships between the university community and business and industry. She said a lack of communication causes the gap between industry and higher education. "I can't imagine how higher education institutions could be aware of current trends without working with industry," she said. She said that her precision manufacturing industry group partnered with MnSCU in September and developed a strategic plan.

Sen. Cal Larson (R-Fergus Falls) said it is beneficial to give educators on-site exposure to what real life is about. Steinwell said the reverse is also true, that it is helpful for business people to learn about the university. Stumpf also expressed the importance of getting business and education together, saying it is difficult for graduates to work in a business if they are being taught outdated courses.

"We're concerned about the progress of current students we have in their career alignment and in their alignment with business and industry needs," Anderson said.

Jobs, Energy and Community Development

Y2K update bill heard

The Jobs, Energy and Community Development Committee, chaired by Sen. Steven Novak (DFL-New Brighton) met Fri., Jan. 22 to discuss a bill that addresses problems related to the year 2000 computer issue.

S.F. 2, sponsored by Sen. Steve Kelley (DFL-Hopkins), provides authority to local government units to address the Y2K problem, provides immunity for the collection and distribution of solution information, requires reports by certain utilities and health care and nursing home providers, and appropriates money to address the Y2K issue.

"I tried to focus the bill on things we should do right now, as soon as possible this session, so that cities and others can take action based upon it," Kelley said.

The committee's discussion focused on the section of the bill that requires electric utilities and telephone companies to file quarterly status reports in 1999 on year 2000 issues with the Public Utilities Commission and the Dept. of Public Service. Kelley said the status reports must include an inventory of identified problems, remediation efforts, testing results, and contingency plans.

"One of the risks we face is increasing concern by the public about this problem as the year goes along," Kelley said. "The best antidote for that increasing concern is getting them information about where their key utility players are in regard to solving the problem." He said once utilities have completed their testing and determined the problems are solved, it was important to get that information out to customers.

Paul Aasen, acting director of the Dept. of Public Safety's Division of Emergency Management said his department is working with local planners to help develop emergency plans to deal with Y2K problems. "What we're interested in is providing basic risk information to emergency planners at all levels of government," Aasen said. "In order to do that we simply need at different points over the course of the next year to be able to tell those planners who could potentially have a problem, where and what the potential problem could be," he said.

Sen. Warren Limmer (R-Maple Grove), Sen. Ellen Anderson (DFL-St. Paul), and Sen. Linda Runbeck (R-Circle Pines) expressed concern over the provision in the bill appropriating \$20 million from the general fund for loans to help local units of government with the costs incurred in addressing Y2K problems.

"Do we have any concern that there may be some political subdivision that may see this as an opportunity to acquire new things for their city at the same time? Every time we take a levy limit and remove it, there may be that opportunity," Limmer said.

Kelley said in talking with the League of Minnesota Cities and others he was told that because of local levy limits, helping to provide some money was an important part of solving the problem. He said the reporting requirements prevent some of the abuse from happening.

"I'm not doubting we need to provide authority so they can take emergency action- I think that's critical," Anderson said. "But when you talk about potential problems being an emergency, that just creates a window that's so enormous that if you had some local government that really wants to abuse this they could start doing it right this minute," she said.

Kelley said that although there was some risk in abuse of the loan fund, the severity of potential problems outweighed that risk. "Since I got involved in this and have learned more about it, I've been trying to walk the line between saying enough about the problem to motivate people to act and trying not to be overly alarming," he said. "But the nature of some of these problems, given January 1 falls in the winter in Minnesota, means that somebody could die if there's a failure. And if we haven't done everything we can think of to prevent that from happening, somebody's going to hold people accountable, including the folks who elected us to represent them. So I think it's pretty important to be aggressive about addressing this problem," Kelley said.

Runbeck said she thought reporting requirements should be expanded to include local units of government. "We're giving them incredible authority to expend resources. I think the citizens deserve to know where they are and what they have planned and if there might be some potential large expenditures," she said.

Committee update

Because the bill was not formally referred to the committee, no official action was taken. Novak said the committee would take formal action as soon as the bill is officially referred.

Judiciary

Informational hearing held

An informational hearing on employer reference immunity was held at the Judiciary Committee meeting Fri., Jan. 22. The committee, chaired by Sen. Jane Ranum (DFL-Mpls.), heard from proponents and opponents of the immunity issue. Kathleen Pontius, Senate counsel, identified three major categories of Minnesota statutes that provide some form of immunity or limitation on tort liability. These are good Samaritan statutes; statutes involving volunteer and charitable activities; and statutes involving public benefit or function activities. Pontius said that in 1994 the Legislature enacted a law that combines immunity provision from a number of areas of law based on the three major categories. According to Pontius, a law enacted during the last legislative session requires law enforcement agencies to conduct a thorough background investigation on applicants for employment as licensed peace officers. The law requires employers to disclose specified employment information when requested to do so by a law enforcement agency conducting an investigation. In return, the employers are immune from civil liability for releasing the employment information, in the absence of fraud or malice.

Ellen Sampson, a labor and employment lawyer, is a proponent of immunity legislation. She said she is in favor of legislation that will specify the information an employer can provide orally about an employee without that employee's consent—documented acts of harassment and threats, for example. She also supports an employer providing written evaluations with an employee's written consent, which may include disciplinary warnings and actions. Under such a system, the employee receives a copy and has the opportunity to rebut the material.

Sampson said she believes it is currently easier for an employer to provide only the employee's "name, rank and serial number." She said the dates of employment, title and salary are all the

information given. "We have some violent, dangerous people out there," she said. "It is not uncommon for them to go from one job to another and repeat their same behavior."

Tom Wilson, a high school principal in Eagan, said his job is to provide a place of safety and an education for his students. He referred to the case of a school teacher in Eagan who, after 14 days of employment, had received six complaints of sexual harassment. Wilson said that after school authorities met with the teacher, he ended his employment. It was then found that his transcripts were forged. Wilson said the reference made no reference to previous instances of sexual harassment complaints about the teacher; there was no information on his references. Wilson said he supports the proposed legislation. "I think it's important children be protected," he said.

Margaret McCabe opposes employer reference immunity. She spoke of her employment at a shoe store at the age of 19. She said she was repeatedly sexually harassed by a co-worker and reported it to her supervisors, who did nothing. The general manager left the store, which was closed, and a shortage of \$6,000 worth of shoes was found. She and two co-workers who had supported her in her charges of sexual harassment were accused of stealing the shoes and fired. McCabe returned to the store and received her reason for employment termination in writing as being tardy. She went to court and showed she did not steal the shoes, nor was she tardy. She said she wondered who would have hired her if her employer had been able to list these charges against her.

"Under current law, as an employer, you are protected as long as you're telling the truth and not being malicious," Judy Schermer, a Minneapolis employment attorney, said. She said it is a myth that an employer can only give an employee's dates of employment and job position in a job reference. Schermer added that under current law, an employee has a right to review his or her personnel record. If there is a dispute between the employer and employee about information in the record, she said the two can agree to revise or remove the information, or the employee can submit a written statement identifying the disputed information and explaining the employee's position.

"There is also a myth about litigation increasing," Schermer said. She said that in 1992 there were 601 cases and in 1998, 470. "Those 470 cases cover all kinds of employment claims," she added. Schermer said that if an employer is granted complete immunity, the employer can say anything. She stated that employers currently can communicate about an employee's dangerous behavior without any repercussions. Karla Wahl, also a Minneapolis employment attorney, said that a change in the current law could make it difficult for someone like McCabe to bring action or receive justice.

A discussion ensued regarding the pros and cons of immunity, with Senators seeking further information from the lawyers present. "I think the issue lies with employers and employees," said Sen. Sheila Kiscaden (R-Rochester). "Employees are not getting good references, and employers are not giving information." She said the bottom line is that neither side is being served very well.

Sampson said she advises her clients to disclose only the minimum when asked for references. If asked whether they would rehire the employee, she recommends they don't answer. Schermer said immunity opponents would like to propose legislation that would tell employers what they can include on a reference. Sampson said she believes some sort of clarification is needed. Ranum encouraged Senators to participate in further discussion on the issue.

Y2K bill adopted

Sen. Steve Kelley (DFL-Hopkins) presented S.F. 2 at a Judiciary Committee hearing Mon., Jan. 25. Sen. Jane Ranum (DFL-Mpls.) chaired the hearing. The bill provides that no cause of action may be brought against an association or state agency for damages resulting from the collection or publication of year 2000 (Y2K) solution information. Under the bill, immunity does not apply if it can be shown that the party against whom the claim is brought knew in fact that the year 2000 information is materially false.

Kelley said the Y2K problem revolves around two areas: computer software programs and embedded chips. He said the software programs are designed in such a way that the computer may read the year 2000 as being the year 1900. The circuitry in a chip might cause it to

dysfunction. Kelley said the issue is important across the state, because the chips are designed to serve a multiplicity of functions. As an example, Kelley said the doors at Oak Park Heights Prison will not close, and the prison will get very cold if computer alterations are not made. "Why didn't the people who originally installed the chips see the problem?" asked Sen. Allan Spear (DFL-Mpls.). Kelley said that people have been surprised to discover that even if a chip does not perform a date-related function, problems can occur. He said many of the chips have been mass-produced with a manufacturer-incorporated date function.

"I think the state computers are pretty well covered," Kelley said. "Local governments have responded in varying degrees." He said it is generally true that larger entities are further along in solving the Y2K problems. Kelley stated that even if a software user believes the entity he or she is concerned about has resolved its Y2K problems, that entity could be connected to another program that is not Y2K compliant.

Kelley told Senators that the bill does not affect individual records, only software programs. Sen. Warren Limmer (R-Maple Grove) questioned the extent of immunity. "If we're protecting all the big players in the state, we should consider the individual," he said. He expressed concern that if an individual has a paycheck directly deposited to his or her account and because of Y2K problems, that check does not go through, the person's credit rating may be affected. Committee members agreed that an extension of grace periods at the beginning of year 2000 would be helpful.

Kelley stated that regarding the sharing of information on Y2K solutions, lawyers are counseling clients to not share any information. He said he believes lawyers are being exceedingly cautious.

Beverly Schuft, representing the Year 2000 Project Office, told the committee that not only are computer problems an issue, but business continuation problems are a concern. "We need to assure citizens that we will continue business as usual," she said. She added that a great deal of data collection will be required to make all the needed fixes.

Kent Sulem, the Y2K Project coordinator for the League of Minnesota Cities, expressed his support for the measure. "With fewer than 340 days remaining

until the year 2000, action is urgently needed to provide liability protection for providing and distributing information which may help communities address Y2K problems in a timely, efficient and effective manner," he said.

Sen. Don Betzold (DFL-Fridley) offered an amendment asserting that immunity would not apply to fraudulent, willful, wanton, or reckless conduct in providing year 2000 solution information. The amendment failed, and the original language specifying that immunity does not apply if the party against whom the claim is brought knew in fact that the year 2000 solution information provided was materially false, was retained. Spear made an oral amendment that deletes the requirement of clear and convincing evidence that the party against whom the claim is brought knew that the year 2000 solution information provided was materially false. The amendment was adopted. An amendment offered by Betzold that includes provision of immunity for the Metropolitan Council and political subdivisions, and that sets loan requirements regarding Y2K problems, was adopted. An oral amendment by Sen. Richard Cohen (DFL-St. Paul) to remove specific amounts for such loans and replace them with blank appropriations was adopted. The bill was approved and re-referred to the Health and Family Security Committee.

K-12 Education Budget Division

AP and IB programs discussed

A bill appropriating money for the Advanced Placement and International Baccalaureate programs was heard in the K-12 Education Budget Division Fri., Jan. 22. Sen. Lawrence Pogemiller (DFL-Mpls.) chairs the committee.

Chief author Sen. Martha Robertson (R-Minnetonka) presented S.F. 136, which earmarks portions of the appropriation for various aspects of the AP and IB programs including funding for teachers to attend subject matter training and follow-up workshops; payment of all exam fees for all students to the extent possible; and student scholarships ranging from \$75 to \$500, depending on the student's exam score. The bill does not specify funding amounts for FY 2000 and 2001 because the amounts will be

determined in the K-12 omnibus bill, said Robertson. "We need to be more aggressive in getting school districts to promote the AP and IB programs," she said.

Marlys Peters-Melius, Dept. of Children, Families and Learning coordinator for the AP and IB program, told members that the bill provides financial incentives for schools to expand their AP and IB offerings and to promote rigorous, challenging courses of study as part of regular offerings for students in secondary schools. She said the AP and IB program permits students to earn college credit without leaving the high school campus, reduces the post-secondary educational costs for parents and students, and permits students to take more advanced courses in college.

Richard Schwartz, IB coordinator at Mpls. Southwest High School spoke in support of the bill. He said that the AP and IB programs are very beneficial to schools because they stimulate students to higher levels of thinking. The high standards of the IB program are maintained throughout the world, said Schwartz. Even the IB curriculum teachers are tested in order to maintain the standard, he said.

Wayne Haugen, chair, AP Advisory Council, said the growth in the program would not have been as great without the opportunity for teacher training. He said the teacher training incentives help get the program started in the school districts. Once the program is started the kids, parents, teachers and school boards all love it, said Haugen.

Sen. Paula Hanson (DFL-Ham Lake) asked how students are selected to participate in the program. Schultz said that is one of the most difficult aspects of the program. He said it's agonizing, because there are always more applications than available space for students in the program. "We look at the whole student, not just their grades. We ask them if they like coming to school and if they like homework. We look at attendance. We look at whether a student can articulate him or herself well. We also consider teacher recommendations," said Schultz. Kirsten Hafvenstein, a student in the IB program at Mpls. Southwest High School, told members that the program is an effective way to prepare high school students for the rigorous workload of college.

Committee update

Members approved the bill for inclusion in the omnibus K-12 bill.

Sen. Dan Stevens (R-Mora) offered S.F. 101, which gives the Milaca School District retroactive authority to start its school year Aug. 24, 1998. The bill provides the retroactive authority for the 1998-1999 school year only. Milaca School District Superintendent, Darwin Bostick told the committee the early start date was necessary to avoid a conflict with construction being done in schools in the district.

The bill was also approved for inclusion in the omnibus K-12 bill.

Bills discussed

Four bills were discussed at the Tues., Jan. 26, meeting of the K-12 Education Budget Division meeting. The committee is chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

Sen. Mark Ourada (R-Buffalo) presented S.F. 204, which provides a fund transfer of \$650,000 from the debt service fund to the general fund for the Monticello School District. Ken Baldrie, superintendent of the Monticello School District, told members that District 882 has operated prudently over the years and has accumulated a positive balance in the debt service fund. He said the district will be opening a new high school in the summer of 1999 and the funds requested will help to open and operate the new facility. Members approved the bill for inclusion in the omnibus K-12 bill.

A bill that changes the grant authority from the Grand Rapids School District to the city of Grand Rapids was authored by Sen. Bob Lessard (DFL-Int'l. Falls). The bill, S.F. 29, is a technical change to the 1998 bonding bill, said Lessard. It corrects an error that was not caught until after the bonding bill was passed and therefore could not be acted on last year, he said. Lessard said the bill needs to be acted on as soon as possible so the project can proceed. The bill was recommended to pass and re-referred to the Children, Families, and Learning Committee.

Sen. Becky Lourey (DFL-Kerrick) offered S.F. 168, which amends the debt service equalization eligibility requirements. Lourey said the change is needed to enable the Carlton School District to meet certain criteria for debt equalization. Scott Hoch, superintendent of the Carlton School District, said the district

has been working on a collaborative effort with two other government agencies who are also in dire need of facilities space. Attempts at combining with nearby school districts have failed, said Hoch. It leaves us no choice but to work with the local government agencies to remedy the problem, he said. We don't qualify for debt equalization because we don't serve 66 pupils per grade in grades 9 through 12, which is the current requirement in statute, Hoch said.

Dan Bryan, Dept. of Children, Families and Learning, said the department does not support the bill. He said the problem is understood, but the department is concerned about putting up buildings that won't have enough students to fill them. Sen. Kenric Skeevel (R-Preston) said it is time to take a look at the smaller school districts in the state. "We are putting a heavy burden on smaller districts," he said.

Sen. Jane Krentz (DFL-May Township) suggested that the number of pupils served per grade criteria be lowered to 50. After discussion by the committee, the bill was amended to leave blank the requirement for the number of pupils served per grade. The committee approved the change and recommended the bill for inclusion in the K-12 omnibus bill.

Sen. Bob Lessard (DFL-Int'l. Falls) also sponsored S.F. 109, a bill removing the bond sale limitation on capital loans that have been outstanding for 20 years. Barnum School District Superintendent Tom Hoppe told members that his school district will not be able to incur further debt, which is needed to update technology in the district, unless the change in statute is made. Current law states that districts that have not repaid their loans after 20 years are restricted from incurring other debt on the public market because they have not repaid the loan to the state. Pogemiller said if the districts are not required to pay, then the loan becomes a grant. We don't give loans with the presumption that they won't be repaid, he said. No action was taken on the bill.

Special Ed modifications

The K-12 Education Budget Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met Weds., Jan. 27, to hear proposed changes to the special education provisions.

Sen. Martha Robertson (R-Minnetonka) presented S.F. 297, which modifies special ed provisions and provides for rulemaking. She said that legislation was passed last year which specified that if the provisions were not modified or repealed, the provisions would revert to federal law. This forced us to examine the existing laws, she said. Robertson said the rules were looked at individually by the group working on the bill. The purpose of the bill is to eliminate the duplication between the state and federal special education law, to put into law things which are being done now that are not in law, and to provide for the making of rules to implement the statute. Robertson said the bill includes noncontroversial modifications. More controversial provisions will be addressed in another bill.

Tom Lombard, Dept. of Children, Families and Learning, told the committee that there was a lot of duplication of the language in the state and federal special education laws. Federal law was recently expanded, so the duplicate language in the state law was no longer needed, he said. Although the some of the language was deleted, the bill does not change special education policy. Lombard said a committee of stakeholders including teachers, parents, school administrators, representatives from advocacy groups, and at large members gave input on the modifications. There are 32 rule changes in the bill. Some changes bring the standards up to date and some changes reduce the paperwork, said Lombard.

Minnesota Council on Disabilities Executive Director Paul Hemphill said there is a lot of emotion surrounding the bill. He said, "Although those working on the bill have done a good job, thousands of people will be affected by the bill. More education is needed - maybe even focus groups". He added that the teachers who administer the programs are not always comfortable with changes that CFL makes.

Bob Meeks, Minnesota School Boards Association, told members that his organization was not invited to participate with the group working on the bill. He said the association has questions about the bill and will not support it until the questions are answered.

The bill was laid over for further discussion.

A bill extending the grant for the Southwest Star Concept School was presented by chief author Sen. Jim Vickerman (DFL-Tracy). Steve McCormick, superintendent of Heron Lake-Okabena School District, told members the district is not asking for more money, just a time extension to use the existing grant. He said reauthorizing the remaining portion of the Small School Viability Grant that was awarded the Southwest Star Concept School would allow completion of the planned expenditures for the start up costs of the school. McCormick said the grant is going well and there is tremendous support from the community. The committee approved the bill for inclusion in the omnibus K-12 bill.

Local and Metropolitan Government Committee

Gaming overviews

The Local and Metropolitan Government Committee met Mon., Jan. 25, to hear an overview on gaming in the state. The meeting was chaired by Sen. Jim Vickerman (DFL-Tracy).

John McCarthy, executive director of the Minnesota Indian Gaming Association, presented two videos about commonly held myths about the Indian communities in the state. McCarthy's presentation included information about Indian nations retaining their sovereignty rights from treaties signed with the federal government. The videos said that state power over tribal territory is limited to those powers which Congress has delegated to it. McCarthy said Indians who work outside the reservations "pay the same federal and state taxes as everyone else."

Richard Krueger, executive director of the Minnesota Racing Commission, said the commission is comprised of nine members appointed by the governor for six year terms. The commission regulates horse racing in the state, collects and distributes taxes imposed upon revenues collected, supervises the conduct of pari-mutuel wagering, issues licenses, and conducts investigations.

Krueger reported that Canterbury Park, in Shakopee, collected \$68.7 million in 1998 (\$12 million from the live handle and \$56 million from simulcasts) as opposed to \$65.9 million in 1997 (\$11 million from the live handle and \$54

million from simulcasts). He said the track will have 56 live race days in 1999 and 364 simulcasting days.

Property Taxes and Local Government Budget Division

Reform goals discussed

The Property Taxes and Local Government Budget Division met Tues., Jan. 27, to discuss goals of property tax reform proposals. The meeting was chaired by Sen. Sandra Pappas (DFL-St. Paul).

As a starting point for discussion, Pappas distributed a list of goals that she and her staff put together. The proposed goals include: promoting home ownership and affordable rental housing; preserving older housing stock and older commercial buildings and reducing barriers to preservation and improvements; promoting redevelopment of abandoned properties and the clean up of polluted land; adhering to classic tax principles of equity, adequacy, and administrative simplicity; encouraging revenue sharing between the state and local units of government and including a system of accountability; preserving agricultural land, open space, and wetlands as necessary to support food production, wildlife habitat, and recreational needs; providing a closer link between taxes collected and property related services; and reducing the reliance of local finance systems on property taxes and shifting the burden to existing progressive taxes.

Pappas said another goal of a reformed property tax system is to promote safe and thriving communities, protect and restore green space, and support local economic development. She said the committee must keep in mind that any decisions it makes has social implications. "Let's be more thoughtful of the impact of what we do," she said.

Sue Haigh, Ramsey County commissioner, summarized a property tax study collaboration project between eight local units of government (Hennepin, Ramsey, and St. Louis counties; the cities of Duluth, Minneapolis, and St. Paul; and the Minneapolis and St. Paul school districts). She said one of the things the project confirmed was that it is becoming increasingly difficult for counties to meet the service needs of their taxpayers because of an over dependence on property taxes to generate revenues.

"The property tax base has declined since 1980 in real dollars per capita, while the sales and income tax bases have grown significantly," Haigh said.

She said there is a need to diversify local government revenues either by linking growth in aid to local government to growth in sales or income tax revenues or to total state revenues. Haigh said another alternative is to give local governments access to more tax sources such as allowing counties to keep revenue from collection of mortgage and deed taxes.

Dan Salomone from the Minnesota Taxpayers Association (MTA), said property tax reform must begin with clearly sorting out state versus local spending responsibilities. He said the MTA supports equalizing aid for all jurisdictions based on a needs capacity formula similar to the current K-12 general education aid formula.

"The goal of equalization is to be able to provide a basic package of services at reasonable rates," Salomone said. He suggested the state also examine the adoption of site value taxation, where the assessment rate is based on the value of the land and not the value of the structure on the land.

Lee Munich from the Humphrey Institute, said there were three broad principles a property tax system must have. "A system has to be understandable. If you can't explain it, it is hard to justify it," he said. He said the system has to be stable, being able to deal with shifts over a long period of time. He also said that state and local units of government have to work together. "Too often it seems like the Legislature looks at local government as just another lobbyist. Real reform needs a strong state and local government partnership," he said.

Wayne Cox from the Citizens for Tax Justice, said that from 1991 to 1999 the net tax percentage collected from residential homesteads has increased from thirty to forty one percent. During the same time the net tax percentage collected from commercial and industrial sources has decreased from forty five to forty percent. "One of the things we have been concerned about is this shift," Cox said.

He said simplifying the tax system is not as important as other reforms. "A lot of things have been done to make the system more complicated but also more equitable," Cox said.

Committee update

Transportation

Rail overviews heard

Regional rail authorities offered presentations at the Transportation Committee meeting Thurs., Jan. 21, chaired by Sen. Carol Flynn (DFL-Mpls.). Peter McLaughlin, Hennepin County commissioner and chair of the Light Rail Transit (LRT) Joint Powers Board, provided information on the legislative program adopted by the board. He said the board supported the Metropolitan Council's 1999 funding request; state funding for LRT, commuter rail and other transitway projects; welfare to work transportation funding; commuter rail policies and dedicated funding for transit.

McLaughlin said the LRT Joint Powers Board is trying to create the beginning of a comprehensive plan for a regional rail system. "We're also working to create an integrated transportation system," he said. He said the region is growing in population and the number of workers. People are taking more trips per day. "By 2020, congestion will grow by 80 percent," McLaughlin said. McLaughlin said seven counties with regional authority had been asked by the Legislature to come together to talk about light rail projects, and he believes the time for LRT is now. He said the Riverview, Northstar and Red Rock Corridors and Hiawatha Avenue LRT are all federally authorized. "We need to move quickly on Hiawatha, because more projects are authorized than there are funds available," he said. "We're ahead of most, but we need to stay ahead."

McLaughlin said the Hiawatha Corridor will run from downtown Minneapolis to the Mall of America, with 18 stops scheduled. Four of those stops are in Minneapolis, in the entertainment district, the downtown core, the government center and at the Metrodome. McLaughlin also said that the process needs to draw on community participation, consider land use and zoning changes, allow for new developments and provide for station design. Resources for the Hiawatha Avenue project total \$446 million: \$223 million from federal funds, \$100 million from state funds, \$93 million from local funds and \$30 million from an earlier investment. McLaughlin said the LRT Joint Powers Board hopes to have full funding identified from all sources by July 1999

and have the line operating by fall 2003.

Dan Erhart, Anoka County commissioner, spoke on the Northstar Corridor, which will operate from St. Cloud into Minneapolis. "We're asking for \$10 million in this biennium from the Legislature," he said. He said the project has received \$350,000 in federal funding for FY 98 and is asking for \$6 million in FY 99 and \$10 million in FY 2000.

"This is the fastest growing corridor in Minnesota, and one of the fastest growing in the country," said Tim Yantos, Anoka County deputy administrator. He said that with the population growth in the area, commuter rail appears to be the transportation solution. Northstar will have 18 trains running per day with 10 stations. The line will run behind the Target Center to downtown Minneapolis and connect with the Hiawatha Corridor. The trip will take one and a half hours from St. Cloud to Minneapolis and will cost \$8, according to Erhart.

A need to look for balance in rail transportation was emphasized by Rafael Ortega, Ramsey County commissioner. "Hiawatha and Northstar are both west of the river," he said. "We need to balance with the east side so we can benefit as a region." Ortega requested \$20 million for the Riverview Transit Corridor over the next three years. The corridor begins at the lower East Side of St. Paul and runs through downtown St. Paul to Minneapolis/St. Paul airport and jointly with Hiawatha Corridor to the Mall of America.

Sen. Mark Ourada (R-Buffalo) said he understands the need for balance, but the transit projects have to go piece by piece. "We have to go first with sections where ridership demands it," he said. Ortega said the Riverview Corridor has 250 acres of developable land. "We are trying to integrate land use," he said. Sen. Randy Kelly (DFL-St. Paul) said he was unaware the Northstar Corridor did not include St. Paul.

The importance of the Red Rock Corridor in serving as an alternative form of transportation was noted by Myra Peterson, Washington County commissioner. Citing population growth in the area over the next 20 years, Peterson said Red Rock will run from Hastings to St. Paul and will use existing tracks. The Washington County Regional Railroad Authority is requesting \$2.5 million from the state, which she said will pay for

the initial feasibility studies of the transportation system.

Will Branning, Dakota County commissioner, and Sam Grabarski of the Minneapolis Downtown Council, both added their voices to the requests for corridor funding. Branning stressed the need for multi-modal transportation, and Grabarski said it is important to move quickly so no other communities will take the federal dollars.

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Senate TV services

Television coverage of Senate and House floor sessions and selected committee meeting is again available in the Metro Area on broadcast TV.

KTCI, channel 17, will carry Senate and House programming during the daytime hours throughout the session. In addition, this year Senate and House coverage is closed-captioned for hearing-impaired viewers of KTCI.

Capitol Report, the weekly legislative public affairs program produced by Senate Media Services, will air on the PBS broadcast network throughout the state this year. The programs airs at 9:30 p.m. Tuesdays on KTCI 17 (Twin Cities) and at 11:30 a.m. Sundays on KWCM 10 (Appleton), KAWF 9 (Bemidji) and KAWB 22 (Brainerd). The show also airs on WDSE 8 (Duluth) and KSMQ 15 (Austin), at 12:30 p.m. Sundays.

Preview

Monday, February 1

Rules and Administration Committee

Chair: Sen. Roger D. Moe

11 a.m. Room 107 Capitol

Agenda: Per diem and other administrative matters.

The Senate is in Session at 11:30 a.m.

Election Laws Committee

Chair: Sen. John Marty

12 noon Room 112 Capitol

Agenda: S.F. 138-Marty: Absentee ballot.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: Report from Department of Human Services on child welfare pilot projects.

Joint Environment and Agriculture, Governmental Operations and Transportation Budget Divisions

Chairs: Sen. Steven Morse, Sen. Leonard Price and Sen. Janet Johnson

12:00 noon Room 123

Agenda: Overview of proposed study on infrastructure costs (sewers, roads, etc.) related to urban sprawl. The study analyzes sprawl versus smart growth through 2020.

Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: S.F. 32-Johnson, D.H: Penalty for injuring or killing a search and rescue dog. S.F. 99- Knutson: Reimbursement by offender for costs incurred by failure to appear after release. S.F. 117-Knutson: Time limit for defendant's challenge of restitution. S.F. 118-Kelly, R.C.: Prior crimes for enhanced assault penalty expanded to include juvenile adjudications. S.F. 255-Ranum: Interfering with an emergency telephone call.

Local and Metropolitan Government Committee

Chair: Sen. Jim Vickerman

2 p.m. Room 107 Capitol

Agenda: S.F. 178-Johnson, J.B.: Authorize municipalities to provide for contract

bid specifications. S.F. 230-Higgins: Metropolitan Radio Board member qualifications. S.F. 231-Higgins: Grants and loans for public safety radio equipment. S.F. 234-Higgins: Sunset date for the Metropolitan Radio Board.

Tuesday, February 2

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: S.F. 297-Robertson: Modifying special education provisions. S.F. 186-Ranum: Phase in all day kindergarten. S.F. 246-Pappas: Expanding first grade preparedness.

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8:30 a.m. Room 15 Capitol

Agenda: Overview of Minnesota Economic Opportunity Grants; Presentation by the Minnesota Department of Children, Families & Learning and the Minnesota Community Action Association.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: S.F. 90-Betzold: Modifying the statute of limitations for medical malpractice. S.F. 334-Berglin: Allowing nursing facilities exemption from medicare certification under certain circumstances. S.F. 130-Berglin: Continuing cost-based reimbursement to certain health care facilities for an additional three years. S.F. 249-Berglin: Regulating certain nonprofit and charitable organizations; defining a nonprofit health care trust.

Transportation Committee

Chair: Sen. Carol Flynn

12 noon Room 112 Capitol

Agenda: Presentation of new license plate technology. S.F. 245-Oliver: Converting to single license plate system; S.F. 362-Langseth: Motor vehicle tax reduction; S.F. 364-Oliver: Motor vehicle tax reduction.

Joint Agriculture and Rural Development Committee and Environment and Agricultural Budget Division

Chairs: Sen. Dallas Sams and Sen. Steven Morse

2 p.m. Room 107 Capitol

Agenda: Feedlot upgrade funding.

Committee on Taxes

Chair: Sen. Douglas Johnson

4 p.m. Room 15 Capitol

Agenda: Department of Revenue budget overview.

Wednesday, February 3

Children, Families and Learning

Chairs: Sen. Pat Piper, Sen. Lawrence Pogemiller and Sen. LeRoy Stumpf

8 a.m. Room 15 Capitol

Agenda: S.F. 29-Lessard: Mississippi Center Education Grant. S.F. 297-Robertson: Modifying special education provisions.

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8:30 a.m. Room 15 Capitol

Agenda: Early childhood development overview and evaluation; Minnesota Department of Children, Families and Learning.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8:30 a.m. Room 112 Capitol

Agenda: S.F. 51-Langseth: Declining pupil aid. S.F. 92-Moe: Declining pupil aid. S.F. 200-Runbeck: Exemption of ASL requirements for oral deaf education teachers.

Higher Education Budget Division

Chair: Sen. LeRoy Stumpf

9 a.m. Room 107 Capitol

Agenda: Confirmations - Board of Trustees, MnSCU.

Governmental Operations and Veterans Committee

Chair: Sen. James Metzen

10 a.m. Room 15 Capitol

Agenda: S.F. 160-Stevens: Providing that agency and department heads must be

Preview

confirmed by the Senate within one year. S.F. 71-Betzold: Changing certain requirements for notifying the Legislature of proposed rulemaking. S.F. 271-Betzold: Requiring the LCC to appoint a bicameral group to review administrative rules. S.F. 63-Wiger: Resolution memorializing the U.S. government to urge the Ethiopian government to respect the human rights of the Eritreans in Ethiopia.

Transportation Committee

Chair: Sen. Carol Flynn

10 a.m. Room 112 Capitol

Agenda: S.F. 78-Vickerman: Increasing length of recreational vehicle combinations to 65 feet; S.F. 256-Johnson, D.E.: Trunk Highway 12 improvements; S.F. 313-Higgins: Accepting expired U.S. passport for driver's license application.

Election Laws Committee

Chair: Sen. John Marty

12 noon Room 112 Capitol

Agenda: S.F. 287 - Marty: Miscellaneous campaign cleanup provisions.

Environment and Agriculture Budget Division

Chair: Sen. Steven Morse

12 noon Room 107 Capitol

Agenda: Snowmobile studs.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: Department of Human Services Report on maltreatment of minors.

Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: To be announced.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

2 p.m. Room 125 Capitol

Agenda: Task Force Report of Office of Attorney General. Department of Finance State Government budget overview.

Legislative Audit Commission

Chair: Sen. Deanna Wiener

2 p.m. Room 316 Capitol

Agenda: Release and discuss program evaluation report on occupational regulation.

Committee on Taxes

Chair: Sen. Douglas Johnson

4 p.m. Room 15 Capitol

Agenda: S.F. XX-Johnson, D.J.: Tax rebate.

Thursday, February 4

The Senate is in Session at 9:30 a.m.

Health and Family Security Budget Division

Chair: Sen. Don Samuelson

10 a.m. Room 15 Capitol

Agenda: Proposed changes to Rule 50 and Rule 53 for nursing homes and ICF/MR's.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: To be announced.

Transportation Budget Division

Chair: Sen. Janet Johnson

12 noon Room 112 Capitol

Agenda: Budget overview.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

12 noon - Room 125 Capitol

Agenda: Dept. of Admin. Y2K Report. Dept. of Admin. State Register Report.

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

2 p.m. Room 107 Capitol

Agenda: S.F. 229-Stumpf: Memorializing the U. S. Congress to design and implement timely financial relief for livestock and commodity grain farmers. S.F. 254-Dille: Exempting agricultural loans from

the mortgage registry tax. S.F. XXX-Hanson: Extending the program for control of pseudorabies in swine.

Friday, February 5

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: S.F. 232-Ranum: Reading by second grade. S.F. 214-Johnson D.E.: Willmar magnet school.

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8:30 a.m. Room 15 Capitol

Agenda: Overview of adult basic education; Dept. of Children, Families and Learning.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: S.F. 301-Lourey: Modifying the suggested health care directive form. S.F. 348-Lourey: Appropriating money to fund organ, eye and tissue donation initiatives. S.F. 241-Sams: Volunteer ambulance attendant provisions. S.F. 144-Robling: Parental consent to chemical dependency treatment for minors.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: To be announced.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: Agency, county and advocates respond to Legislative Auditor's Out-of-Home Placement Study.

Crime Prevention and Judiciary Budget Division

Chair: Sen. Randy Kelly

2 p.m. Room 15 Capitol

Agenda: To be announced.

Minnesota Senate 1999

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DFL	6-5713	Beckman, Tracy L.	124B Cap.	26	DFL	6-4370	Metzen, James P.	303 Cap.	39
R	6-5975	Belanger, William V.	113 SOB	41	DFL	6-2577	Moe, Roger D.	208 Cap.	2
IND	6-5094	Berg, Charles A.	G-51 SOB	13	DFL	6-5649	Morse, Steven	G-24 Cap.	32
DFL	6-4261	Berglin, Linda	309 Cap.	61	DFL	6-4264	Murphy, Steve	301 Cap.	29
DFL	6-2556	Betzold, Don	306 Cap.	48	R	6-1279	Neuville, Thomas M.	123 SOB	25
DFL	6-5931	Cohen, Richard J.	317 Cap.	64	DFL	6-4334	Novak, Steven G.	322 Cap.	52
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R	6-4131	Dille, Steve	103 SOB	20	R	6-1282	Olson, Gen	119 SOB	34
R	6-2084	Fischbach, Michelle L.	149 SOB	14	R	6-5981	Ourada, Mark	145 SOB	19
DFL	6-4274	Flynn, Carol	120 Cap.	62	DFL	6-1802	Pappas, Sandra L.	120 Cap.	65
DFL	6-4154	Foley, Leo T.	G-9 Cap.	49	R	6-5252	Pariseau, Pat	109 SOB	37
R	6-8138	Frederickson, Dennis R.	139 SOB	23	DFL	6-9248	Piper, Pat	G-9 Cap.	27
DFL	6-3219	Hanson, Paula E.	328 Cap.	50	DFL	6-7809	Pogemiller, Lawrence J.	235 Cap.	59
DFL	6-9246	Higgins, Linda I.	227 Cap.	58	DFL	7-8060	Price, Leonard R.	235 Cap.	57
DFL	6-6153	Hottinger, John C.	120 Cap.	24	DFL	7-8061	Ranum, Jane B.	306 Cap.	63
DFL	6-8017	Janezich, Jerry R.	328 Cap.	5	R	6-4314	Robertson, Martha R.	125 SOB	45
DFL	6-9261	Johnson, Dave	111 Cap.	40	R	6-4123	Robling, Claire A.	151 SOB	35
R	6-3826	Johnson, Dean E.	117 SOB	15	R	6-1253	Runbeck, Linda	107 SOB	53
DFL	6-8881	Johnson, Douglas J.	205 Cap.	6	DFL	7-8063	Sams, Dallas C.	328 Cap.	11
DFL	6-5419	Johnson, Janet B.	G-9 Cap.	18	DFL	6-4875	Samuelson, Don	124 Cap.	12
DFL	6-2889	Junge, Ember R.	205 Cap.	46	R	6-3903	Scheevel, Kenric J.	129 SOB	31
DFL	7-8065	Kelley, Steve	321 Cap.	44	DFL	6-8869	Scheid, Linda	317 Cap.	47
DFL	6-5285	Kelly, Randy C.	323 Cap.	67	DFL	6-4188	Solon, Sam G.	303 Cap.	7
R	6-4848	Kiscaden, Sheila M.	135 SOB	30	DFL	6-4191	Spear, Allan H.	120 Cap.	60
R	6-6455	Kleis, Dave	143 SOB	16	R	6-8075	Stevens, Dan	105 SOB	17
R	6-4120	Knutson, David L.	133 SOB	36	DFL	6-8660	Stumpf, LeRoy A.	G-24 Cap.	1
DFL	6-7061	Krentz, Jane	235 Cap.	51	DFL	6-4913	Ten Eyck, David J.	G-24F Cap.	4
R	6-4351	Laidig, Gary W.	141 SOB	56	R	6-6238	Terwilliger, Roy	115 SOB	42
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R	6-5655	Larson, Cal	153 SOB	10	DFL	7-8073	Wiener, Deanna L.	303 Cap.	38
R	6-4125	Lesewski, Arlene J.	131 SOB	21	DFL	6-6820	Wiger, Charles W.	325 Cap.	55
DFL	6-4136	Lessard, Bob	111 Cap.	3	Capitol address: 75 Constitution Avenue				
R	6-2159	Limmer, Warren	127 SOB	33	State Office Building address: 100 Constitution Avenue				
DFL	6-0293	Lourey, Becky	G-9 Cap.	8	St. Paul, MN 55155				

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Senate Briefly

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Ice coated branches create a sparkling winter scene framed by a window on the second floor of the Capitol.

Photo by David J. Oakes



February 5, 1999

Senate Highlights

Sales tax bill forwarded

A bill that provides a sales tax rebate similar to Governor Jesse Ventura's proposal, was approved by the Committee on Taxes, Wed., Feb. 3.

S.F. 396 authored by committee chair Sen. Douglas Johnson (DFL-Tower) provides a \$1.1 billion rebate to state taxpayers. "I think this is a balanced and fair plan," Johnson said, "It is more fair to mainstream and middle and lower income Minnesotans than the House plan."

Matt Smith, commissioner of the Dept. of Revenue, said the bill differs slightly from the governor's proposal. Smith said the governor's proposal includes an "automatic settle up rebate," a trigger mechanism that rebates any future general fund surpluses at the end of a biennium. He said the automatic rebate would be available if a projected general fund surplus is greater than one half of one percent of biennial general fund revenues based on the forecast made in November or February of the second year of the biennium. Smith said in the automatic rebate, the governor proposed legislation for rebating amounts designated available for rebate. Under the governor's plan, the Legislature would

have until April 15 to adopt or modify the governor's proposal; the remaining surplus would then be rebated using the same mechanism adopted for the current surplus.

Johnson said another difference between S.F. 396 and the governor's proposal is that it expands the pool of eligible recipients to include people who live together but don't share rent or property taxes. He said those Minnesotans who weren't eligible for a property tax rebate would be eligible for a flat \$50 rebate. He said unlike the governor's proposal, the bill also does not convert \$400 million of capital projects from general fund cash financing to general obligation bonding. He said such a conversion would require a 60 percent vote by the Legislature.

Sen. Dick Day (R-Owatonna) offered an amendment for a sales tax holiday beginning on July 4 and ending when the surplus is used up. "If the sales tax rebate is the most fair, and I don't believe it is, this would be the most equitable way to return the money," Day said. He said with a sales tax holiday the rebate would, "go to everyone that's doing whatever they are doing today."

Johnson said Day's amendment was

"very creative" but that he opposed it. "In the 1997 and 1998 sessions, we did a lot to help businesses. A large part of tax relief went to businesses," he said, "I think in the 1999 Legislative session we should maximize tax cuts going to employees of businesses in Minnesota."

Day's amendment was defeated by a vote of 16-5.

Sen. Linda Runbeck (R-Circle Pines) offered an amendment similar to the House plan. Under the amendment, the tax rebate would be returned to 1997 income tax filers with at least \$1 of 1997 income tax liability before refundable credits. "I'm very concerned about the precedent we are setting," Runbeck said, "There are a lot of people out there working hard. We should be creating incentives to work."

Sen. John Hottinger (DFL-Mankato) said a sales tax rebate was more fair than an income tax rebate in including more Minnesotans. "In the House plan the 1997 Green Bay Packers would get a rebate but a senior citizen in Burnsville who has lived here all her life but didn't pay any income tax, wouldn't get a penny," he said.

Runbeck's amendment was defeated by a vote of 15-7.

Day said the sales tax rebate is a "Robin Hood plan." "Everyone knows that 30 percent of the taxpayers pay 80 percent of the income taxes," he said. He said the sales tax rebate was unfair because it does not return the surplus to the people who contributed the most. "Everything we do in Minnesota is that way. It just isn't right. What we are creating is just like a welfare program," he said.

Johnson said the sales tax rebate proposal is most beneficial to Minnesota single income households who earn less than \$95,000 and to married couples who earn less than \$126,000. He said two million Minnesotans would get a rebate under the sales tax rebate proposal as compared to 1.8 million that would get income tax rebates.

"I've been very blessed like many of you. I have to pay capital gains taxes on some stocks from some highly successful companies," he said, "Those companies made profits in many cases because of consumers who bought their products. I think you have to take a broader picture with the general economy."

Johnson said his bill also provides \$47

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million in tax relief for qualifying farmers. He said a bipartisan subcommittee helped develop the proposed relief. Sen. Jim Vickerman (DFL-Tracy), a member of that subcommittee said relief for farmers was vital. "I don't think we realize how tough it really is out there. We are losing money on every crop we raise," Vickerman said, "It upsets me how we have to fight like hell to help farmers. We need to send a message that this state supports farmers," he said..

The committee voted 17-5 to approve the bill. It was forwarded to the Senate floor.

Sams reprimand adopted

Senators devoted most of the Mon., Feb. 1, floor session to hearing the findings and adopting the recommendations contained in a resolution concerning Sen. Dallas Sams. Sams had requested an advisory opinion on whether or not he had a conflict of interest in working as a consultant for the University of Minnesota. The Rules and Administration Subcommittee on Ethical Conduct, chaired by Sen. Ember Reichgott Junge (DFL-New Hope) and Sen. Dennis Frederickson (R-New Ulm), conducted an investigation and determined that while Sams did not have a conflict of interest, his concern about negative political perceptions led to his participation in actions designed to conceal the payment for his work. Junge said that the proceedings of the subcommittee changed from determining a conflict of interest to an improper conduct proceeding. "The final irony," Junge said, "was that there was no conflict of interest, but Sen. Sams was so concerned about the perception of conflict that he took steps that were inappropriate."

Frederickson said the resolution before the Senate included the recommendations of the subcommittee to resolve the matter. He said that the subcommittee recommended that Sams be reprimanded, that he be removed as a member and vice-chair of the Human Resources Finance Committee and that he apologize to the Senate, his constituents and the public.

Members adopted the resolution on a voice vote.

Immediately after adoption of the resolution, Sams spoke on a point of personal privilege and offered his public

apology. "It is with the utmost sincerity I apologize for the bad judgment I used in this situation," Sams said. "My family has suffered, the public has suffered, and my relationship with my colleagues has suffered. Rebuilding trust is easier said than done, but I will make every effort to rebuild the trust...my future conduct will meet the highest standards," he said.

The Senate also held a brief floor session Thurs., Feb. 4, in order to process bill introductions and allow for the referral of bills to other committees. In addition, Roger Moening was sworn in as Assistant Sergeant at Arms.

Snowmobile stud bill advances

A bill modifying restrictions of carbide snowmobile studs was approved by the Environment and Agricultural Budget Division, Wed., Feb. 3. The meeting was chaired by Sen. Steven Morse (DFL-Dakota).

H.F. 6, sponsored by Sen. Leroy Stumpf (DFL-Thief River Falls), repeals the \$50 registration sticker for metal studs that was adopted during last year's session. It also modifies the enforcement mechanism by replacing forfeiture of snowmobiles with a three tier system of fines.

"A significant fine is a more realistic deterrent for keeping studded snowmobiles off paved trails," Stumpf said.

He said the bill was a compromise effort put together with Morse. The bill addresses the issue of snowmobile stud use on county trails by allowing each county to decide whether or not to allow the studs on their trails. The current statewide ban remains in effect, but the bill gives counties the authority to allow studs on their trails by passing a resolution, Stumpf said.

The committee adopted an amendment to the House version putting in place a three tier fine system to replace forfeiture of a snowmobile for violators caught using a studded snowmobile on paved trails. Under the bill, the violator is be fined \$50 for the first offense, \$300 for the second offense, and \$600 for the third offense.

Morse said he was pleased that a compromise was reached. "This issue has been festering for a few weeks. I think that was unfortunate because the issues aren't that terribly complicated," he said, "I think we found some pretty reasonable middle ground." He said the issue of who should pay for the stud damage already

done to trails will be addressed in the omnibus appropriations bill later on in the session.

Judy Erickson, from the Minnesota Parks and Trails Council, said she supported the amended version of the bill but her group is still concerned about the costs of repairing damaged trails. She said two to three million dollars would be needed to repair existing damage done to the state's paved trails. "A patchwork approach is not the answer to repair trails like the Paul Bunyon Trail. The whole trail needs to be resurfaced," Erickson said. She said the cost for repairs to the Paul Bunyon Trail alone would be approximately \$727,500.

Colleen Tollefson, from the Office of Tourism, said that the office has received more feedback on the snowmobile stud issue than any other issue. She said the feedback from consumers, mostly non-residents, was mostly negative, with many people saying that they weren't planning to come to Minnesota because of the ban. Tollefson said the Tourism Office conducted a study in 1996 to try and determine the economic impact of snowmobiles in the state. She said the study showed resident snowmobile related expenditures totaled \$103.9 million with an additional \$43.8 million from non residents.

Doug Franzen from the Minnesota Snowmobilers Association, said his group was pleased with the amended bill. "We are most grateful for the compromise and are looking forward to working with the Legislature to address the other issues," he said.

The bill was forwarded to the State Government Finance Committee.

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Committee update

Children, Families and Learning Committee

Special education bill discussed

Members of the Children, Families and Learning Committee, co-chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), Sen. Leroy Stumpf (DFL-Thief River Falls) and Sen. Pat Piper (DFL-Austin), met Wed., Feb. 3, to discuss two bills.

Sen. Martha Robertson (R-Minnetonka) carried S.F. 297, a bill relating to special education provisions. According to Robertson, S.F. 297 modifies, amends and deletes language in current Minnesota law in order to reduce paperwork for special education providers, ensure the effectiveness of special education rules and laws and to ensure that the quality of service for children with disabilities and families of children with disabilities is excellent.

Among other things, the bill changes the time limit from six months to 90 days in which a transition plan must be facilitated for a child that is no longer eligible for early intervention services and removes the requirement that local interagency early intervention committees prepare yearly progress summaries. Robertson said the changes made are not controversial and were widely agreed upon among those with whom she consulted for the bill. S.F. 297 was approved and was re-referred to the Governmental Operations and Veterans Committee.

Sen. Bob Lessard (DFL-Int'l. Falls) offered S.F. 29, a bill relating to an appropriation of funds for the design and construction of a library in Grand Rapids. S.F. 29 changes language in current law that allocates the Mississippi Education Center grant -- to be used to build the proposed library -- from Independent School District 318 in Grand Rapids to the city of Grand Rapids. The bill also imposes conditions on the city of Grand Rapids under which the city must agree to the terms and conditions of any existing grant agreement for the construction of the new library in order to receive the Mississippi Education Center Grant.

Lessard said the bill is just a technical change, but is necessary to allow the library project to proceed.

S.F. 29 was approved and sent to the Senate floor.

Crime Prevention

Rescue dog bill gains

Several bills were brought before the Crime Prevention Committee meeting, chaired by Sen. Allan Spear (DFL-Mpls.), Mon., Feb. 1. Sen. Dave Johnson (DFL-Bloomington) presented a bill, S.F. 32, that provides the same penalties for causing death or injury to a search and rescue dog that currently apply to killing or harming police or arson dogs. The bill defines a search and rescue dog as a dog trained in locating lost or missing persons, victims of natural or man-made disasters, and human bodies.

Appearing on behalf of the bill were Mark Haskins and Dr. Mary McCormick, members of North Star Search and Rescue. They brought their dogs with them. "We believe this bill will be an effective tool to prevent harm to our canine partners," Haskins said. He said the primary mission of North Star Search and Rescue is to save lives and prevent suffering. He said the rescue association is composed of volunteers, and the rescuers only respond to law enforcement agencies. He said there are 12 certified search and rescue dogs in Minnesota, with four search and rescue associations.

"We don't go out to search for people who are known to be violent, but violent people can appear in our search," Haskins said. He related that often when searching for a lost child, it turns out that child has been abducted and the perpetrator may present a danger. He cited a case in another state in which a dog and its handler looking for a lost child were both killed by the child's abductor. Haskins said that if someone harmed his dog today, that may prevent someone from having a loved one found. He said it requires a handler to spend two years training himself or herself and the canine partner.

The bill was recommended to pass and referred to Crime Prevention and Judiciary Budget Division.

A bill requiring reimbursement by defendants for costs incurred due to the defendant's failure to appear in court was presented by its author, Sen. David Knutson (R-Burnsville). The bill, S.F. 99, provides that felony offenders released from custody who intentionally fail to appear when required after having been notified that a failure to appear is a criminal offense commit the crime of

failure to appear. The bill also applies to offenders who are released from custody on condition that the offender personally appear when required with respect to the charge or conviction after notification that a failure to appear is a crime. Under the measure, courts can order defendants to pay the costs incurred due to the defendant's failure to appear. This is in addition to any other penalty authorized by law and may be enforced in the same manner as the sentence or by execution against property.

"This bill would allow us to collect costs for defendants' failure to appear," stated Phil Prokopowicz of the Dakota County Attorney's office. He said costs are incurred when the large number of cases result in defendants having to return. When they fail to appear, there are costs for police officers working overtime and travel expenses, he said. Prokopowicz said the costs in Burnsville for paying officers overtime was \$30,000 per year. He said the court takes into consideration a defendant's ability to pay.

Knutson added an amendment to the bill that requires court-ordered restitution and criminal fines be paid before paying costs incurred by the prosecuting authority or government agency. The amendment was adopted, and the bill was recommended to pass to the floor.

A second bill authored by Knutson, S.F. 117, limits the time period to 30 days during which a defendant may challenge a restitution request. Prokopowicz said there are currently problems in collecting restitution. He said the restitution amount is usually set at sentencing or shortly thereafter. The offender is given notice of the amount and a schedule of monthly payments. "A year later, the defendant may get behind in payments, and this becomes a probation violation," Prokopowicz said. "The defendant may then challenge the amount of restitution, and this places a burden on the county attorney. We're trying to get some sort of reasonable time limit on restitution and the challenging of restitution." The bill was recommended to pass and referred to the floor.

A final bill, S.F. 255, was presented by Sen. Jane Ranum (DFL-Mpls.). The measure expands the gross misdemeanor offense of interference with a 911 call to include other types of emergency calls. Under the bill, besides 911 calls, emergency calls are defined as any call for

emergency medical or ambulance service, or any call for assistance from a police or fire department or for other service needed in an emergency to avoid serious harm to person or property.

Ranum cited an example of a woman who was being assaulted and tried to call an emergency number, but her attacker ripped the phone out of the wall. The court could not pursue a charge against the attacker for interfering with the call, since the number called was not 911.

The bill was approved and sent to the full Senate.

Crime Prevention and Judiciary Budget Division

Sentencing guidelines report

Deb Dailey, director of Sentencing Guidelines Commission, addressed a Joint Crime Prevention Committee and Crime Prevention and Judiciary Budget Division meeting Weds., Feb. 3. The meeting was co-chaired by Senators Allan Spear (DFL-Mpls.) and Randy Kelly (DFL-St. Paul).

Dailey presented a Sentencing Guidelines Commission 1999 report to the Legislature and a 1997 felony sentencing practices report. She said one of the commission's responsibilities is to monitor sentences. "There is an increased volume of people we are sentencing for felony offenses," Dailey said. The number of offenders sentenced has grown from 5,500 in 1981 to 9,847 in 1997. Dailey said there is another 10 percent increase in 1998.

Sen. Leo Foley (DFL-Anoka) said he read that the number of criminal offenses has flattened out, yet in spite of that Minnesota is incarcerating more people. "Why is that?" he asked. Dailey responded that more people are being incarcerated, even if there is not more crime. She said part of this is reflected by the dramatic increase in the number of drug offenders sentenced. Dailey pointed out that drug crimes have increased since 1981, then leveled out from about 1990 to 1996, then increased again. She said crimes against the person also rose until 1994, then started going down.

"When offenders are convicted of a felony, they usually do get incarcerated," she said. In 1997, 86.7 percent of convicted felons were incarcerated in jail or prison. "There has been a remarkable

increase in the number of people serving time in jail," she said. Dailey said that in 1989-90 a fairly marked increase in average sentence length occurs, especially for murder offenses. She said she believes this is a result of changes in the law that occurred in 1989.

Dailey also noted an increase in dispositional departure rates. These are departures from the suggested sentencing guidelines. If a judge sentences an offender to prison when probation has been recommended, it is an aggravated departure. If prison is recommended and probation is given, it is a mitigated departure. Aggravated departures reached 4 percent in 1997 and mitigated departures 9.8 percent.

Election Laws

Absentee ballot bill discussed

A bill making it easier to vote by absentee ballot was heard by the Election Laws Committee Mon., Feb. 1.

Committee Chair Sen. John Marty (DFL-Roseville) presented his bill, S.F. 138, which authorizes any eligible voter who reasonably expects to be unable to go to the polling place on election day to vote by absentee ballot; eliminates the requirement that the ballot be marked in the presence of a witness; and authorizes voting by facsimile ballot by a person who is outside the United States or who becomes a patient in a health care facility during the seven days immediately before an election.

Marty told members that similar bills had been passed by one or both Legislative bodies in 1994, 1995, 1997 and 1998. He said the 1998 version was presented to the governor, but vetoed because the governor didn't feel there was enough bipartisan support. He said the new governor wants to make voting easier for everyone, so the current bill is likely to be received favorably.

Sen. Linda Scheid (DFL-Brooklyn Park) asked if the bill provides for absentee voting without having to state a reason. Marty replied that the bill does not limit a person's ability to vote absentee to one of a few reasons, instead the bill allows one to vote absentee for any reason. Often, when personal schedules conflict in a family, voting by absentee would be a convenience, said Marty.

Sen. Mark Ourada (R-Buffalo) questioned how the facsimile ballots will be

verified by the county auditors and whether the addition of facsimile ballots would generate a significant amount of extra work for the county election divisions. Marty said that the facsimile ballots will be verified the same way regular absentee ballots are verified, and that the Secretary of State's Office has had no reports of any problems with the procedure currently used. "If there are more absentee ballots, then there will be more work, but that means more people are voting and that's what we want," said Marty. "I'm confident the election offices will be able to meet the challenge," he added.

An amendment to exclude patients in a health care facility from voting by facsimile ballot was offered by Sen. Ember Junge (DFL-New Hope). Junge expressed concern that facsimile voting in a health care facility could be abused. The amendment was adopted and the bill was laid over for further discussion.

Environment and Agriculture Budget Division

Costs of urban sprawl

Quantifying the costs and benefits of urban sprawl was discussed Mon., Feb. 1 at a joint hearing of the Environment and Agriculture Budget Division, the Government Operation Budget Division, and the Transportation Budget Division. The meeting was chaired by Sen. Steven Morse (DFL-Dakota), Sen. Leonard Price (DFL-Woodbury), and Sen. Janet Johnson (DFL-North Branch).

Karen Linner, from the Center for Energy and the Environment, reported on the progress of a land use study which was funded by the Legislative Commission on Minnesota Resources. She said the study, which spans from 1995 to 2020, covers two different scenarios. She said that in the "smart growth scenario," growth is concentrated near existing infrastructure. In this scenario the growth would occur in about 90 percent of the existing housing in the existing sewer areas. Average residential density would be about 5.5 units per net acre with the St. Paul/Minneapolis area gaining 30,000 net households, she said. The Metropolitan Council is projecting an additional 660,000 residents in the seven county Metropolitan Area by the year 2020.

In contrast, Linner said that the "sprawling scenario" would use signifi-

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cantly more land as the line of expansion goes to the next ring of townships. Average residential density would be 1.8 units per net acre, and the St. Paul/Minneapolis area would not gain any households, she said. She said the Metropolitan Council's Regional Blueprint falls somewhere in the middle of the two scenarios.

"Smart growth is not based on higher density for the sake of higher density," Linner said, "It opens up a number of options for retaining the character of our region. It helps us preserve part of our region's rural character," she said.

She said that the total infrastructure costs for new housing in the sprawling scenario would be approximately \$5.2 billion. In the smart growth scenario the same costs, for local roads, sanitary sewers, storm sewers, water mains and excavation, would be approximately \$2.1 billion. She said another difference would be that in the sprawling scenario, development would separate housing, employment, and shopping areas. The smart growth scenario mixes the three areas making more efficient use of land and infrastructure to help make housing more affordable. In addition, traffic in the Metropolitan Area under the sprawling plan would come to about 75 million miles traveled per day with little alternative to automobiles, but in the smart growth plan there would be 74 million miles traveled per day with more opportunity for mass transit options, Linner said.

She said that the best way to predict the future is to create it. "Growth is inevitable, smart growth is not," she said.

J. Drake Hamilton, from Minnesotans for an Energy Efficient Economy (ME3), said another purpose of the study, is to quantify impacts on the environment caused by urban sprawl. Drake said one of the leading environment impacts is the increase in greenhouse gases that lead to global warming. "Driving your car is the most pollution causing daily activity," she said. She said the climate costs of global warming are estimated to be up to \$260 million per year. She said changes in the environment and increasing development have led to more flooding in the state.

Drake said another environmental impact from urban sprawl is on the quality of clean water. She said run off from streets and farms carries pollutants into the waterways. Health issues like

the increasing rate of asthma in children and growing cancer rate are also linked to the effects of urban sprawl, she said.

Feedlot upgrade funding

The Agriculture and Rural Development Committee and the Environment and Agricultural Budget Division held a joint hearing Mon., Feb. 2, to discuss the state's water quality grant and loan programs. The hearing was chaired by Sen. Dallas Sams (DFL-Staples) and Sen. Steven Morse (DFL-Dakota).

"One of the glaring holes in the governor's budget is no money was recommended for these programs," Morse said. Morse said that without the funding, the state risked losing matching federal funds for the upcoming year.

"We're here to try and make a point to the governor to make more funding available for feedlot upgrades," Sams said.

Laurie Martinson, the Minnesota Pollution Control Agency's (MPCA) administrative management director, said the agency is seeking to improve environmental protection using existing resources. She said the MPCA has been targeting the top three environmental challenges posed by feedlots- water pollution from manure mismanagement, water pollution from manure runoff, often at older, smaller feedlots, and air pollution, often at newer larger feedlots.

Faye Sleeper, from the MPCA's Policy and Planning Division, said the Clean Water Partnership Program was created in 1987 to address pollution associated with runoff from agricultural and urban areas. She said the program's grants and loans to local units of government, is awarded in two phases. In the first phase, information is collected to identify pollution problems and their causes and to define water quality goals and objectives. This information is used to develop a plan to restore water quality, she said. In the second phase, Best Management Practices (BMPs) identified from the first phase are implemented. Sleeper said 37 out of the 86 completed projects from the program addressed feedlot issues.

Martinson pointed to a cleanup project of Lake Shaokaton in Lincoln County as one of the program's success stories. She said the water quality of Lake Shaokaton, a prairie lake located in western Minnesota, had severely deteriorated in the 1980's. Nuisance algae blooms produced toxic algae. A watershed restoration

program was initiated in 1991 resulting in the rehabilitation of three animal feedlots, four wetland areas, and shore-line septic systems. Martinson said the restoration program resulted in about 70 percent improvement in the lake conditions. The lake has seen an increase in recreational use and fisheries have rebounded. "It has been a success both environmentally and economically," she said.

Paul Burns, assistant director of the Dept. of Agriculture's Marketing and Development Division, said there are an estimated 45,000 feedlots in Minnesota. The MPCA and county governments have about 23,000 feedlots under permit. He said the average cost for upgrading the 22,000 unpermitted operations is \$28,000. Therefore approximately \$615 million is needed to address the problem.

Burns said the Dept. of Agriculture's 1999 BMP application includes a survey to get a better grasp from local governments about the number of feedlots in need of upgrades. He said the survey differentiated between facilities upgrading their basins from those that need improvements to their handling and incorporation methods. Using the survey data Burns said the Dept. of Agriculture has estimated the cost of upgrades to be \$1.2 million.

Morse asked Burns where the program was in regard to the \$40 million statutory spending limit from the state revolving fund. Burns said about \$36.1 million of the funds have been allocated. He said that the \$9 million appropriated by the Legislature last session meant that the Dept. of Agriculture received less state revolving fund money, which is administered by the Public Facilities Authority in the Minnesota Department of Trade and Economic Development (DTED).

Terry Kuhlman, director of the Public Facilities Authority, said that the Dept. of Agriculture's BMP program began in 1994. He said the state revolving fund funding mechanism was intended to be a pilot program, with the hope that other sources of funding would eventually become available. Kuhlman said the PFA remains aware of the BMP's funding needs.

Ron Harnack, executive director of the Board of Soil and Water Resources said the state's strategy in upgrading feedlots has to walk a fine line between putting pressure on owners of small feedlots to

upgrade sooner rather than later, and forcing the owners out of business. Harnack estimated over the next ten years, 5,000 facilities per year would need to be addressed. This means that \$14 million would be needed annually to address the problem.

Family and Early Childhood Education Budget Division

Community action overview

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Tues., Feb. 2, to hear an overview of Community Action agencies in the state.

Connie Greer, director of the Office of Economic Opportunity within the Minnesota Department of Children, Families and Learning, provided general information regarding Community Action agencies. Greer said Community Action agencies allow local Minnesotans to determine local solutions for Minnesotans experiencing poverty. She said the programs embrace the principle of "maximum feasible participation," and that the boards of the individual programs consist equally of those experiencing poverty, public officials and at-large local citizens. Community Action agencies across the state, she said, receive funding from a wide range of public and private sources. Core funding is provided by the Economic Opportunity Grant, which in 1997 totaled \$6.2 million from the state and \$5.3 million from the federal government.

Collette Turcotte, executive director of the Freeborn County Community Action Agency, said the people who seek help from her agency do not come from a background of having a lot of money and clout, and are not accustomed to having their needs met. Turcotte said many obstacles, such as a low paying job, car repairs, affordable housing and child care, can stand in the way of the needs of a family, and she said it is the job of those at the Freeborn agency to find out what those obstacles are and eliminate them.

Paula Erdmann, executive director of the St. Cloud based Tri-County Community Action Program, said her organization also works with families to help them overcome barriers to self-sufficiency. One way Tri-County provides this assistance is by partnering with the Housing and Redevelopment Authority,

she said, and allowing renters to pay up to \$200 less per month on their rent as long as they take part in a Tri-County self-sufficiency program. Tri-County representatives also work with the Stearns County Community Corrections system to provide assistance to juvenile offenders who have received both an adult and a juvenile sentence. Erdmann said if those receiving dual sentences in her program stay out of trouble, they are allowed to serve only the juvenile sentence and not the adult.

Mohamed Elmi, an eligibility and referral representative with the Community Action Council of Minneapolis, discussed the importance of meeting the needs of the growing immigrant community in the state. Elmi said there are approximately 18,000 Somali refugees currently living in Minnesota, the majority of whom live in the Metro Area. He said most of what he termed the "New Americans" don't know how to begin their new life, and he helps families acquire furniture, food shelf access and jobs, and also provides assistance in completing medical forms and finding a school for the children. Elmi said immigrants need one-on-one, bi-lingual assistance in order to feel comfortable adjusting to their new society.

Minnesota Valley Action Council Executive Director John Woodwick addressed the services his agency provides. Woodwick said the Minnesota Valley Action Council receives funding from 47 different sources, and is able to provide assistance to low income families and individuals in nine counties in South-Central Minnesota in seven ways. Those ways, he said, are categorized under the areas of basic needs, children and families, housing, local access, self-sufficiency, senior services and transportation. As an example of a program in the children and families designation, Woodwick said from April 1, 1997 to March 31, 1998, 611 youth were enrolled in academic enrichment courses during the summer and school year. According to Woodwick, 67 percent of the youth in the program had a basic skill deficiency in the areas of reading and math, and were at risk of not moving on to the next grade level. However, upon completion of the program, the average gain in reading skills was .59 of a grade level, and the average gain in math skills was .48. He said 91 percent of the youth involved remained in or returned to school.

Early development overview

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Wed., Feb. 3 to hear an overview of early childhood development programs in the state of Minnesota.

Lois Engstrom, supervisor of Early Childhood and Family Initiatives within the Minnesota Department of Children, Families and Learning, provided general information regarding Early Childhood Family Education (ECFE) programs in the state. ECFE, Engstrom said, is a voluntary parenting education program offered through the public school system for all Minnesota parents with children from birth to kindergarten entrance. She said more than 293,000 parents and children participate in ECFE programs each year. One ECFE project Engstrom highlighted was the Infant Development program, for which the Legislature appropriated \$2 million in 1997 for use through June, 1999. According to Engstrom, Infant Development is offered by ECFE to parents with infants from birth to twelve months. Since its inception in 1997, she said, over 27,500 infants and 32,500 parents have participated in the program in 174 of the 350 Minnesota school districts. Engstrom reported the intent of the program is to help parents stimulate and nurture the intellectual and emotional development of infants. According to a 1998 survey administered to 384 parents in ECFE infant programs, she said, 90 percent reported a better understanding of infant development, 88 percent made connections with other parents and 83 percent had an improved understanding of what they need to do to support their baby's learning and development.

Mary McEvoy, director of the Center for Early Education and Development at the University of Minnesota, said the early childhood programs throughout the state aim to achieve a wide range of short and long term goals. Included among these goals, she said, are promoting the productivity of the current and future workforce, preventing and reducing social problems such as juvenile violence and delinquency, teen pregnancy and welfare dependence, and preparing young children to succeed in school. She said goals also include allowing welfare recipients to work or train to become self-sufficient, facilitating the healthy

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development of young children and supporting families by assisting parents in their roles as teachers and nurturers of children.

Greater Minneapolis Day Care Association Director Sharon Henry discussed the Minnesota Child Care Resource and Referral Network. She said the network is an access point for parents to locate resources and information in their community about child care and development, and is also an access point for providers to enhance their training.

Jonathon Fribley, parent educator and work sampling assessment trainer with St. Cloud Learning Readiness, spoke regarding learning readiness programs. He said Learning Readiness programs are available to all children between the ages three-and-one half and four, and according to a Learning Readiness "Fact Sheet" provided, almost 45,000 children in the state participated in programs during the 1997-98 school year. Fribley said many of the families involved in Learning Readiness are classified as working poor; nearly 40 percent of those involved statewide had household incomes of less than \$30,000 per year, and in Minneapolis and St. Paul, 80.5 percent had incomes of less than \$30,000. Fribley reported seeing many positive effects as a result of Learning Readiness programs, such as increases in social skills and reading development. He also said the needs of the children involved are becoming more challenging to meet.

Governmental Operations and Veterans

Two audits reviewed

The Governmental Operations and Veterans Committee and the Governmental Operations Budget Division met jointly Thurs., Jan. 28, to review the financial audits of the Dept. of Veterans Affairs and the Dept. of Military Affairs. The committees are chaired by Sen. James Metzen (DFL-South St. Paul) and Sen. Leonard Price (DFL-Woodbury), respectively.

Tom Donahue, audit manager, presented the audit of the Dept. of Veterans Affairs. The audit covered the period July 1, 1994 through Dec. 31, 1996 and focused on the guardianship program revenue and expenditures, payroll expenditures and grants. The objectives of the audit were to gain an understand-

ing of the internal control structure of the department and to verify compliance with material legal provisions. Donahue said the audit concluded that internal controls were adequately designed and implemented by the department. The guardianship revenues and expenditures and payroll and grant expenditures were accurately recorded in the accounting records. All expenditures tested were appropriate and properly authorized and the department complied with applicable legal provisions, he said.

Donahue said the audit did find that investment income allocated to client accounts was incorrect and the access to payroll and personnel functions was incompatible. Both of these problems have been corrected, he said.

Donahue also presented the audit of the Dept. of Military Affairs. The audit focused on administrative expenditures and the cooperative agreement with the National Guard for FY 96. The operations of the department include 61 armories, 9 organizational maintenance shops, 4 vehicle storage buildings, Camp Ripley, the air base in Mpls., and the air base in Duluth. Donahue explained that the expenditures of the department are funded cooperatively between federal funds and state matching funds, which come from the general fund appropriation.

The audit concluded that federal and state matching expenditures and federal reimbursements were properly supported, authorized and recorded on the accounting records, and the department complied with general and specific federal requirements, said Donahue.

Dept. of Veterans Affairs Deputy Commissioner Jeff Olson reviewed the 1999 performance report of the department. He told members the mission of the department is to provide services for veterans through the programs of benefits, services, and departmental operations. He said the department utilized the last appropriations increase to improve the grounds maintenance and landscaping at the state veterans cemetery.

Olson said legislation has been introduced extending the June 30, 1999 termination date of the Gulf War bonus eligibility. Approximately 15,000 eligible veterans have received bonuses and the department continues to advertise in every active duty military and veterans communication network available to notify eligible veterans, he said. The additional funding approved by

the Legislature for the Agent Orange Search Project has been "a good expenditure of state funds," said Olson. The department has now gone through 30 thousand death records in an attempt to identify veterans who have passed away due to diseases related to their exposure to agent orange while in the military.

Brigadier General Gary Leblanc, Dept. of Military Affairs, discussed the performance of the national guard. He told members that Minnesota is number one in recruitment net gains in the national guard and the state is number two in retention of soldiers in the national guard. Leblanc said the floods of 1997 caused the biggest mobilization of the Minnesota national guard since the Korean War. He said the guard provided emergency support after the tornados in St. Peter and Comfrey last spring. Leblanc said the state mission of the guard, which is to provide support to local law enforcement agencies during natural disasters and other emergencies, is alive and well and continues to be exercised.

Bills advance

The Governmental Operations and Veterans Committee met Wed., Feb. 3, to hear several bills, including a resolution memorializing Congress to urge the Ethiopian government to respect the human rights of the Eritreans in Ethiopia. The committee is chaired by Sen. James Metzen (DFL-South St. Paul).

Sen. Dan Stevens (R-Mora) presented S.F. 160, a bill providing that agency and department heads must be confirmed by the Senate within one year of appointment. He told members that there have been instances where agency and department heads have served for years without being confirmed by the Senate. A small number of agency and department heads have served a full term and never been confirmed by the Senate, he said. Stevens said the bill requires the Senate to do the confirmations in a timely manner. Stevens moved that S.F. 160 be recommended to pass. The motion prevailed and the bill was forwarded to the full Senate.

A resolution memorializing the United States government to urge the Ethiopian government to respect the human rights of Eritreans in Ethiopia was offered by chief author Sen. Charles Wiger (DFL-North St. Paul). Wiger said the urgency of the situation needs to be conveyed.

"Thousands of Eritreans now live in Minnesota and they are petitioning the government to speak up for the human rights violations that are taking place against the Eritreans," said Wiger. Three members of the Eritrean community, Girmai Abraham, Peteros Haile, and Araia Ephreme told members about the history of Eritrea, the issue of mass expulsion currently happening in the country, and the issue of illegal detention of civilians, and exchange students and the increasing occurrence of mysterious deaths in detention camps.

The resolution was approved and referred to the Rules and Administration Committee.

Sen. Don Betzold (DFL-Fridley) presented S.F. 271, a bill requiring the Legislative Coordinating Commission to appoint a bicameral group to review administrative rules. In 1996, the Legislative Commission to Review Administrative Rules was abolished and some of the commission's functions were transferred to the LCC, while other functions were repealed. Betzold told members that it is important to establish a bicameral subcommittee and that the establishment of the subcommittee has no real financial implications.

Sen. Lawrence Pogemiller (DFL-Mpls.) asked why the review group is being recreated. He said the 1996 legislation was right to abolish the group. Betzold said that the review group needs to be formed because policy committees are not taking an active role in overseeing the rulemaking process and Minnesota is one of the few states that has no mechanism to challenge agency rules. The policy committees have no authority to challenge the rules, especially when the Legislature is not in session, said Betzold. The LCC has the responsibility of challenging rules, but has not shown any interest in doing so. Stevens moved that the bill be re-referred without recommendation to the Rules and Administration Committee. The motion was not adopted.

Betzold also offered S.F. 71, a bill changing the requirements for notifying the Legislature of proposed rulemaking. Betzold said the way the statute reads currently, agencies are required to notify the chief author and the main authors of a bill whenever applicable rules are proposed. The new language removes the requirement that all of the authors be

notified of proposed and requires that only the chief author be notified. "This will be a lot less work for the agencies," said Betzold. The bill was recommended to pass and be placed on the Consent Calendar.

Governmental Operations Budget Division

Task force report

The Governmental Operations Budget Division, chaired by Sen. Leonard Price (DFL-Woodbury), met Wed., Feb. 3, to hear the Attorney General Funding Task Force Report.

The joint executive-legislative task force was created to study the current practices used to pay for the state's legal services. The task force, established by the commissioner of finance and the attorney general, includes staff from the Attorney General's Office, the Dept. of Finance, other executive branch agencies, as well as staff from the House, Senate, and the Legislative Auditor's Office.

Alan Gilbert, solicitor general, Office of the Attorney General, said the task force members were asked to review the current funding mechanism for legal services and evaluate several areas including the availability of legal services necessary to meet the needs of state government; the adequacy and suitability of the current mechanism for funding legal services; the appropriateness of billing rates to cover the cost of legal services; and the appropriateness of the current process for setting billing rates.

Dept. of Finance Assistant Commissioner Peggy Ingison told members the task force met several times and then broke into subcommittees. The subcommittees worked to identify issues in specific areas and develop workable solutions for the issues, she said. Ingison said that while a final agreement has not been reached, several important points have been resolved and other issues needing further attention have been identified.

Ingison said the general consensus of the task force is that the current funding mechanism is adequate but that some improvements are needed. She said the task force recommends that the Attorney General's Office submit its finalized billing rate for the next biennium by August 1, of each even numbered year; when entering into agreements with any

agency, the office should give notice to the legislative committees in both bodies that oversee the agency's budget with whom the agreement is being written; the budget request of the office include a consolidated listing that shows on one page all the appropriations that will be used to support the office and the finance division from which they will be requested.

Ingison said issues requiring further study include the need to identify criteria that differentiate between a partner and a pooled agency; clarification of whose responsibility it is to request funding for pooled agencies; and development of a mechanism to ensure that legal services resources are allocated as intended by the Legislature.

"The Attorney General's Office and the Dept. of Finance will continue to work together to make the funding mechanism more accountable yet flexible enough to allow the office to provide its resources as circumstances require," said Ingison. "While not all the answers have been identified, significant progress has been made," she added. Ingison said a follow-up report that addresses further refinement to the legal services funding mechanism will be submitted to the Legislature by Feb. 1, 2000.

Health and Family Security

Two bills heard

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Thurs., Jan. 28 to discuss two bills and to hear a presentation regarding health care worker shortage.

The first bill presented to the committee members was S.F. 73, offered by Sen. Steve Murphy (DFL-Red Wing). S.F. 73 is a bill regarding the state's Consumer Support Grant program, which allocates funds for individuals or families of individuals with a disability requiring home health care. It deletes language in current Minnesota law stating that a person is not eligible for a grant if the income of the person or the person's family is high enough to require a parental fee for federal Medical Assistance services. It also requires the commissioner of human services to maximize federal funds which can be used for the grant program--instead of current language calling for the commis-

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sioner to "make reasonable efforts to maximize" federal funds--and adds to the list of the commissioner's responsibilities the duty of applying for a federal waiver or of taking another action in order to maximize federal funding.

Among those testifying in favor of the bill was Hastings resident Dan Cater, the father of an autistic child who currently receives federal Medical Assistance services but is not eligible for the state's grant program because of the financial stipulations. Cater said he would rather receive the state funding instead of the federal funding--even though he would receive less money under a consumer grant--because he believes it would give him greater flexibility and his son would receive better care. Under Medical Assistance, he said, the care givers he is allowed to contract with are paid only about \$8 per hour, and are under qualified and unreliable. No one wants to be paid \$25 for three hours of hard work, he said, so many quit after only a few weeks. Cater said with a Consumer Support Grant he would be able to pay more money for more qualified and reliable care givers, and the needs of his son would be better met. There was no discussion in opposition of S.F. 73, and the bill was approved and sent to the full Senate.

Sen. Linda Berglin (DFL-Mpls.) carried S.F. 195, a bill relating to state funded benefits. The main section deletes language in current law scheduled to take effect July 1, 2000, that would make certain people ineligible for the state funded General Assistance, General Assistance Medical Care, Group Residential Housing, and the Minnesota Family Investment Program-Statewide (MFIP-S) they presently receive. Persons who would be ineligible for the benefits under current law are those who do not qualify for Supplemental Security Income (SSI) because an alcohol or drug addiction is a material factor contributing to their disability, legal non-citizens who are ineligible for SSI due to 1996 federal law and legal non-citizens who are eligible for MFIP-S -- either the cash or food portion -- funded entirely with state money. The second section of the bill appropriates \$4.2 million from the general fund for the fiscal year beginning July 1, 2000, for the costs of the first section.

Reverend Rich Sherber, executive director of Minnesota Teen Challenge,

was among many who testified in favor of the bill. Teen Challenge is a twelve month Group Residential Housing program that provides treatment and living quarters for substance abusers. He said if the benefits are cut for those deemed ineligible they would not be able to be served by his program. Instead, he said, they will bounce around other state funded programs, detox centers and emergency rooms and cost taxpayers more money than they would have if they had been given the appropriate grant to attend Teen Challenge. There was no discussion in opposition of S.F. 195, but due to time constraints a decision on the bill was laid over.

Sheryl Larson, of the Research and Training Center on Community Living at the University of Minnesota, provided information regarding the shortage of health care workers in the state. She said in 1996, an estimated six percent of funded, direct support health care staff positions were vacant in Minnesota, which equals to about 2,000 vacancies. She said the vacancy rate may now be as high as 12 percent. Larson also said that support staff turnover averages about 50 percent on an annual basis, and each year over 15,000 people are hired to replace those who leave their health care related jobs. Recruiting people to fill the various health care related positions is becoming increasingly difficult, she said, because the vast majority of service hours occur outside the traditional 8 a.m. to 5 p.m. work day. Also, she said the typical pay and benefits of direct support staff is barely competitive with entry level, low stress, low responsibility service industry jobs.

Charity Floen, system program manager of the Home and Community Care Unit with Olmsted County, gave members the recommendations of an Olmsted County work group for dealing with the labor shortage. Among other things, she said it is necessary to increase the reimbursement through Medical Assistance for direct care staff to be greater than entry level clerical, fast food and assembly line workers, create a financial incentive for agencies to find and retain employees, create options that allow for the importing of workers from other countries, provide the initial training through state efforts and dollars, reduce paperwork and provide funding targeted to the working poor.

Y2K bill advanced

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Fri., Jan. 29, to review two bills, S.F. 195 and S.F. 2.

The discussion of S.F. 195, a bill relating to state funded benefits, was continued from the previous meeting of the committee. Carried by Sen. Linda Berglin (DFL-Mpls.), the main section of the bill deletes language in current law scheduled to take effect July 1, 2000, that would make certain people ineligible for the state funded General Assistance, General Assistance Medical Care, Group Residential Housing, and the Minnesota Family Investment Program-Statewide (MFIP-S) benefits they presently receive. Persons who would be ineligible for the benefits are those who do not qualify for Supplemental Security Income (SSI) because an alcohol or drug addiction is a material factor contributing to their disability, legal non-citizens who are ineligible for SSI due to 1996 federal law and legal non-citizens who are eligible for MFIP-S--either the cash or food portion--funded entirely with state money. The second section of the bill appropriates \$4.2 million from the general fund for the fiscal year beginning July 1, 2000, for the costs of the first section.

Questioning the bill, Sen. Martha Robertson (R-Minnetonka), asked Berglin what incentive people would have to stop abusing substances if their benefits could never be terminated. Because of testimony from the earlier meeting, Robertson said she would have no problem voting to allow people to continue receiving Group Residential Housing assistance, but she would have trouble not abolishing eligibility for the other programs.

In response, Berglin said the alternative to eliminating the current law would be expensive. She said an intoxicated person receives treatment at an emergency room or detox center with or without their state funded assistance, but without those benefits the cost of those services are paid by the county in which that person is cared for. This, she said, places an extra burden on the taxpayers in some counties such as Hennepin, because the Hennepin County Medical Center (HCMC) in Minneapolis is the site of a great deal of substance abuse related services. Berglin said no money is

saved by keeping the current law, but instead counties will be covering the costs once covered by the state. Robertson said she had an amendment that eliminates the eligibility requirements for Group Residential Housing benefits, but would keep the requirements for the other programs. In effect, the amendment deletes language in current law only for those who receive the housing benefits and discontinues the benefits individuals receive from the other programs. However, no official action was taken on either the amendment or the bill.

Sen. Steve Kelley (DFL-Hopkins) offered S.F. 2, which is a bill relating to the "Year 2,000 Problem." Although the bill has many parts, the relevant portion for the committee is a section of the bill requiring the Department of Health to survey all hospitals and nursing homes, as well as non-community, non-transient water systems and municipal water supply systems for Year 2,000 problems and solutions by July 30, 1999. In addition the bill requires the agencies to provide status reports to the department on three specified dates. S.F. 2 also requires the department to circulate information about Year 2,000 problems and proposed solutions to hospitals, nursing homes and water supply system operators.

Kelley said the bill is necessary because there is an urgent need to share Y2K related information with both the general public and among private health agencies in the state. He said Minnesotans need to be provided with an assurance that their government is working to solve any problems associated with Y2K, and that hospitals are also working with the community to address those problems. Through the status reports and the sharing of information, he said, the government will be well equipped to support the health agencies who are finding solutions, and will be able to help those who are not.

Speaking in support of S.F. 2 was Melenie Soucheray, Y2K project coordinator with the Minnesota Hospital-Health Care Partnership. Soucheray has been working with Kelley on the bill, and said she also wants to be able to assure the public that Y2K related problems are being addressed in Minnesota hospitals. She was concerned, however, about the possibility of hospitals being put in the position of reporting information that is

largely unknown, because many of the ramifications regarding the Y2K problem will remain a mystery until Jan. 1, 2000. She did, however, recommend the committee approve the bill. S.F. 2 was approved by the committee and sent to the Jobs, Energy and Community Development Committee.

Malpractice bill discussed

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Tues., Feb. 2 to discuss three bills.

Sen. Don Betzold (DFL-Fridley) carried S.F. 90, a bill relating to the medical malpractice statute of limitations. S.F. 90 creates a four year statute of limitations period for an action brought by a patient or former patient against a health care provider alleging malpractice, error, mistake, or failure to cure, whether based on a contract or tort. The bill has an effective date of Aug. 1, 1999, which applies to actions commenced on or after that date for which the relevant statute of limitations had not expired before that date. Betzold said under current law a patient has no legal recourse if their condition worsens after what is now a relatively short statute of limitations period. The bill, he said, will extend the time period during which an error in treatment can be discovered and taken action upon. S.F. 90 was approved with limited discussion and re-referred to the Judiciary Committee.

S.F. 241, carried by Sen. Don Samuelson (DFL-Brainerd), deals with the relocation of the existing definition in current law of a volunteer ambulance attendant. The bill simply deletes the definition of a volunteer ambulance attendant from one section in current law and places it in a different section as a new subdivision. Discussion was short and S.F. 241 was approved and sent to the Senate floor.

The discussion of S.F. 195, a bill relating to state funded benefits, was continued from two previous meetings of the committee. Carried by Sen. Linda Berglin (DFL-Mpls.), the main section of the bill deletes language in current law scheduled to take effect July 1, 2000, that would make certain people ineligible for the state funded General Assistance, General Assistance Medical Care, Group Residential Housing, and the Minnesota Family Investment Program-Statewide

(MFIP-S) benefits they presently receive. Persons who would be ineligible for the benefits are those who do not qualify for Supplemental Security Income (SSI) because an alcohol or drug addiction is a material factor contributing to their disability, legal non-citizens who are ineligible for SSI due to 1996 federal law and legal non-citizens who are eligible for MFIP-S--either the cash or food portion--funded entirely with state money. The second section of the bill appropriates \$4.2 million from the general fund for the fiscal year beginning July 1, 2000, for the costs of the first section.

Discussion of the bill was brief, and it was approved and sent to the budget division. However, members later reconsidered their motion to send S.F. 195 to the budget division in order to allow Sen. Martha Robertson (R-Minnetonka) the opportunity to hear further testimony regarding questions she had raised in earlier meetings about the bill. S.F. 195 will be heard again at a later date.

Higher Education Budget Division

MnSCU confirmation hearing held

New members for the Minnesota State Colleges and Universities (MnSCU) Board of Trustees were confirmed at the Higher Education Budget Division meeting Weds., Feb. 3. The meeting is chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls). Michael Vekich, MnSCU board chair, introduced the appointees to the board.

Mary Choate and Daniel Coborn, two of the trustees, were unable to attend. Coborn is chair and CEO of Coborn's, Inc., in St. Cloud. Choate, Bloomington, with her husband owns and operates six McDonald's restaurants in the Metropolitan Area. W. Andrew Boss, a bank consultant for St. Anthony Park Bank in St. Paul, was appointed to the board. The board appointments expire in June 2004.

Two students up for confirmation are Kathleen Caffey and Michael Nesdahl, with terms expiring in June 2000 and June 1999, respectively. Charles Williams of White Bear Lake resigned his appointment to the board.

All MnSCU board appointees were approved for confirmation and referred to the Children, Families and Learning Committee.

Committee update

Jobs, Energy and Community Development Committee

Universal service issues discussed

The Jobs, Energy and Community Development Committee and the Family and Early Childhood Education Budget Division met jointly Thurs., Jan. 28 to hear an overview of universal service issues. The meeting was chaired by Sen. Steven Novak (DFL-New Brighton), and Sen. Pat Piper (DFL-Austin).

Pam Marshall, executive director of the Energy CENTS Coalition, said that many Minnesotans have an inability to meet their basic energy needs. She said the Dept. of Children, Families, and Learning's Energy Assistance Program assisted over 81,000 households in 1997-1998. She said over 341,000 Minnesota households live at or below 150 percent of the federal poverty level. Of those households, over 125,000 are headed by senior citizens. Marshall said since federal cuts to energy assistance programs, 57,000 fewer households are receiving energy assistance.

According to an Energy CENTS survey mailed to 40,000 households who received energy assistance grants, high fuel costs cause people with low incomes to compensate in other ways such as skipping meals, not seeking needed medical or dental care, not paying rent, mortgage, or other bills, or turning the thermostat below 65 degrees. There was a 35 percent response to the survey conducted in 1997, and Marshall noted that the survey reflected only the unmet needs of households who already received some assistance. She said there are many who have not received any assistance or who are not aware assistance is available, thus the magnitude of the problem is even greater. "Just because they are silent doesn't mean they aren't struggling," she said.

Marshall said a study conducted in Missouri showed that low income families who move frequently, often cited their inability to pay heating costs as one of the major reason for moving. "Frequent moves equals poor educational attainment," she said.

Marshall said the Energy CENTS Coalition is recommending the state establish a universal service funding program to guarantee that low income consumers have year-round access to

affordable energy. The coalition also recommends that the source of the fund be a charge placed upon all fuel sources. Marshall said the additional costs per customer energy bill would average out to thirty cents for electricity and fifty cents for natural gas per month. Initially low income senior citizens on fixed incomes would receive the bulk of the assistance. She likened the fund to the telephone assistance program already in place in the state. The money would be collected by the energy utilities and transferred electronically to the Public Utility Commission for dispersal to recipients.

Sen. Linda Runbeck (R-Circle Pines) asked Marshall if the program was being thought of as temporary assistance and if it incorporated any plan for eventually moving people off assistance. "I don't have any problem with occasional help but does this program have any cutoff time frames?" Runbeck asked.

Marshall said that like the current Energy Assistance Program which helps homes to become more energy efficient, some of the proposed funding would also go to weatherization improvements. "But since we are targeting senior citizens on fixed incomes, they will probably need ongoing help," she said.

Novak said the issue of affordable energy for low income households is a difficult situation that needs ongoing discussion and a solution. He said the issue, which has been discussed by the Legislature for the past few years, could see some type of action this year. "It is very possible there may be legislation on this topic sometime this session," he said.

Cleanup grant bill forwarded

A bill that broadens the state's ability to issue grants to local development authorities for contamination cleanup and redevelopment of contaminated sites, was heard by the Jobs, Energy and Community Development Committee on Fri., Jan. 29.

S.F. 365, sponsored by committee chair Sen. Steven Novak (DFL-New Brighton), broadens the criteria and increases the flexibility the commissioner of the Dept. of Trade and Economic Development (DTED) has in issuing grants using an account funded annually from the petroleum tank fund. The bill also changes the standard by which the Minnesota Pollution Control Agency (MPCA) uses to deny or reduce reim-

bursment of funds to require "clear and convincing evidence" from applicants. The current standard requires an applicant to disprove a suspicion of noncompliance. The bill also creates a new reimbursement for the upgrade or closure of aboveground storage tanks in bulk plants.

Novak said Minnesota's program for redeveloping contaminated sites has cleaned up over 6,000 sites. "It's the most successful program of its kind," he said.

Bonnie Balach, executive director of Minnesota Solutions, a statewide consortium of cities and housing and redevelopment authorities, said the public sector's role in redeveloping contaminated sites is a necessity. "It is an appropriate use for public sector intervention," she said, "The private sector will not locate where there are extraordinary costs associated with the recycling of land."

Wayne Nelson, manager of the Metropolitan Council's Tax Base Revitalization Program, said the Met Council's program works in conjunction with DTED and the MPCA to clean up contaminated Metro Area land for redevelopment. Nelson said that the Met Council projects that by the year 2020, there will be 330,000 more households in the Twin Cities area, with 410,000 new jobs in the marketplace. Of those 410,000 jobs, 35,000 will be created by businesses who have redeveloped contaminated sites.

Sen. Warren Limmer (R-Maple Grove) questioned Nelson about the numbers used in the projection. "Are we really looking at 35,000 new jobs created just because of the redevelopment? I would think most of those jobs would be in the mix anyway, if not here then someplace else."

Nelson said that while it is true the jobs would be created somewhere, redevelopment still is important in its economic impact. "Contaminated sites tend to be in the most vulnerable areas. By recycling the land, it puts jobs where the lower income people are, and where they can get to the jobs," he said.

Louis Jambois, from the Dept. of Trade and Economic Development (DTED), said the bill impacts two programs within DTED's Office of Community Finance. Jambois said the Contamination Cleanup Program was created in 1993 to provide grants to cleanup and contaminated sites,

and also to investigate and develop a response action plan. He said of the \$19.9 million awarded so far, \$19.5 has gone toward cleanups, and \$375,000 has gone toward investigations. The projected tax base increase from the program is \$9.7 million from the 584 acres cleaned and investigated, with an estimated 4,762 new jobs created. He said the investigation grants have been instrumental in allowing Greater Minnesota communities more access into the program, and to addressing sites believed to be contaminated but that typically are not addressed due to limited financial resources.

Jambois said six grants were awarded from the Redevelopment Grant Program established by the Legislature in 1998. He said the program was established to assist with complex and costly redevelopment projects that might not otherwise occur without some public assistance. Some of the costs associated with old industrial sites include blighted buildings that need to be demolished, inadequate infrastructure to support new development, and existing pollution requiring cleanup.

The bill was approved and forwarded to the Environment and Natural Resources Committee.

Judiciary Committee

Report on child welfare projects

New approaches in child welfare projects were the topic at the Judiciary Committee meeting Mon., Feb. 1. Various counties were heard from at the meeting, chaired by Sen. Jane Ranum (DFL-Mpls.).

"We see a need for reform in child welfare," said Steve VanderHaar, a supervisor with the Department of Human Services (DHS). He said DHS wants to move from the traditional adversarial and authority-based methods to methods that focus on the strengths of families and that are more open to working with families and helping them help themselves.

VanderHaar said that as a result of 1997 legislation, eight Minnesota counties were selected to explore new approaches for protecting children who are at risk of being hurt by their parents or other care givers. He said the goals of each project are to improve the lives of children at risk, stop the progression to

more serious abuse or neglect and relieve pressure on the traditional child protection system through prevention and early intervention. Six of these counties were represented at the meeting.

There are two basic groups from which target families for the pilot projects are drawn, according to VanderHaar. Group 1 is comprised of families who have been reported to child protection but the alleged mistreatment does not meet the criteria for acceptance by the traditional system. Group 2 consists of families who have been reported and accepted for assessment, but it is determined that a non-adversarial and supportive approach will be more effective.

Mary Aasness, Clay County, said her county worked with Group 1 families in its child protection reform project called Healthy Families Alternative. Aasness said the project is strength-focused and helps families set their own goals. "We want to build up what's going right with them," she said. During the first 10 months of operation, 129 families have been referred to the project, with 27 of those agreeing to voluntarily accept services. Of those 27 families, Aasness said that none have progressed to become child protection or child welfare cases. She said historic data predicts that 7 percent would have entered child protection and 32 percent would have entered child welfare. "I think the Healthy Families Alternative is a big reason why there has been a drop in child protective services," Aasness said.

Bruce Johnson, representing Mahnomon County, said in his county truancy is a good indicator of short-term problems. Mahnomon County also works with Group 1 families in its child welfare project. Johnson said the county subcontracts with a school-based youth worker who identifies, assists and provides referral services to children who are at risk. Johnson indicated that if a family does not meet the criteria for child protection services, case consultation occurs with the child protection team, which may recommend that a family obtain supportive services. The family is then referred to a family support worker. Johnson said the family support worker provides in-home services to the family to relieve the factors contributing to neglect of the children.

Johnson said the Mahnomon County project works closely with community

resources. He said adolescents are recognized for positive things they do. He said staff works with families on repairing cars and providing clothing. "We try not to be real judgmental," he stated. He said truancy petitions for the 43 children served in the first six months of the project dropped to less than one-third of previous levels, and only two investigations of child abuse allegations were initiated.

Responding to a question from Sen. Linda Berglin (DFL-Mpls.), Johnson said the project has not reduced out-of-home placements, but there has been improvement in other issues. He said in the long term, the project will allow workers to concentrate on the more serious cases of physical and sexual abuse.

Olmsted County Community Services provides family assessment, family conferences and family preservation services as an alternative to a child protection assessment on cases that do not require law enforcement or removal of the child. According to Rob Sawyer, representing Olmsted County, families participate in the project on a voluntary basis. He said that during the first 11 months of the project, 56 families were referred to the program. He said none of these 56 families has been re-referred to child protection and 38 cases have been closed. Sawyer said the project emphasizes family unity meetings, family conferencing and family group decision making.

Patrick Coyne, Dakota County, said the pilot project called Walk the Journey has targeted families from a specific neighborhood in Rosemount who may be in either Group 1 or 2. The project offers peer counseling, community building activities and supportive education. Coyne said that because project staff are drawn from the community they serve, and may have had previous personal experience with child protection, they are in a good position to offer peer counseling that is a cornerstone of the project.

Hennepin County has targeted the population of North Minneapolis for its program. Shane Price, who works with the projects, said the community has 40 to 45 percent unemployment and is coping with moving from welfare to work. "Child protective services has a stigma attached to it," Price said. He said, however, that families have been

Committee update

willing to try the Peacemaking Circle, the Hennepin County project. The Peacemaking Circle uses a traditional circle ritual that allows all affected parties to speak without interruption to identify problems and solutions. Thirty families from the Hawthorne neighborhood participated in the Peacemaking Circle during the first eight months of operation, according to Margaret Lonergan, representing Hennepin County. She said that in 1995, 1996 and 1997, this area respectively had 111, 95 and 111 open child protection cases. Those cases dropped to 50 during the first eight months of 1998. She credits the Peacemaking Circle with a significant portion of this reduction.

Ramsey County worked with Group 2 families. "We focused on a lower risk group of families, all neglect cases," said Jenny Gordon, representing the county. She said the area covered by the project is commonly the first neighborhood for people moving in from Chicago or other cities. She said the area has poor housing and many people don't have transportation or telephones, due to lack of a living wage. "Our project helped some families considerably, and we are starting to build some good infrastructure," Gordon said. She said 26 families were served by Ramsey County's project. Of these 26, 16 were served by community agencies and two have completed treatment plans. Eight families were referred back to the traditional child protection system. Gordon said families were offered services through a network of community agencies. These agencies were selected for their positive reputations and cultural competency.

VanderHaar said DHS recommends increased flexibility in child protective services be continued, as well as improving the consistency of the traditional system. He said training and assistance in program design for developing strength-based approaches to child protection are important. VanderHaar said DHS also recommends adequate time be given for program planning and implementation in child protective services.

Child protection reviewed

Improving child protection in Minnesota was the topic of discussion at the Weds., Feb. 3, meeting of the Judiciary Committee. The panel, chaired by Sen. Jane Ranum (DFL-Mpls.), heard a report

to the Legislature by the Dept. of Human Services reviewing the Maltreatment to Minors Act. In 1997, the Legislature directed the department to convene a Maltreatment of Minors Advisory Committee comprised of members representing private agencies, state and county agency staff, child advocates, law enforcement, tribal groups, and ombudspersons for families to review the law and make recommendations to improve the protection of children who are at risk of maltreatment in the home, school or community. Erin Sullivan Sutton, from the department, presented an overview of the committee's findings and recommendation. Members of four subcommittees then expanded upon the overview and reported on differences between the subcommittees' reports and the department's final recommendations.

According to Sullivan Sutton, the department's recommendations fall into several major categories: screening criteria, maltreatment definitions, response to child maltreatment allegations, services for families and children, coordination of domestic abuse and child abuse services, cultural competence and information sharing.

Sullivan Sutton said that two of the most controversial recommendations included requiring counties to develop child protection screening criteria and include the criteria in the county CSSA plan and clarifying the acts toward a child that constitute physical abuse. In addition, Sullivan Sutton said the committee found that the definition of neglect needed to be expanded and clarified. Further, the Dept. of Children, Families and Services should be the agency responsible for allegations of child maltreatment in schools and the Dept. of Health should be the agency responsible for allegations against legally unlicensed home health care providers.

Other recommendations, Sullivan Sutton said, include creating different methods for responding to allegations of child maltreatment, developing culturally sensitive guidelines and protocols for use by local child welfare agencies and the department and articulating criteria for offering and providing services and for opening and closing cases. Finally, the report made recommendations regarding the sharing of information in maltreatment cases while being mindful of data privacy issues, she said.

K-12 Education Budget Division

Proposed budget summary

The governor's budget recommendations were presented at the Fri., Jan. 29, meeting of the K-12 Education Budget Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

Dept. of Children, Families and Learning Commissioner Christine Jax reviewed the governor's K-12 education budget recommendations with the committee. Jax said the governor, in his budget proposal, is looking for programs that work and programs in which accountability can be measured. The governor wants decisions about education to be made on the local level within the school districts and with the involvement of parents, she said.

The governor is committed to seeing class sizes reduced from current levels in grades K-3, and the budget reflects funding for that, said Jax. The goal is for parents to walk into a school and see 17 students and one teacher in every class, she said. Jax said school districts are to submit a proposal on how they will accomplish the 17:1 ratio and to receive the funds, but if the goal isn't met by the end of the year, the funding won't be continued.

Another program proposed in the governor's budget is one that provides breakfast for students, said Jax. The Fast Break to Learning program allocates money for breakfast programs in elementary schools. Under the proposal parents are required to pay to the best of their ability, Jax said. The program covers 38 percent of the state's public elementary schools, with first priority given to schools that have 33 percent or more free and reduced price meals. Sen. Kenric Scheevel (R-Preston) said that providing breakfast is the responsibility of the parents. Stephanie Andrews, Dept. of Finance Education and Taxes Team leader, replied that yes, providing breakfast should be the responsibility of the parent, but in cases where that doesn't happen, the bottom line is making sure that children are ready to learn.

Also in the governor's budget proposal is funding for extended day programs, said Jax. The local school districts should be able to control how the money

is spent to get the greatest achievement in the extended day program and show accountability, she said.

In order to provide adequate operating funds, the governor's budget includes \$258 million to increase the general education formula allowance by 2.5 percent each year of the budget, said Jax. This amounts to an increase of \$88 per pupil unit in FY 2000 and \$182 per pupil unit in FY 2001, she said. Jax said the budget calls for a \$97 million increase in special education funding to relieve pressure on school districts' general budget. Also in the budget is a recommended increase of \$17 million in funds for limited English proficiency students, because funding has not kept pace with an annual growth of more than 15 percent in this population of students, said Jax.

Jax said budget initiatives include \$3.8 million for basic support and technology investments at the Lola and Rudy Perpich Minnesota Center for Arts Education and the Residential Academies for the Deaf and the Blind in Faribault; \$3.4 million in funding for regional libraries to continue implementation of the Learning Network; \$1.4 million for basic library grants; \$2 million for costs related to the state's defense of the St. Paul Schools and NAACP litigation.

The governor's budget also calls for the elimination of \$23 million in existing grant and aid programs in favor of more flexible funds, said Jax. The governor believes that the state is better served by distributing the funds on a broader basis, but he knows we might want to reconsider some of the small grant programs in the future, she said.

Minnesota Senate Office of Fiscal Policy Analysis Director Mark Misukanis outlined the K-12 education budget from the Senate perspective. He told members that the funding for some programs had been cut, and in others it had shifted and the programs had been folded into other existing programs. Misukanis said the 2.5 percent increase in the general education funding allowance is the amount required just to keep up with the inflation rate set by the Dept. of Finance.

All day kindergarten discussed

Two bills that expand the current first grade preparedness program were considered Tues., Feb. 2, by the K-12 Education Budget Division.

Sen. Jane Ranum (DFL-Mpls.) presented S.F. 186, which phases in all day kindergarten for all schools by 2005. The school districts are phased in according to the enrolled students eligible for free and reduced price lunch, said Ranum. She said the issue of all day kindergarten was first looked at in 1995. In 1996, specific allocations were made for all day kindergarten and it was appropriately renamed first grade preparedness, she said. "This is not just a Minnesota phenomenon. The issue of all day kindergarten is receiving the attention of many states," said Ranum. The cost of the proposal is almost \$30 million the first year and higher amounts subsequently during the phase in of the program.

Sen. Sandra Pappas (DFL-St. Paul) offered S.F. 246, a bill expanding all day kindergarten to eligible students in any school district, not just those in districts selected to participate in a pilot program. Pappas told members she has been an advocate for all day kindergarten for many years. She said her bill offers another option to expanding pilot programs. "I look at the child, not the school district," Pappas said. Pappas said the program proposed in her bill will cost \$26 million annually.

The First Grade Preparedness Second Year Evaluation Report to the Legislature was presented by Bonnie Griffiths, program specialist, Dept. of Children, Families and Learning. She told members that the program aims to ensure that every child, before first grade, develops the abilities necessary to succeed in school and to reduce the causes that create a need for compensatory revenue. Griffiths said the pilot program sites for first grade preparedness were divided into three groups according to when they joined the program and the amount of free and reduced price lunch provided. While children from the group with higher income sites began kindergarten with more proficiency indicators, by the end of the school year the children in all of the groups were showing high proficiency indicators, said Griffiths. The proficiency indicators tracked were personal and social development, language and literacy, mathematical thinking, scientific thinking, social studies, the arts and physical development, she said.

"We need to spend more time teaching students in a more relaxed atmosphere

and we need more time to cover the academic program in a developmentally appropriate atmosphere, said Kari Knutson, president, MN Kindergarten Association. "When you push kids in and out so quickly, they don't really understand what's happening. All day kindergarten reduces the number of transitions and stressors in the child's life and reduces absenteeism. The MN Kindergarten Association fully endorses an all day kindergarten program," said Knutson.

Mary Amdahl, all day kindergarten teacher at Como Elementary School, said the amount of time teachers have to spend with every child is critical in understanding the developmental level of that child. She said increasing the time from two and a half hours a day to five or six hours benefits the child and the teacher. A longer time at school helps kindergarten children develop better language skills and better social skills also, said Amdahl.

Sen. Charles Wiger (DFL-North St. Paul) asked how the proposals would impact materials, supplies and classroom space in the school districts. Ranum said the issue of materials and classroom space was dealt with when Minneapolis schools began all day kindergarten and that most of the schools were very creative in solving the issue on their own.

The division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), approved both S.F. 183 and S.F. 246 for inclusion in the K-12 omnibus bill.

Discussion resumed on S.F. 297, authored by Sen. Martha Robertson (R-Minnetonka), a bill that modifies special education provisions. Robertson offered an amendment to the bill that removes two rules which will be included in another special education bill. She told members that the bill deals with the noncontroversial special education rule changes, and that rules which are not being changed are not included in the bill, because they are already in the statute.

The amendment was adopted, the bill was recommended to pass and was referred to the Children, Families and Learning Committee.

Declining pupil aid discussed

Three bills to provide aid to school districts that have declining pupil enrollment were heard in the K-12

Committee update

Education Budget Division meeting Wed., Feb. 3. Sen. Lawrence Pogemiller (DFL-Mpls.) chairs the committee.

Sen. Keith Langseth (DFL-Glyndon) and Sen. Roger Moe (DFL-Erskine) presented S.F. 51 and S.F. 92, respectively. The bills provide general education aid to the Ada-Borup, Breckenridge, East Grand Forks, and Warren-Alvarado-Oslo school districts based upon the difference in their 1997 pupil units and their pupil units in 2000, 2001, 2002 and 2003. Langseth told members that the decline in the number of students has had a tremendous impact on the districts.

Breckenridge Superintendent Mark Weston said the number of pupils in his district is still declining. He said more homes are scheduled to be bought out and that will displace more families and therefore more students. He said the reality is that the area went through a flood, and still has not recovered from it. Without the declining pupil aid, the district will be forced to make more cuts, said Weston. "We hate to make too many cuts so soon on a community that has been ravaged by a flood," he said. We lost businesses in the community, so people had to relocate where they could find employment, Weston said.

Weston said prior to the flood, the decline in the number of students had leveled off in the Breckenridge district. From 1992-1995 there was an increase, he said. The flood caused a devastating decline in enrollment, said Weston.

Pogemiller said the bills allow the school districts to recover from the flood in an orderly fashion.

Dan Bryan, Dept. of Children, Families and Learning, told members that "the Federal Emergency Management Agency states that at the end of the five year period after a flood, communities have recovered as much as they are going to. So we might see some permanent loss of students in some districts," he said.

East Grand Forks Superintendent John Roche said the district has built a new school, but with a loss of funding the number of staff will be reduced. He said that the new school is an incentive to draw families back in the district, but that it needs to be staffed at adequate levels.

Don Vellenga, superintendent, Ada-Borup School District, said his community lost ten businesses in the flood. He said he is hoping the new hospital that is

being built will attract families back to the area. "We've been wounded, but our spirits are high," said Vellenga.

Sen. Paula Hanson (DFL-Ham Lake) moved that both bills be recommended for inclusion in the K-12 omnibus bill. The motion was adopted.

Sen. Jerry Janezich (DFL-Chisholm) presented S.F. 399, authored by Sen. Douglas Johnson (DFL-Tower), establishing declining pupil unit aid for school districts that have declining pupil units relative to their count three years previous. Janezich said that declining enrollment is an ongoing problem in rural Minnesota. He said that the problem cannot be handled entirely on a local level. "Unless we bring economic development into the area, we'll be bandaging the rural school districts for a long time," said Janezich. The bill was laid over for further discussion.

Local and Metropolitan Government

Design build bill discussed

The Local and Metropolitan Government Committee met on Mon., Feb. 1 to discuss a bill that allows municipalities to use the design-build process for public building construction. The meeting was chaired by Sen. Jim Vickerman (DFL-Tracy).

Design-build is a process in which a firm submits a project proposal that includes both a design and the construction costs for that design, in their bid. The selection is then based upon the total package. S.F. 178, authored by Sen. Janet Johnson (DFL-North Branch) allows local units of government to use the process for any public building with a cost of \$2 million or less. Johnson said a similar bill was passed by the Senate last session but failed to pass in the House. "The Auditor's Office had some questions about the bill that have been addressed. Hopefully this bill will save taxpayers some money," she said.

Mark Karnowski, city administrator for the City of Lindstrom, said his city has used the process in three of its projects. He said the cost savings ranged from \$20,000 to \$25,000 per project. "Design-build is being used very well in the private sector. This would extend that use to local units of government," he said.

Sen. Linda Higgins (DFL-Mpls.) asked why the bill contained a sunset provision, making it expire on Dec. 31, 2004.

Karnowski said that the provision was put in to give municipalities and contractors a period to evaluate whether or not the design-build process was working. "We talked with architects and builders who thought on larger projects this might not be a good idea. We want to try it for a while on smaller projects and evaluate how it is working, with the idea of coming back to the Legislature in five years," Karnowski said.

Dean Thomson, an attorney representing the Associated General Contractors, said design-build is a process that needs further study for use by the public sector. He said the process favors larger contractors who have the staff to include the design planning in their bids. "A smaller contractor often has to bear the cost of contracting for that service," he said. Thomson said design-build increases the possibility of collusion and favoritism into the bid process.

He said he knew of two other bills that would be introduced to the Legislature this session addressing the design-build process. "We need to make sure there are safeguards in place to maintain the integrity of the bid process," he said.

Vickerman said the committee would delay acting on the S.F. 178 to see what was addressed in the other two bills. He said that the committee would however, act soon upon S.F. 178. Johnson agreed with the delay and said that this was the first she had heard of the concerns with her bill.

Rules and Administration

Recommendations issued

The Rules and Administration Subcommittee on Ethical Conduct met Fri., Jan. 29, to issue findings and recommendations stemming from an investigation into the conduct of Sen. Dallas Sams (DFL-Staples).

Initially, Sams requested an advisory opinion to consider whether Sams's work as a consultant for Media Integrated Training Services (MITS), as part of a contract between MITS and the University of Minnesota College of Agricultural, Food, and Environmental Sciences, constituted a conflict of interest.

Sen. Ember Reichgott Junge (DFL-New Hope), chair of the subcommittee, said

the subcommittee members worked in a fair, thorough fashion to reach a consensus. Junge said the situation was one of the most difficult and unusual the subcommittee has heard. She reviewed the findings, conclusions, and recommendations for the record.

The subcommittee concluded from clear and convincing evidence that Sams's work for the University of Minnesota did not constitute a conflict of interest, said Junge. While he was not paid directly from state-appropriated funds, it would not have been illegal, unethical, or a conflict of interest had he been paid from that source, she said. The subcommittee also found that Sams's conduct in attempting to conceal the payment to avoid negative political perceptions was unethical and improper and brought disrepute to the Minnesota Senate, Junge said. Sam's testimony to the subcommittee failed to meet the level of candor, thoroughness, and accuracy expected of a state Senator, she said.

The subcommittee recommended that Sams be reprimanded by the Minnesota Senate; that he be ordered to issue a public apology to the Senate, his constituents, and the public; and that he be removed as member and vice-chair of the Committee on Human Resources Finance.

Sen. Steven Novak (DFL-New Brighton) told members that the rules governing Legislators need to be revisited and clarified using a common sense approach. He said members "cannot be boxed in" and prevented from working outside the Legislature because the alternative to that would be a full time paid Legislature.

"We need to let the sunshine in and be as open as possible to avoid the perception of conflict of interest," said Sen. Roy Terwilliger (R-Edina). The best policy is to be candid rather than to try to spin the facts, he said.

In his response, Sams told members that he would abide by the recommendations of the subcommittee and that he would work hard to regain the trust of his constituents, colleagues, and the public. "I apologize for the bad judgment I used in this matter and I'm ready to move on," said Sams.

The subcommittee approved the report unanimously and referred it to the Rules and Administration Committee for further consideration.

Ethical conduct report adopted

A resolution resulting from work done by the Rules and Administration Subcommittee on Ethical Conduct provided the focal point for discussion at a meeting of the Rules and Administration Committee met Mon., Feb. 1.

The Ethical Conduct Subcommittee held a series of hearings after Sen. Dallas Sams requested an advisory opinion from the panel about whether or not he had a conflict of interest in contracting for work as a consultant with the University of Minnesota. Subcommittee Co-chairs, Sen. Ember Reichgott Junge (DFL-New Hope) and Sen. Dennis Frederickson (R-New Ulm), presented the findings of the panel and the recommendations the panel made in the matter. Junge said that the subcommittee originally set about determining whether or not there was a conflict of interest in Sams' contracting for work as a consultant, i.e., did Sams sponsor a bill with the expectation that he would obtain a contract as a result of carrying the bill. Junge said that the panel determined there was no conflict because the University originally opposed the bill in question and that Sams was sought out by the University to do the work. However, Junge said that though the subcommittee found there was no conflict of interest, Sams' was concerned enough about potentially negative political perceptions that he knowingly engaged in efforts to conceal the payment and prevent disclosure of it. Further, the panel found that Sams' conduct in attempting to conceal the payment was unethical and improper and brought disrepute to the Senate, Junge said.

Frederickson said that the subcommittee recommended that Sams be reprimanded, make a public apology to the Senate, his constituents and the public and that he be removed as a member and vice-chair of the Human Resources Finance Committee. Members of the committee adopted the resolution with little debate.

In other action, the panel, chaired by Sen. Roger D. Moe (DFL-Erskine), also adopted a resolution setting the level of reimbursement for mileage, living and telecommunication expenses. The resolution made no changes to the amounts of reimbursement from that set last session.

Committee on Taxes

Revenue budget overview

Governor Jesse Ventura's tax proposals were reviewed by the Committee on Taxes Tues., Feb. 2. The meeting was chaired by Vice Chair Linda Scheid (DFL-Brooklyn Park). Matt Smith, commissioner of the Dept. of Revenue, gave an overview of the governor's tax proposals. Much of the discussion focused on the governor's proposed sales tax rebate. Smith said the rebate is estimated to total \$1.087 billion and would be given to all Minnesota residents and part year residents who filed for a 1997 property tax rebate. The rebate amount would be determined from a schedule based on each filer's Minnesota taxable income and estimates of average household expenditures for consumer sales taxes by income level.

"The governor's goal was for the rebate to be prudent, fair and simple," Smith said, "He wants to return money to as many people as possible that contributed to the state's surplus."

Smith said it was important to the governor that the rebate be automated so that taxpayers didn't have to submit another form. In the proposed sales tax rebate, two schedules are used, one for married filing jointly head of households, and one for single filers. The minimum rebate is \$202 for single filers and \$384 for married/joint and head of household. The maximum rebate is \$1,000 for single filers and \$2,000 for married/joint and head of household. Smith said under the proposal the rebates would be mailed in Aug., 1999.

Sen. David Knutson (R-Burnsville) asked Smith how much it would cost the Dept. of Revenue to process the automated rebates. "In general, any rebate that doesn't cost us to process any more returns would cost less than one that requires additional filings," Smith said. He said that the department would contract out the printing and distribution of checks and that depending on the bids received for that process, he estimated the cost to the department would be approximately \$1.5 million.

Smith said the governor has also proposed exempting the production of television commercials from sales tax in hopes of encouraging the film industry in the state. The governor's proposal also recommends allocating \$10 million in

Committee update

abatement aid to counties so that they can abate all or a portion of farm property taxes for those most in need. The governor also recommends the creation of a Tax Reform Commission to recommend changes to the state's tax and intergovernmental finance system that will make it simpler, accountable, equitable, reliable, and easier to administer, Smith said.

A reduction in motor vehicle registration tax is another part of the governor's tax proposal. Smith said the governor recommends retaining the current minimum fee of \$35. Further, the governor recommends that the rate depreciation schedule is based on value and age but sets a maximum tax of \$75 for yearly renewals. "The governor's view is that money to fund transportation ought to go through the budgeting process like anything else," he said.

Sen. Steve Murphy (DFL-Red Wing) said he supported the idea of capping the maximum tax on vehicle registration but he had some concerns about the governor's proposal. "Is the governor even aware that the gas tax in Wisconsin is six cents higher than in Minnesota?" he asked Smith. Smith said he thought the governor was aware of the higher gas tax in the neighboring state.

Sen. Sandra Pappas (DFL-St. Paul) and Sen. Carol Flynn (DFL-Mpls.) said that although Minnesotans pay higher registration taxes than in all its neighboring states except Iowa, the state rates still rank 27th in the nation.

Smith said the governor's permanent income tax reduction was structured to eliminate the marriage penalty, reduce the lowest bracket tax rate from six percent to 5.8 percent for 1999 and to 5.75 percent in following years, and to increase the upper end of the lowest taxable income bracket so that taxpayers can earn more money before they have to pay a higher rate. "Virtually every Minnesota income taxpayer sees relief under this proposal," he said.

Transportation Budget Division

Commission discussed

The Transportation Budget Division, chaired by Sen. Janet Johnson (DFL-North Branch), met Thurs., Jan. 28. Testimony was presented on proposed

legislation, authored by Johnson, to create a major projects commission. Johnson said the goal of spending transportation money wisely prompted her to draft the legislation, which creates a commission to set priorities among proposed major transportation projects in which the Department of Transportation (MnDOT) is involved, and report these priorities to the governor and to the Legislature. Under the proposal, the commission is composed of the governor, three citizen members, five members of each legislative body and the commissioner of transportation, who is designated a nonvoting member.

Under the legislation, a major transportation project is one which involves MnDOT; has a total cost of more than \$5 million; is a critical element of the transportation system of its region and the state; and has a completed draft environmental impact statement.

Fred Corrigan, executive vice president for the Minnesota Transportation Alliance (MTA), said that transportation projects are under construction all across the state, but MnDOT finds it hard to fund all the projects. "Clearly there is something wrong when projects are approved, but they can't be completed," he said.

Corrigan called on Philip Scherer to provide information on an organization in Wisconsin which operates in a similar manner to Minnesota's proposed commission. Scherer is executive director for the Transportation Development Association (TDA) of Wisconsin, a group composed of 500 members who have interest in all forms of transportation.

Scherer said the transportation projects are determined by a structured process and reviewed by a bipartisan committee. The full Legislature has to approve projects before they are prioritized, according to Scherer. He said the TDA insures that districts are treated equally, without one district receiving a disproportionate number of projects. "The process has worked well in Wisconsin," he said.

Todd Iverson, representing the Minnesota Trucking Association, also spoke in favor of the proposed legislation. "The state has basically been in a preservation mode," he said. "We have unmet highway improvement needs out there." He said he believes having a commission might be a way of focusing more atten-

tion from the public on transportation needs. He also said he thought such a commission might bring more accountability.

"How much would the truckers be willing to increase the gas tax?" asked Sen. Carol Flynn (DFL-Mpls.). Iverson said if he can tell the truckers that a certain amount of money will buy a particular project, it makes his job easier. He said the top priority for members of the Trucking Association is taking care of the aging bridges in the state.

Ross Thorfinnson, chair of the I-494 Commission, added his support for a Major Projects Commission, provided the commission has citizen input. He said transportation projects are currently done in a piecemeal system. "It's more than a question of just getting funding," he said. "As long as we don't have funding, there should be some structure to allow us a voice in how things are prioritized."

Al Schenkelberg, director of MnDOT Investment Management, provided the committee with an overview of the department's construction budget. He said that MnDOT has a strategic plan for meeting customer needs. A state transportation improvement plan (STIP) is in place, and it must be reviewed and approved by the appropriate federal agencies prior to the Sept. 30th end of the federal fiscal year.

Schenkelberg said the primary investment goal of MnDOT is preservation, maintaining existing systems at a minimum level that will provide for the safe movement of people and freight. A second priority is management and operation of existing systems through minor and moderate cost improvements. A third priority is replacement. Schenkelberg said this includes replacing eligible system pieces; reducing barriers such as weight restrictions, bottlenecks and system disruptions; and replacing and reconstructing bridges. The fourth priority is expansion, reducing travel times and maintaining mobility. He said a part of the fourth goal is changing some two-lane highways to four lanes.

Transportation

Bill proposes single license plate

Sen. Edward Oliver (R-Deephaven) presented S.F. 245 to the Transportation Committee at the meeting Tues., Feb. 2. Sen. Carol Flynn (DFL-Mpls.) chairs the

committee. The bill provides that a motor vehicle in Minnesota need have only one license plate on the rear of the vehicle. Oliver said only a rear plate is required in 22 states.

Dennis Delmont, executive director of the Minnesota Chiefs of Police Association, spoke against the bill. He said that over 70 percent of all felonies committed in the state involve a motor vehicle. Delmont went on to say that police agencies believe having a front license plate displayed on a car is helpful in apprehending criminals.

Jim Trudeau, executive director of the Minnesota Sheriffs' Association, said that at a recent meeting of his group, all 87 county sheriffs stated their preference for having two license plates on cars. The bill was defeated on a voice vote.

Sen. Keith Langseth (DFL-Glyndon) presented S.F. 362, a bill that changes the depreciation schedule for passenger vehicles. The bill provides a 10 percent reduction in the vehicle's base value each year for a period of 10 years. The bill also proposes a constitutional amendment that dedicates not less than 30 percent of the proceeds from the sales tax on cars to the highway user tax distribution fund and not less than 20 percent of the proceeds into a fund for transit assistance. The bill was tabled.

Oliver also presented a bill, S.F. 364, which changes the depreciation schedule for passenger vehicles. The measure lowers license tab fees, although it creates a \$107 million hole in the general fund. The bill was tabled.

Robert Johnson, marketing manager for 3M Company, offered a presentation on Intelligent Transportation Technology (ITT). Johnson described the Intelligent Transportation Infrastructure (ITI) that can provide travel information and safety components. According to Johnson, the ITI initiative includes the latest travel information through a home computer, cable television, kiosk, telephone, car phone or beeper; changeable message signs that tell motorists about conditions ahead; traffic signals that can adjust if traffic begins to increase in one direction; and enhanced dispatch systems that quickly detect breakdowns or crashes and alert emergency system providers.

According to Johnson, run-off-the-road accidents, one-vehicle accidents that occur unintentionally due to a driver's impairment, account for 8,000 deaths per

year on major roads and interstates. He noted that 95 percent of run-off-the-road accidents are caused by human error, such as excessive speed, alcohol impairment, fatigue or inattention. Johnson said that even a small percentage reduction in run-off-the-road accidents will have a significant economic impact.

Highway improvements studied

Sen. Dean Johnson (R-Willmar) presented S.F. 256, a bill relating to improvements in Trunk Highway 12, at the Transportation Committee meeting Weds., Feb. 3. The committee, chaired by Sen. Carol Flynn (DFL-Mpls.), heard testimony on the bill, which requires inclusion of Highway 12 in the statewide transportation plan and state transportation improvement program (STIP). Under the bill, Highway 12 will be reconstructed as a four-lane divided highway between the city of Delano and the city of Wayzata.

Johnson spoke of traffic and safety issues on Highway 12, saying it ranks as one of the top 10 most congested highways in Minnesota. He said 22,500 cars travel the highway every day in the Long Lake-Orono area. He added that the Willmar Chamber of Commerce held meetings 49 years ago regarding ways of dealing with the traffic problems. Johnson said the cities of Long Lake and Orono have a tentative agreement for improvements along Highway 12. He stated that the governor and commissioner of transportation have said highway improvement projects are too slow, and he agrees. "We can keep listening to the needs of the public, and we need to be proponents of funding," Johnson said.

Mike Bash, mayor of Long Lake, said that the situation with highway 12 is a mess and should have been solved many years ago. He also expressed concern that hundreds of homeowners are put in limbo whenever improvements are discussed, because homes in the area that the reconstructed highway might cut through can't be sold. Bash said that with the help of the Department of Transportation (MnDOT), an innovative solution has been reached. A Super 2 highway is planned from Wayzata to the outside of Maple Plains. The Super 2 Highway has two 12-ft. lanes, one going each way, with each lane separated by four feet of

pavement. He said the highway can carry a tremendous amount of traffic, but he expressed concern that Johnson's bill, though well-intended, might interfere with the planned highway.

Patti Loken, project manager, MnDOT, spoke on the proposed highway project. She said all four-lane alternatives have been eliminated and a new two-lane, limited access highway is scheduled to be built between Wayzata Boulevard in Wayzata and County Road 6 in Orono. She said city councils of Orono and Long Lake indicated their support for this course of action. "We'll still have old highway 12, and between the two roadways we should move a lot of traffic," Loken said.

Lee Ronning, representing 1000 Friends of Minnesota, said the organization is concerned about land use decisions. She said the group recommends Minnesota have strong land controls when building new roadways.

Johnson moved that his bill be laid on the table in order to accommodate the communities of Long Lake, Orono and Wayzata. The motion passed.

An upgrade on the 800 megahertz Radio Communications Project also was given. Pat Pahl of the Metropolitan Radio Board said that cities, counties, regional and state agencies are experiencing rapid growth in radio communications coupled with problems of interference and problems with incompatible equipment. "The only way to correct the problems is to get everyone working on the same system," Pahl said.

Andrew Terry of MnDOT said that Minnesota, Minneapolis, Hennepin County and the Metropolitan Council-Metro Transit are participating in the Radio Communications Project. Carver County has also expressed interest. He said the development and construction of 44 communication sites should take one year, and construction of base testing should take a year and a half. The project should be deliverable by 2001, according to Terry.

Sen. Steve Murphy (DFL-Red Wing) expressed concern that Motorola is the prime contractor for the project. Terry said the process was open to all contractors, and there has been only one response. Pahl added that there is an option through a cancellation clause that if a better price is obtained, owners can choose to cancel the contract.

Committee roster

Policy Committees

Agriculture and Rural Development (15)

Chair: Sams **Vice Chair:** Hanson
Office: 328 Capitol **Phone:** (651) 296-7405
Meets: Tues., Thurs., 2-3:45 p.m. Room 107
Members:

Beckman	Johnson, D.E.	Morse	Vickerman
Berg	Lesewski	Murphy	
Dille	Lessard	Piper	
Fischbach	Lourey	Scheevel	

Children, Families and Learning (32)

Co-Chairs: Piper, Pogemiller, Stumpf
Meets: Tues., Weds., Fri., 8-9:45 a.m. Room 15
Office: 235 Capitol **Phone:** (651) 296-7809
Members:

Foley	Knutson	Neuville	Solon
Hanson	Krentz	Olson	Ten Eyck
Higgins	Langseth	Pappas	Terwilliger
Janezich	Larson	Ranum	Wiener
Junge	Lesewski	Robertson	Wiger
Kelley, S. P.	Lourey	Robling	
Kiscaden	Marty	Scheevel	
Kleis	Murphy	Scheid	

Commerce (16)

Chair: Solon **Vice Chair:** Wiener
Meets: Tues., Thurs., 2-3:45 p.m. Room 112
Office: 303 Capitol **Phone:** (651) 296-5776
Members:

Belanger	Kleis	Novak	Scheid
Cohen	Larson	Oliver	Spear
Day	Marty	Runbeck	
Hottinger	Metzen	Samuelson	

Crime Prevention (17)

Chair: Spear **Vice Chair:** Johnson, D.H.
Meets: Mon., Weds., Fri., 2-3:45 p.m. Room 15
Office: 120 Capitol **Phone:** (651) 296-4191
Members:

Anderson	Foley	Knutson	Neuville
Beckman	Junge	Krentz	Ranum
Belanger	Kelly, R.C.	Laidig	Ten Eyck
Berglin	Kleis	Limmer	

Election Laws (11)

Chair: Marty **Vice Chair:** Junge
Meets: Mon., Weds., 12 noon-1:45 p.m. Room 112
Office: 326 Capitol **Phone:** (651) 296-5712
Members:

Flynn	Johnson, D.J.	Ourada
Frederickson	Larson	Sams
Johnson, D.E.	Moe, R.D.	Scheid

Environment and Natural Resources (19)

Chair: Lessard **Vice Chair:** Anderson
Office: 111 Capitol **Phone:** (651) 296-1113
Meets: Mon., Weds., Fri., 12 noon-1:45 p.m. Room 107
Members:

Berg	Krentz	Pariseau	Stumpf
Dille	Laidig	Pogemiller	Vickerman
Frederickson	Morse	Price	
Higgins	Novak	Samuelson	
Johnson, J.B.	Olson	Stevens	

Governmental Operations and Veterans (15)

Chair: Metzen
Office: 303 Capitol **Phone:** (651) 296-4175
Meets: Tues., Thurs., 12 noon-1:45 p.m.; Weds., 10-11:45 a.m. Room 15
Members:

Berg	Morse	Runbeck	Wiener
Betzold	Pogemiller	Stevens	Wiger
Cohen	Price	Stumpf	
Fischbach	Robertson	Terwilliger	

Health and Family Security (17)

Chair: Hottinger **Vice Chair:** Lourey
Office: 120 Capitol **Phone:** (651) 296-1323
Meets: Tues., Thurs., Fri., 10-11:45 a.m. Room 15
Members:

Berglin	Foley	Robertson	Stevens
Betzold	Kiscaden	Sams	Ten Eyck
Dille	Morse	Samuelson	Terwilliger
Fischbach	Piper	Solon	

Jobs, Energy and Community Development (20)

Chair: Novak **Vice Chair:** Kelley, S.P.
Office: 322 Capitol **Phone:** (651) 296-1767
Meets: Tues., Thurs., Fri., 10-11:45 a.m. Room 123
Members:

Anderson	Johnson, D.H.	Limmer	Pariseau
Beckman	Johnson, D.J.	Metzen	Runbeck
Frederickson	Johnson, J.B.	Murphy	Scheevel
Higgins	Kelly, R. C.	Oliver	
Janezich	Lesewski	Ourada	

Judiciary (13)

Chair: Ranum **Vice Chair:** Betzold
Office: 306 Capitol **Phone:** (651) 296-0249
Meets: Mon., Weds., Fri., 12 noon-1:45 p.m. Room 15
Members:

Berglin	Foley	Limmer	Ten Eyck
Cohen	Kiscaden	Neuville	Wiener
Fischbach	Knutson	Spear	

Local and Metropolitan Government (16)

Chair: Vickerman **Vice Chair:** Higgins
Office: 226 Capitol **Phone:** (651) 296-4150
Meets: Mon., Weds., Fri., 2-3:45 p.m. Room 107
Members:

Day	Langseth	Pappas	Scheevel
Flynn	Lessard	Pariseau	Wiger
Hottinger	Lourey	Price	
Kelley, S.P.	Olson	Robling	

Rules and Administration (24)

Chair: Moe, R.D. **Vice Chair:** Junge
Office: 208 Capitol **Phone:** (651) 296-4196
Meets: On call
Members:

Belanger	Frederickson	Lessard	Samuelson
Berg	Johnson, D.E.	Metzen	Solon
Berglin	Johnson, D.J.	Novak	Spear
Cohen	Laidig	Olson	Stumpf
Day	Langseth	Piper	
Flynn	Larson	Pogemiller	

Transportation (16)

Chair: Flynn **Vice Chair:** Murphy
Office: 120 Capitol **Phone:** (651) 296-5099
Meets: Tues., Thurs., 12 noon-1:45 p.m.; Weds. 10-11:45 a.m. Room 112
Members:

Belanger	Johnson, D.H.	Laidig	Robling
Day	Johnson, D.E.	Langseth	Sams
Hanson	Johnson, J.B.	Ourada	
Janezich	Kelly, R.C.	Pappas	

Budget Divisions

Crime Prevention and Judiciary Budget Division (13)

Chair: Kelly, R.C.

Office: 323 Capitol

Phone: (651) 296-5285

Meets: Mon., Weds., Fri., 2-3:45p.m. Room 15

Members:

Anderson	Betzold	Laidig	Ranum
Beckman	Junge	Limmer	Spear
Belanger	Knutson	Neuville	Ten Eyck

Economic Development Budget Division (14)

Chair: Beckman

Office: 124G Capitol

Phone: (651) 296-5713

Meets: Call of the Chair Room 123 Capitol

Members:

Anderson	Kelly, R.C.	Novak	Wiener
Higgins	Larson	Oliver	
Janezich	Lesewski	Ourada	
Johnson, D.H.	Murphy	Runbeck	

Environment and Agriculture Budget Division (12)

Chair: Morse

Office: G-24 Capitol

Phone: (651) 296-5649

Meets: Mon., Weds., Fri., 12-1:45p.m. Room 107

Members:

Berg	Johnson, J.B.	Lessard	Stumpf
Dille	Krentz	Pariseau	Vickerman
Frederickson	Laidig	Price	

Family and Early Childhood Education Budget Division (9)

Chair: Piper

Vice Chair: Foley

Office: G-9 Capitol

Phone: (651) 296-9248

Meets: Tues., Weds., Fri., 8-9:45 a.m. Room 15

Members:

Higgins	Lesewski	Marty	Terwilliger
Janezich	Lourey	Robling	

Governmental Operations Budget Division (11)

Chair: Price

Office: 235 Capital

Phone: (651) 297-4158

Meets: Tues., Thurs., 4-6 p.m.; Weds., 2-4p.m. Room 125

Members:

Betzold	Marty	Runbeck	Wiger
Cohen	Metzen	Scheid	
Frederickson	Robertson	Stevens	

Health and Family Security Budget Division (14)

Chair: Samuelson

Office: 124 Capitol

Phone: (651) 296-4875

Meets: Tues., Thurs., Fri., 4-6 p.m. Room 123

Members:

Berglin	Hottinger	Piper	Terwilliger
Dille	Kiscaden	Sams	
Fischbach	Lourey	Solon	
Foley	Morse	Stevens	

Higher Education Budget Division (9)

Chair: Stumpf

Vice Chair: Ten Eyck

Office: G-24 Capitol

Phone: (651) 296-8660

Meets: Tues., Weds., Fri., 8-9:45 a.m. Room 107

Members:

Kelley, S.P.	Kleis	Murphy	Wiener
Kiscaden	Larson	Solon	

K-12 Education Budget Division (15)

Chair: Pogemiller

Vice Chair: Wiger

Office: 235 Capitol

Phone: (651) 296-7809

Meets: Tues., Weds., Fri., 8-9:45 a.m. Room 112

Members:

Hanson	Krentz	Pappas	Scheid
Janezich	Langseth	Ranum	
Junge	Neuville	Robertson	
Knutson	Olson	Scheevel	

Property Taxes and Local Government Budget Division (14)

Chair: Pappas

Office: 120 Capitol

Phone: (651) 296-1802

Meets: Mon., Tues., Weds., Thurs., Fri. 4-6 p.m. Room 15

Members:

Day	Kelley, S.P.	Pariseau	Vickerman
Flynn	Novak	Pogemiller	
Hottinger	Oliver	Price	
Johnson, D. J.	Olson	Scheevel	

Transportation Budget Division (10)

Chair: Johnson, J.B.

Office: G-9 Capitol

Phone: (651) 296-5419

Meets: Tues., Thurs., 12-1:45 p.m.; Weds. 10-11:45 a.m. Room 112

Members:

Belanger	Hanson	Langseth
Day	Johnson, D.E.	Ourada
Flynn	Johnson, D.H.	Sams

Taxes and Finance Committees

Committee on Taxes (23)

Chair: Johnson, D.J.

Vice Chair: Scheid

Meets: Mon., Tues., Weds., Thurs., 4-6 p.m. Room 15

Office: 205 Capitol

Phone: (651) 296-8881

Members:

Anderson	Hottinger	Novak	Price
Belanger	Kelley, S.P.	Oliver	Runbeck
Berg	Knutson	Olson	Vickerman
Betzold	Lesewski	Pappas	
Day	Marty	Pariseau	
Flynn	Murphy	Pogemiller	

Education Finance Committee (13)

Chair: Langseth

Vice Chair: Krentz

Office: 122 Capitol

Phone: (651) 296-3205

Meets: Mon., Tues., Weds., Thurs., 4-6 p.m. Room 123

Members:

Foley	Johnson, D.E.	Piper	Scheevel
Hanson	Larson	Robertson	Wiger
Higgins	Moe, R.D.	Robling	

Human Resources Finance Committee (14)

Chair: Berglin

Office: 309 Capitol

Phone: (651) 296-4151

Meets: Mon., Tues., Weds., Thurs., 4-6 p.m. Room 112 Capitol

Members:

Beckman	Kleis	Samuelson	Terwilliger
Johnson, D.H.	Lourey	Spear	
Kelly, R.C.	Neuville	Stevens	
Kiscaden	Ranum	Ten Eyck	

State Government Finance Committee (16)

Chair: Cohen

Vice Chair: Janezich

Office: 317 Capitol

Phone: (651) 296-5308

Meets: Mon., Tues., Weds., Thurs., 4-6 p.m. Room 112

Members:

Dille	Junge	Metzen	Stumpf
Fischbach	Laidig	Morse	Wiener
Frederickson	Lessard	Ourada	
Johnson, J.B.	Limmer	Solon	

Preview

Monday, February 8

Task Force to Study the Education Costs of Juvenile Out of Home Placements

Co-Chairs: Sen. Jane Ranum and Rep. Mary Jo McGuire

8:45 a.m. Room 125 Capitol

Agenda: Review final recommendations of the task force on the educational costs of Juvenile Out of Home Placements.

The Senate is in Session at 10 a.m.

Environment and Agriculture Budget Division

Chair: Sen. Steven Morse

12 noon Room 107 Capitol

Agenda: S.F. 428-Hanson: Extending the program for control of pseudorabies in swine. Board of Animal Health budget overview.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: S.F. 90-Betzold: Extending the statute of limitations on medical malpractice. S.F. 184-Ranum: Juvenile code recodification.

Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: S.F. 198-Kelly, R.C.: Specifying that the prosecution may reply in rebuttal to the defense's closing argument in criminal cases. S.F. 199-Johnson, D.J.: Providing that the prosecution has the final argument to the jury in criminal cases. S.F. 533-Anderson: Repealing final argument law.

Local and Metropolitan Government Committee

Chair: Sen. Jim Vickerman

2 p.m. Room 107 Capitol

Agenda: H.F. 133/S.F. 107-Novak: Local residency requirements.

Tuesday, February 9

Environment and Agriculture Budget Division

Chair: Sen. Steven Morse

8 a.m. Room 123 Capitol

Agenda: Budget overviews: Academy of Science and Horticultural Society.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: S.F. XXX-Wiger: Facilities Task Force recommendations. S.F. 370-Wiger: Alternative facilities bonding authority for Independent School District 622. S.F. 427-Scheevel: Alternative facilities design grant. S.F. XXX-Krentz: Centennial School District lease of facilities. S.F. 407-Johnson D.E.: Amending capital investment grant to McLeod West. S.F. 378-Day: Health and safety revenue for School District 2125.

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8:30 a.m. Room 15 Capitol

Agenda: Head Start, Birth to Three overview: Dept. of Children, Families and Learning; Wilder Foundation. Family Service Collaborative overview: Dept. of Children Families and Learning; St. Paul-Ramsey County Children's Initiative. Local Collaborative Time Study: Dept. of Human Services; St. Paul-Ramsey County Children's Initiative. Community Education overview: Dept. of Children, Families and Learning; Minnesota Community Education Association.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: S.F. 2-Kelley; Y2K. S.F. 57-Stevens: Demonstration projects of manure digester technology and requiring purchase of energy from manure waste methane recovery systems. S.F. 50-Novak: Abolishing sunset provision repealing performance based gas purchasing plans.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: Any bills carried over from Friday 2/5/99. S.F. 239-Sams: Providing an automatic inflation adjustment to the appropriation for the Emergency Medical Services fund. S.F. 410-Ten Eyck: Increasing PMAP and prepaid GAMC program contract rates for non-metro counties. S.F. 418-Hottinger: Modifying certain licensing and registration requirements for physicians, acupuncturists and athletic trainers.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

12 noon Room 15 Capitol

Agenda: Budget overview: Campaign Finance and Public Disclosure Board; State Board of Investment and Metro Cable Channel 6.

Transportation Committee

Chair: Sen. Carol Flynn

12 noon Room 112 Capitol

Agenda: Twin Cities Metropolitan Commuter Rail feasibility study.

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

2 p.m. Room 107 Capitol

Agenda: S.F. 424-Vickerman: Permitting distribution of nonregistered pesticides for certain uses outside the state. S.F. 182-Vickerman: Appropriating money for the Passing on the Farm Center. S.F. 97-Johnson, D.E.: Exempting hydroponic greenhouses from the corporate farm law.

Property Taxes and Local Government Budget Division

Chair: Sen. Sandra Pappas

4 p.m. Room 15 Capitol

Agenda: To be announced.

Transportation Budget Division

Chair: Sen. Janet Johnson

4 p.m. Room 107 Capitol

Agenda: Budget overview.

Wednesday, February 10

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: S.F. 232-Ranum: Appropriation to ensure that all students are able to read by second grade. S.F. 380-Krentz: Gifted and talented program grants appropriation. S.F. 391-Kelley, S.P.: Youth outreach services.

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8:30 a.m. Room 15 Capitol

Agenda: Report on interim recommendations to the Legislature - the Minnesota Early Care and Education Finance Commission.

Governmental Operations and Veterans Committee

Chair: Sen. James Metzen

10 a.m. Room 15 Capitol

Agenda: S.F. 297-Robertson: Modifying special education provisions; providing for rulemaking. S.F. 157-Cohen: Bonding guidelines for non-profit organizations. S.F. 162-Kelly, R.C.: Making certain changes relating to health coverage for survivors of police officers and firefighters killed in the line of duty. S.F. 279-Price: Canceling the appropriation for a United Nations trade point.

Transportation Committee

Chair: Sen. Carol Flynn

10 a.m. Room 112 Capitol

Agenda: Report on welfare to work transportation program.

Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

12 noon Room 107 Capitol

Agenda: S.F. 83-Stevens: Changing classification of public waters wetlands.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: S.F. 233-Solon: Descriptions of certain easements. S.F. 403-Betzold: Alternative method of describing real property. S.F. 343-Knutson: Certificates of title and the common interest of ownership.

Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: S.F. 333-Kelly, R.C.: Criminal penalties, forfeiture for intentionally using the identity of another for unlawful purposes. S.F. 411-Johnson, D.H.: Imposing penalties, forfeiture for counterfeiting intellectual property. S.F. 551-Junge: Domestic abuse, malicious punishment, interfamilial sexual assault penalties and procedures.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

2 p.m. Room 125 Capitol

Agenda: Budget overviews: Lawful Gambling Control Board; Minnesota Racing Commission and Humanities Commission.

Local and Metropolitan Government Committee

Chair: Sen. Jim Vickerman

2 p.m. Room 107 Capitol

Agenda: Greg LeRoy, director; Good Jobs First.

Charter Schools Task Force

4 p.m. Room 123 Capitol

Agenda: Review of site visits. The MN Association of Charter Schools will present legislative needs - Steve Dess. Discussion of bills introduced this session; S.F. 146-Langseth: Charter schools capital loans. S.F. 444-Langseth: Charter schools referendum revenue.

Thursday, February 11

The Senate is in Session at 9 a.m.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: Presentation: Greg LeRoy, executive director; Good Jobs First. Project of the Institute on Taxation on Economic Policy report on the public financing of private corporations. S.F. XXX -Hottinger: Corporate subsidy.

Joint Human Resources Finance and Health and Family Security Committees

Chair: Sen. Linda Berglin and Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: Linda Glenn, private consultant and principal in consulting firm of Copeland, Glenn and Associates, co-author of January 1998 report on analysis of revenue maximization opportunities for Hennepin and Blue Earth Counties and the state of Minnesota.

Transportation Budget Division

Chair: Sen. Janet Johnson

12 noon Room 112 Capitol

Agenda: Budget overview.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

12 noon Room 125 Capitol

Agenda: Budget overviews: Military Order of the Purple Heart; Department of Veterans Affairs; Veterans of Foreign Wars and Disabled American Veterans.

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

2 p.m. Room 107 Capitol

Agenda: PCA Report: Animal waste liability account.

Joint State Government Finance Committee, Human Resources Finance Committee and Education Finance Committee

Chair: Sen. Richard Cohen, Sen. Linda Berglin, and Sen. Keith Langseth

4 p.m. Room 123 Capitol

Agenda: Overview of November forecast: Tom Stinson, state economist. Consultant economists talk about uncertainty of forecast and risks: Dan Laufenberg, economist, American Express Financial; and Jeanne Boeh, economist, Augsburg College. Overview of the governor's budget: Pam Wheelock, commissioner of Finance.

Friday, February 12

There are no meetings scheduled for Friday, February 12.

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DFL	296-5537	Anderson, Ellen R.	G-24 Cap.	66	DFL	6-5645	Marty, John	325 Cap.	54
DFL	6-5713	Beckman, Tracy L.	124B Cap.	26	DFL	6-4370	Metzen, James P.	303 Cap.	39
R	6-5975	Belanger, William V.	113 SOB	41	DFL	6-2577	Moe, Roger D.	208 Cap.	2
IND	6-5094	Berg, Charles A.	G-51 SOB	13	DFL	6-5649	Morse, Steven	G-24 Cap.	32
DFL	6-4261	Berglin, Linda	309 Cap.	61	DFL	6-4264	Murphy, Steve	301 Cap.	29
DFL	6-2556	Betzold, Don	306 Cap.	48	R	6-1279	Neuville, Thomas M.	123 SOB	25
DFL	6-5931	Cohen, Richard J.	317 Cap.	64	DFL	6-4334	Novak, Steven G.	322 Cap.	52
R	6-9457	Day, Dick	147 SOB	28	R	6-4837	Oliver, Edward C.	121 SOB	43
R	6-4131	Dille, Steve	103 SOB	20	R	6-1282	Olson, Gen	119 SOB	34
R	6-2084	Fischbach, Michelle L.	149 SOB	14	R	6-5981	Ourada, Mark	145 SOB	19
DFL	6-4274	Flynn, Carol	120 Cap.	62	DFL	6-1802	Pappas, Sandra L.	120 Cap.	65
DFL	6-4154	Foley, Leo T.	G-9 Cap.	49	R	6-5252	Pariseau, Pat	109 SOB	37
R	6-8138	Frederickson, Dennis R.	139 SOB	23	DFL	6-9248	Piper, Pat	G-9 Cap.	27
DFL	6-3219	Hanson, Paula E.	328 Cap.	50	DFL	6-7809	Pogemiller, Lawrence J.	235 Cap.	59
DFL	6-9246	Higgins, Linda I.	226 Cap.	58	DFL	7-8060	Price, Leonard R.	235 Cap.	57
DFL	6-6153	Hottinger, John C.	120 Cap.	24	DFL	7-8061	Ranum, Jane B.	306 Cap.	63
DFL	6-8017	Janezich, Jerry R.	328 Cap.	5	R	6-4314	Robertson, Martha R.	125 SOB	45
DFL	6-9261	Johnson, Dave	111 Cap.	40	R	6-4123	Robling, Claire A.	151 SOB	35
R	6-3826	Johnson, Dean E.	117 SOB	15	R	6-1253	Runbeck, Linda	107 SOB	53
DFL	6-8881	Johnson, Douglas J.	205 Cap.	6	DFL	7-8063	Sams, Dallas C.	328 Cap.	11
DFL	6-5419	Johnson, Janet B.	G-9 Cap.	18	DFL	6-4875	Samuelson, Don	124 Cap.	12
DFL	6-2889	Junge, Ember R.	205 Cap.	46	R	6-3903	Scheevel, Kenric J.	129 SOB	31
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DFL	6-5285	Kelly, Randy C.	323 Cap.	67	DFL	6-4188	Solon, Sam G.	303 Cap.	7
R	6-4848	Kiscaden, Sheila M.	135 SOB	30	DFL	6-4191	Spear, Allan H.	120 Cap.	60
R	6-6455	Kleis, Dave	143 SOB	16	R	6-8075	Stevens, Dan	105 SOB	17
R	6-4120	Knutson, David L.	133 SOB	36	DFL	6-8660	Stumpf, LeRoy A.	G-24 Cap.	1
DFL	6-7061	Krentz, Jane	235 Cap.	51	DFL	6-4913	Ten Eyck, David J.	G-24F Cap.	4
R	6-4351	Laidig, Gary W.	141 SOB	56	R	6-6238	Terwilliger, Roy	115 SOB	42
DFL	6-3205	Langseth, Keith	122 Cap.	9	DFL	6-5650	Vickerman, Jim	226 Cap.	22
R	6-5655	Larson, Cal	153 SOB	10	DFL	7-8073	Wiener, Deanna L.	303 Cap.	38
R	6-4125	Lesewski, Arlene J.	131 SOB	21	DFL	6-6820	Wiger, Charles W.	325 Cap.	55
DFL	6-4136	Lessard, Bob	111 Cap.	3	Capitol address: 75 Constitution Avenue				
R	6-2159	Limmer, Warren	127 SOB	33	State Office Building address: 100 Constitution Avenue				
DFL	6-0293	Lourey, Becky	G-9 Cap.	8	St. Paul, MN 55155				

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*Photo by Andrea Murrill
An angelic sculpture adorns
the front entrance of the
state capitol.*



February 12, 1999

Senate Highlights

Sales tax rebate passes

A bill providing a \$1.1 billion sales tax rebate was approved by the Senate, Mon., Feb. 8. The rebate is similar to the governor's proposal but contrasts with the House plan, which is based upon an income tax rebate.

The bill's sponsor, Sen. Douglas Johnson (DFL-Tower), said the bill met the governor's goal of being "simple, prudent, and fair." He said over two million Minnesotans would receive a rebate under his proposal. "This returns the surplus in the most fair manner so that mainstream Minnesotans, middle class and lower income Minnesotans, will benefit from the robust economy in the state. Yet it is fair to the highest income Minnesotans as well," Johnson said.

Married couples earning less than \$130,000 and single filers earning less than \$65,000 would benefit more from the sales tax rebate than the House income tax rebate, Johnson said. The bill, H.F. 1, also provides about \$50 million in assistance to farmers.

Johnson said one of the biggest advantages of a sales tax rebate is that it would most likely exempt taxpayers from paying federal income taxes on their rebate. He said while staff from the Dept. of Rev-

enue couldn't guarantee the Internal Revenue Service (IRS) would rule the sales tax rebate exempt from federal taxes, it was guaranteed that an income tax rebate would not be tax exempt.

Sen. Gen Olson (R-Minnetrista) said the federal tax exemption was a weak argument in supporting a sales tax rebate over an income tax rebate. She said that the two-thirds of taxpayers who don't itemize wouldn't be subject to federal taxes on an income tax rebate. She said the other third could increase their deductions by giving the rebate to a favorite charity.

Johnson offered an amendment to H.F. 1 to allow nonresidents of the state to be eligible for a rebate by submitting receipts showing the amount of sales tax paid in 1997. He said the Dept. of Revenue indicated the amendment would "help create more certainty" that the IRS would rule the sales tax rebate exempt from federal taxes. The amendment was adopted.

Sen. Leroy Stumpf (DFL-Thief River Falls) offered an amendment modifying the farm relief portion of the rebate. Under Johnson's bill, livestock farmers are eligible for a rebate of half their property tax payment for 1999. Crop

farmers are eligible for a four dollar cash per certified acre payment toward their property taxes. Stumpf's amendment removed the 160 acre limit farmers could apply toward the rebate. The amendment was adopted. Sen. Steven Morse (DFL-Dakota) then offered an amendment lowering the farm rebate limit to \$4,000 from \$10,000 per farmer. Morse's amendment was also adopted.

Sen. Edward Oliver (R-Deephaven) said an income tax rebate was a more fair method to return the surplus money back to taxpayers. He said 80 percent, or \$803 million of the surplus came from increased tax revenues with \$262 million coming from decreased expenditures. He said \$519 million of the increased revenues came from income tax and \$72 million came from sales tax. "Sen. Johnson talks about being fair. I think being fair is rebating the money to those that paid it in. The best way to do that is not the sales tax rebate. It's the income tax rebate," he said.

Sen. Dick Day (R-Owatonna) called the sales tax rebate a "Robin Hood" and a "grand Socialistic" plan. "What in the world is wrong with sending the billion dollars back to the people who paid it in just one time?" Day said, "It's a disincentive to these people to go out and really do what matters in the world today and get things going, to know if we have a good year in Minnesota we're going to redistribute the wealth," he said.

Sen. John Hottinger (DFL-Mankato) said because the surplus wasn't created solely by income taxes, distributing the surplus to as many people who contributed was the most fair way to return money. He said less than 50 percent of the surplus came from income taxes. "A variety of taxpayers paid in a variety of ways," he said. He said Day's allusion to the Robin Hood story interpreted the story in an incorrect way. "The sheriff of Nottingham was the one who wanted to give special benefits back to those who already had wealth and privileges," Hottinger said, "The redistribution plan here is the income tax rebate which wants to play the role of the sheriff of Nottingham. I don't remember the Robin Hood story real well, but I do remember who the good guy was, and I do remember who was on the side of the people and who the people supported. It wasn't the sheriff of Nottingham," he said.

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Johnson offered an amendment excluding additional revenue from the state's February economic forecast from the rebate. He said it should instead go toward a permanent tax cut that would be introduced later on in the session. The amendment was adopted.

Sen. Kenric Scheevel (R-Preston) offered an amendment incorporating an income tax based rebate similar to the House proposal. Scheevel said that his amendment includes many of the features of the DFL plan, including a property tax rebate and agricultural assistance at \$4 per acre. He said his proposal also includes an automatic rebate in the future and that people who didn't owe any income tax in 1997 would still be eligible for a rebate.

Johnson spoke against the proposal, saying that people with annual incomes below \$65,000 would do better under the DFL plan. He reminded members that the governor ran a campaign that appealed to mainstream and middle income Minnesotans, and those are the people who will benefit the most from the DFL plan. Johnson also urged members to wait until the February revenue forecast is available before authorizing a property tax rebate. Otherwise, Johnson said, the state may have to sell bonds to pay the rebate under the Republican proposal. Scheevel then offered to remove the property tax rebate feature of his proposal. The Senate approved the removal of the property tax rebate.

Senate Majority Leader Roger Moe (DFL-Erskine) also spoke against the Scheevel amendment. He said that the state would have to sell bonds to pay the rebate, requiring the proposal to pass with a 60 percent majority.

Sen. Steve Kelley (DFL-Hopkins) responded to Republican criticism that the DFL plan was a "redistribution of wealth." Kelley said that the agricultural assistance element of both proposals is a redistribution of wealth because most of the property tax revenue comes from the Metro Area. Kelley said that he supports that aspect of the proposals, but he said he is not the one criticizing the DFL plan. The Scheevel amendment was defeated on a 22-42 roll call vote.

Sen. Gary Laidig (R-Stillwater) offered an amendment to abandon the sales tax based rebate in favor of an income tax based rebate contingent on a ruling by

the IRS that the sales tax rebate is subject to the federal income tax. Laidig said that if the sales tax rebate is taxable, the Legislature will have to re-debate the whole issue. Johnson countered that the DFL plan is still fairer even if the rebate is taxable. The Laidig amendment was defeated 23-41.

Sen. Tom Neuville (R-Northfield) offered an amendment to cut the sales tax rebate in half, but increase the income tax personal and dependent exemption to \$2000 for 1997 income tax returns. Neuville said that in recent years, the tax burden has shifted from families without children to families with children. He added that a similar proposal passed the Senate in 1992 on a 58-2 vote. Johnson urged defeat of the proposal, saying that it needs to undergo fiscal analysis and public hearings. The Neuville amendment also failed on a 29-34 roll call.

Before final passage, Moe urged bipartisan support for the bill. He said that the Senate version of H.F. 1 builds on \$2.7 billion in tax relief passed during the 1997-98 biennium. Moe said that businesses benefitted during those years through commercial and industrial property tax relief, and now individuals benefit through this bill. He added that the bill includes people that are excluded by the version passed by the other body. Finally, Moe urged colleagues to "lock arms" and pass the bill on a bi-partisan basis and to look at how the bill affects the majority of people in each of their districts. The bill passed on a 44-21 roll call vote.

School days elimination okayed

The Thurs., Feb. 11, floor session was devoted to discussion of bills on General Orders and consideration of bills on the Consent Calendar. Bills on General Orders are considered for preliminary passage by the Senate acting as one large committee known as the "Committee of the Whole." Each bill on General Orders has had two readings and has been reported out of one or more standing committees. Bills on General Orders may be amended and need only a majority of those voting to gain preliminary passage. Bills on the Consent Calendar are considered for final passage. Bills on the Consent Calendar do not appear on General Orders because, typically, they are considered to be of a

noncontroversial nature. Bills on the Consent Calendar are placed there upon recommendation of a standing committee that considered the bill noncontroversial. Bills may be removed from the Consent Calendar and referred to General Orders if three members object to the bill being on the Consent Calendar.

A bill eliminating the requirement for three additional days of instruction in the school year, generated the most debate. The measure, S.F. 185, authored by Sen. Don Samuelson (DFL-Brainerd), eliminates the requirement that was added two years ago. Sen. Randy Kelly (DFL-St. Paul) said he questions the policy of eliminating three days in the face of dismal test scores that are being reported. Sen. Lawrence Pogemiller (DFL-Mpls.) responded that since Minnesota has no minimum or maximum number of school days set in statute, the requirement to add three days makes no sense. Other members responded that districts throughout the state were confused by the requirement and responded in a variety of ways. The measure was approved.

Members also granted preliminary passage to an additional four bills on General Orders. S.F. 121, authored by Sen. David Ten Eyck (DFL-East Gull Lake), repeals the requirement that licensees of health-related boards receive continuing education in infection control. S.F. 194, carried by Sen. Linda Berglin (DFL-Mpls.), eliminates the application deadline for essential community provider status. S.F. 86, authored by Pogemiller, makes numerous technical changes to statutes relating to education. S.F. 27, carried by Samuelson, provides for lifetime crossbow permits for persons with permanent physical disabilities. S.F. 98, authored by Sen. David Knutson (R-Burnsville), grants prosecutors discretion to not disclose a victim's or witness's date of birth.

Three measures gained final passage of the Consent Calendar. H.F. 139, carried by Sen. John Marty (DFL-Roseville), specifies member qualifications for the Campaign Finance and Public Disclosure Board. H.F. 26, carried by Sen. Bob Lessard (DFL-Int'l. Falls), changes a grantee for the Mississippi Education Center grant. S.F. 71, authored by Sen. Don Betzold (DFL-Fridley), changes requirements for notifying the Legislature of proposed rulemaking.

Committee update

Agriculture and Rural Development Committee

Tax proposals discussed

A proposal providing tax relief for farmers was presented by Sen. LeRoy Stumpf (DFL-Thief River Falls) at the Thurs., Feb. 4, meeting of the Agriculture and Rural Development Committee. The committee is chaired by Sen. Dallas Sams (DFL-Staples).

"Farmers are operating at a loss," said Stumpf. He told members that data from the Red River Valley indicates that of 5,171 farmers in the seven counties of NW Minnesota, more than half have 50 percent debt in their farming operations. Farm lenders have said that serious financial restructuring, or in many cases total liquidation, is the only alternative for these farm operators, Stumpf said.

Stumpf said the proposal requires the Dept. of Revenue to establish a program of offers-in-compromise of tax liabilities. In the proposal, the commissioner of revenue is required to establish guidelines to determine whether an offer-in-compromise or an offer to make installment payments is adequate and should be accepted to resolve a dispute over a tax. Stumpf said that a taxpayer's interest in a motor vehicle, to the extent that it is allowed to be exempt from attachment to pay debts, is not considered an asset under the proposal.

The proposal also provides that income from the sale or exchange of agricultural production property is exempt from taxation if the taxpayer would become insolvent if the tax were payable on the income from the sale, said Stumpf.

Stumpf said the proposal provides financial assistance to farmers in 1999 only. The proposal provides that every farmer who farmed at least 160 acres in 1998 may apply for a payment equal to \$4 for every acre on which the farmer produced an agricultural crop in 1998, provided that it is no less than 160 acres. A farmer who operates a livestock production facility on 160 acres or less is eligible for a refund equal to the full amount of the first-half property tax due in 1999 on the farmer's agricultural property, including both homestead and non homestead agricultural property. No action was taken on the proposal.

Sen. Paula Hanson (DFL-Ham Lake) presented S.F. 428, a bill appropriating

\$1.5 million to the Board of Animal Health for continuing efforts to control pseudorabies in swine.

Martin County Veterinarian Kent Kislingbury told members that he has been practicing for 34 years, with 95 percent of his practice dealing in swine. After several years of rapid decline in the number of quarantined premises, the disease was almost under control in Minnesota, he said. "I have never seen a disease spread as fast," said Kislingbury. "The consequences could be devastating to the industry in the state," he added.

"We would like to get the vaccine out to the producer. The vaccine would be free to the producer and getting the vaccine out is of the utmost importance," Kislingbury said.

Members adopted an amendment appropriating \$650,000 from the general fund to the University of Minnesota for the Center for Farm Financial Management. The appropriation is available until June 30, 2000.

The bill was recommended to pass and re-referred to the Environment and Agriculture Budget Division.

A bill exempting agricultural loans from the mortgage registry tax was offered by chief author, Sen. Steve Dille (R-Dassel). The bill, S.F. 254, provides that no tax be imposed upon an agricultural loan which is, or may be, secured by any mortgage of real property situated within the state. Dille said federal law prohibits the state from imposing a mortgage registration tax when the loan is through a farm credit system. The bill treats all loans the same and levels the playing field, said Dille. The committee recommended the bill to pass and re-referred it to the Committee on Taxes.

Bills discussed

Three bills were discussed at the Tues., Feb. 9, meeting of the Agriculture and Rural Development Committee. Sen. Dallas Sams (DFL-Staples) chairs the committee.

Sen. Jim Vickerman (DFL-Tracy) presented S.F. 182, appropriating \$25,000 for the Passing on the Farm Center. The bill specifies that the appropriation is available to the extent it is matched at the rate of one non state dollar for every four state dollars.

The Passing on the Farm Center provides assistance and education to beginning farmers while helping a

retiring generation transition out of agriculture. The program provides workshops to beginning farmers on subjects such as record keeping, communication skills, and economics overviews for future years. The program also provides workshops that assist farm families in estate and transfer planning. Workshops have been held in over 30 communities in the state and almost 2,000 people have attended the workshops.

Ivan Anderson, program manager, Passing on the Farm Center, said nearly every career has a career path except farming. The internship program at the Center is a vehicle for an agriculture career path, he said. The program allows students and employees a hands-on experience under the supervision of a mentor or mentoring business, while retiring farmers have access to beginning farmers with qualified skills to take over their farm businesses and manage them successfully, said Anderson.

Sen. Arlene Lesewski (R-Marshall) said she attended one of the workshops and was impressed with the professionalism with which the attendees were taught. Knowing how to plan an estate or a transfer of property is very important to farm families, she said.

The bill was recommended to pass and re-referred to the Environment and Agriculture Budget Division.

Vickerman also offered S.F. 424, permitting distribution of nonregistered pesticides for certain uses outside the state. The businesses near the state borders rely on sales to farmers in the surrounding states, said Vickerman. Currently, business is being lost because the pesticides cannot be sold to farmers in the other states, he said. The bill does not allow the use of the pesticide in Minnesota, just the distribution of it for use outside the state, said Vickerman.

The bill was recommended to pass and will go to the full Senate.

A bill exempting hydroponic greenhouses from the corporate farm law was presented by Sen. Dean Johnson (R-Willmar). The bill, S.F. 97, classifies a hydro-ponic greenhouse as an aquatic farm.

Renville City Administrator Cole O'Donnell told members that hydroponic greenhouses are not farms in the traditional sense and that no soil is used to grow the vegetables produced. The produce is grown in a nutrient rich liquid

solution, he said. He said Future Farms, a Florida company, is seeking to expand hydroponic greenhouse operations to the City of Renville.

Sen. Paula Hanson (DFL-Ham Lake) asked if there was any public opposition to the greenhouse operation. O'Donnell said there have been several public hearings and the proposal has been received favorably. The operation will have no odor and the impact on the environment will be minimal, said O'Donnell.

The bill was recommended to pass and sent to the Senate floor.

Crime Prevention and Judiciary Budget Division

Economic Security reports heard

The Departments of Economic Security (DES) and Children, Families and Learning (CFL) presented reports to the Crime Prevention and Judiciary Budget Division. The division, chaired by Sen. Randy Kelly (DFL-St. Paul), met Fri., Feb. 5.

Barbara Swanson, chair of the Juvenile Justice Advisory Committee (JJAC), said that the JJAC is a citizens' group, appointed by the governor, that makes funding decisions for federal juvenile justice funds. Swanson said there are three major funding categories for Title II federal formula grants: prevention, diversion and pre-adjudication; post-adjudication; and aftercare with an employment and training component. Title V funds are incentive grants for local delinquency prevention programs, according to Swanson. "These funds are designated for comprehensive delinquency programming on the local level," she said. Eligible entities provide a 50 percent match for every federal dollar of Title V funds received. The JJAC also distributes state challenge grants--funding for services that are under-represented in the state. Swanson said Minnesota has chosen to direct the funds to programs serving adolescent females and to programs providing aftercare services.

Swanson emphasized the committee is concerned about accountability, and requires quarterly reports. She said sites are monitored if reports are late or inaccurate, and the committee can freeze funds if a problem is not corrected. Swanson said she believes representatives at the community level know what is most needed for the children of the

community. "Minnesota is a leader in getting the money out to the kids," she said. Swanson described a pre-truancy program that works with children and parents. If a child misses four partial or full days of school, he or she is referred to the agency. "We had 389 children referred to the pre-truant program," she said. "Only 14 of those did not succeed and were petitioned to the court." She said the main goal of the juvenile justice system should be keeping children out of the court system.

John Olson, DES, reported on the Juvenile Accountability Incentive Block Grant (JAIBG), an entitlement program created by Congress in 1998. He said \$250 million was appropriated nationwide to help reform the juvenile justice system and promote greater accountability for youth involved in the juvenile justice system. Minnesota's allocation under JAIBG is \$4.168 million for 1999. Twelve areas have been funded, and each local entity must provide 10 percent matching funds.

Kelly said that the greatest weakness in the expenditure of all these funds is not knowing what is happening with the money. "Hundreds of things are funded--how do you know what's working?" he asked. Olson said that based on quarterly reports, if a flag goes up on any of the programs, staff gets on the phone. "JJAC can intervene," he said. Sen. Jan Ranum (DFL-Mpls.) said that good evaluation is not cheap and requires a well-constructed methodology. "We can't say we want an evaluation if we don't allow money for it, which takes money away from services," she said.

Kay Tracy, director of the Office of Youth Development, said that during 1998 the Youth Intervention Program (YIP) served 32,400 Minnesota youth and their families. She said over 3,400 juveniles performed restitution or community service. Tracy said YIP reduced the number of runaways; reduced the number of youth involved with the juvenile justice system; and reduced the number of adolescent drug and alcohol abusers.

Mary Ellison, manager of the Crime Prevention Division of CFL, reviewed the Office of Drug Policy and Violence Prevention. She said the office serves as a catalyst for statewide approaches to prevention of violence and drug abuse through identifying causes, recommending policies and coordinating statewide

and community strategies. Ellison said the office is funded by federal and state sources and that sixty percent of funding goes to programming in the Metro Area of the state, and 40 percent goes to programming in the rural areas of Minnesota. Of the total funding, 18 percent goes to law enforcement; 24 percent to criminal justice; 53 percent to prevention and 5 percent to administration. Ellison said it is difficult to evaluate the programs because of the short-term nature of the funding.

Crime Prevention

Prosecution bills heard

The Crime Prevention Committee, chaired by Sen. Allan Spear (DFL-Mpls.), met Mon., Feb. 8, and heard three bills. All the bills are concerned with the role of the prosecution in a trial.

Sen. Randy Kelly (DFL-St. Paul) presented S.F. 198, a measure that specifies that the prosecution may reply in rebuttal to the defense's closing argument in criminal cases. Current law requires the court to permit the prosecution to reply in rebuttal, only if the reply is limited to a response to any misstatement of law or fact or a statement that is inflammatory or prejudicial made by the defense in its closing argument. Kelly said the current practice of allowing a reply by the prosecution only if the court permits is hardly ever allowed in practice.

S.F. 199, authored by Sen. Douglas Johnson (DFL-Tower), provides that the prosecution has the final argument to the jury in criminal cases. Johnson said he has had an interest in the issue since one of his constituents had a son murdered. He said the case showed the lack of recognition victims get from our justice system. Johnson offered a letter the victim's family had written in support of the legislation. "We are the only state that does not allow the prosecution to make a closing statement," Johnson said. "We have to give the victims more consideration."

Spear said he has trouble understanding what the issue has to do with victims' rights. "I see this as an issue of criminal procedure," he said. Johnson said the family was offended by comments the defense made about their son.

A bill repealing the final argument law, S.F. 533, was presented by Sen. Ellen Anderson (DFL-St. Paul). She said

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the bill provides a clear alternative to the two other bills. The bill requests the Supreme Court to review the rule of procedure regarding the order of final argument in criminal trials and report to the Legislature on prosecutorial rebuttals by Jan. 15, 2001. Anderson said she believes the issue has become somewhat politicized, and that the Supreme Court has the expertise to make the decision on final rebuttal.

Bob Johnson, representing the Minnesota County Attorneys Association, said "To us, this is the most important item before the Legislature." He said the change impacts the prosecution. He added that he does not believe the issue would be resolved by the Advisory Committee on Rules in the Supreme Court. United States Attorney Todd Jones said prosecutors have the burden of proof to make in cases. He said allowing prosecutors to have the last word is not an unfair advantage. "For us in the federal system, we have a responsibility to represent the community," he said. "I can't imagine a case where the victims would have disparaging remarks made and cannot have the last word." Currently in Minnesota prosecutors in federal jury trials are afforded the right to final argument.

Esther Tomljanovich, retired Minnesota Supreme Court justice, spoke on behalf of Anderson's bill. She said she believes the Rules Committee of the Supreme Court, which meets monthly, would act on determining whether prosecutors have the right of rebuttal.

The bills were laid over.

Prosecution rebuttal discussed

Discussion continued on bills pertaining to prosecution rebuttal at the Crime Prevention committee meeting Weds., Feb. 10. The meeting was chaired by Sen. Allan Spear (DFL-Mpls.)

The bills in question are S.F. 198, authored by Sen. Randy Kelly (DFL-St. Paul), which specifies that the prosecution may reply in rebuttal to the defense's closing argument in criminal cases, and S.F. 533, authored by Sen. Ellen Anderson (DFL-St. Paul), which repeals the final argument law.

John Stuart, state public defender, testified against Kelly's measure. Stuart said if there is genuine ambiguity about what happened in a case, it is the defense's job to bring that out. He said the Legislature and Supreme Court have

made changes in response to victims' requests, but that every aspect of a trial cannot be changed. "We can't assume that every person on trial is a criminal," he said.

Spear questioned why prosecutors requested a chance for rebuttal only 23 times in 1988. Stuart said that indicates the defense is doing its job. Bob Johnson, county attorney, said if a judge is reasonably satisfied a case has been fairly presented, he or she is reluctant to rule for the state on the standard of rebuttal. If a prosecutor requests a rebuttal and is denied, it might not look good for the case, so a prosecutor seldom makes the request, according to Johnson.

Anderson spoke on behalf of S.F. 533, saying it takes an alternate approach. The bill places the decision on prosecution rebuttal with the state Supreme Court. Sen. Thomas Neuville (R-Northfield) offered a strike everything amendment to the bill, specifying the prosecution shall be permitted to reply to the defense in rebuttal, and the defense may then reply in surrebuttal, which shall be limited to issues of law and fact which were raised in the prosecutor's rebuttal. The amendment was adopted.

Kelly moved that S.F. 198 be recommended to pass. The motion failed.

Anderson moved that S.F. 533, as amended, be recommended to pass. The motion prevailed, and the bill moves to the floor.

Kelly presented S.F. 333, a bill that criminalizes identity theft. The bill provides criminal penalties for persons who intentionally use the identity of another person to obtain money, goods or services; to commit unlawful activity; or to cause loss to another person. Kelly said victims of identity theft often have to file bankruptcy. The bill was approved and sent to the full Senate.

Education Finance

Review of site visits

The Charter School Task Force, chaired by Sen. Keith Langseth (DFL-Glyndon), met Wed., Feb. 10, to review site visits and discuss the legislative needs of charter schools.

Kathy Foley, committee administrator, reviewed the findings from 15 site visits the committee members made. Among the primary needs expressed by the charter schools were the need for all day kin-

dergarten; increased state aid for facilities and infrastructure; a request that referendum and desegregation dollars follow students, and access to capital bonding dollars, said Foley. Other needs of charter schools include more funding for staff development; the need for charter schools to own buildings and avoid high rent; provision of a mechanism for charter schools to question new regulations for public education to ensure charters are a vehicle for change and innovation.

Minnesota Association of Charter Schools President-Elect Wayne Jennings said the charter schools coalition has several initiatives for the 1999 Session. Jennings said the initiatives are eliminating the disparity in funding of public education between charter schools and district schools; enhancing the options for community groups for serious consideration of charter school proposals; strengthening the ability of sponsors to collaborate with and evaluate the program and administrative reports provided by the charter schools which they sponsor; providing timetables for processing charter applications and contracts; providing more flexibility to charter schools to carry out programs through elimination of operating restrictions currently in charter school law; and creating a nonpartisan charter appeals board within the Dept. of Children, Families and Learning.

Jennings cited a Humphrey Institute study on the Search for Equity in Charter School Funding, by Cheryl Mandala. Jennings said the fundamental finding of the report is that charter schools operate at a profound financial disadvantage, receiving thousands of dollars less per pupil than do the traditional public school counterparts. The primary reason for the disadvantage is that charters are ineligible to receive funds from several important local sources, including property taxes and referendum levies, the report stated. Jennings said the state's charter schools serve a disproportionately high number of low-income, minority, limited English proficiency and special education students, yet are being asked to do so with considerably fewer financial resources.

The study concluded that if charter schools are to thrive in the state, the schools need to be allowed to do so in a state of financial parity with other public schools.

"We need to make sure charter schools don't have extra barriers to overcome," said Sen. Ember Junge (DFL-New Hope). She said legislation has been introduced that will address the concerns of the Minnesota Association of Charter Schools.

Election Laws

Bills discussed

The Election Laws Committee, chaired by Sen. John Marty (DFL-Roseville), discussed two bills at the Wed., Feb. 10, meeting.

Sen. Linda Scheid (DFL-Brooklyn Park) presented S.F. 516, a bill authorizing the Secretary of State's Office to periodically obtain the names and addresses of residents who have moved within the state and filed a permanent change of address order with the United States Postal Service. Scheid said the bill enables people who move within the state to be put back into the voter registration system in the precinct to which they move.

After searching the statewide registration system to identify registered voters whose change of address has been confirmed by mailed notice by the USPS, the secretary of state will provide the county auditors with a report on the voters, explained Joe Manske, elections director, Office of the Secretary of State. The county auditor updates each voter's record to reflect the voter's new address within the state, said Manske. The county auditor verifies each voter's new address by the nonforwardable mailed notice from the USPS, he said. Currently, the nonforwardable mailed notice from the USPS is used by county auditors for use in deleting obsolete voting records.

Sen. Cal Larson (R-Fergus Falls) asked which other states use the same procedure. Manske said Minnesota would be the first state to implement the system.

Sen. Mark Ourada (R-Buffalo) offered an amendment that clarifies definitions and campaign finance requirements, facilitates reports of last minute contributions, makes advisory opinions public data, and clarifies and authorizes exceptions to the ban on gifts.

Jeanne Olson, executive director, Campaign Finance and Public Disclosure Board, told members the amendment changes the lobbyist late filing provision. Under the amendment, the board would

send out a certified letter notifying a lobbyist who fails to file a registration form within five days after becoming a lobbyist, said Olson. The late fee would be in effect within 10 days after the notice was mailed, regardless of whether the certified mail had been picked up, Olson said.

Marty questioned several changes in the section of the amendment dealing with prohibiting gifts by interested persons and said the committee needed more time to examine all the sections in the amendment. The bill was laid over for further discussion.

S.F. 138, authored by Marty, a bill making it easier to vote by absentee ballot, was discussed briefly and also laid over for further consideration.

Environment and Natural Resources Committee

Public wetlands bill discussed

The Environment and Natural Resources Committee met Wed., Feb. 10, to discuss a bill that eliminates the category of wetland called "public waters wetland." The committee is chaired by Sen. Bob Lessard (DFL-Int'l. Falls).

S.F. 83, sponsored by Sen. Dan Stevens (R-Mora), transfers jurisdiction for regulation of all wetlands defined in United States Fish and Wildlife Service Circular No. 39 as types 3, 4, and 5 wetlands, to the Wetland Conservation Act, administered by the Board of Water and Soil Resources. Under current law, public waters wetlands are administered by the Dept. of Natural Resources (DNR). Stevens said the bill meets the governor's goal of streamlining state government and eliminating duplication in services.

Ron Peterson, from Peterson Environmental, said the Water Conservation Act (WCA) was approved by the Legislature. He said in 1996 the Legislature approved changes to the WCA, striking a balance between resource protection and land development. The WCA requires anyone proposing to drain or fill a wetland to first try to avoid disturbing the wetland, second to try to minimize any impact on the wetland, and finally to replace any lost wetland and its functions and values. Peterson said there isn't any logical, ecological, or societal reason to treat public water wetlands any differ-

ently than wetlands. He said the consolidation eliminates jurisdictional confusion. "I don't believe this is a radical proposal," Peterson said, "I think it is a common sense solution to a range of long term regulatory problems."

Ron Harnack, from the Board of Water and Soil Resources, said there was a need to streamline the process by eliminating a level of jurisdiction involved. "The bill sets the framework for initiating efficiencies that are for the good of wetlands," he said. Don Weirens, representing the Association of Minnesota Counties, said the Association supported S.F. 83 because it "simplifies government." He said the bill makes wetland regulations more efficient and understandable for the public.

Kent Lokkesmoe, from the DNR, said the inventory process, completed in 1984, verified that water basins met the statutory criteria for protected waters or protected waters wetland. He said the process was open for public participation and review, with a hearing in each county. "We haven't seen a lot of controversy over what the DNR regulates," Lokkesmoe said. He said the DNR contends that there should be no less protection of the 275,000 acres of protected water wetlands.

Don Arnosti, from the National Audubon Society, said the inventory process was widely understood and widely accepted and that his organization opposed the legislation. "I don't see any benefits from a jurisdictional change," he said. Gary Botzek, from the Minnesota Lakes Association, said his organization also opposed the legislation. "Let's err on the side of protection not on the side of non-protection," Botzek said, "Let's go slowly, wisely, and appropriately."

Stevens said he knew the bill was controversial. He said he appreciated the debate on the issue and that the measure was "good government policy." He said the bill was a work in progress and he would wait to move the bill because the DNR is due to release a report on the issue at the beginning of March.

The committee also heard S.F. 220, authored by Lessard, requiring the commissioner of DNR to maintain a trained force of firefighters. Peter Leschak, chair of the Minnesota Wildland Firefighters Committee, said a statute established in 1925 gave the DNR authority to hire emergency firefighters.

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He said because of the statute, the firefighters had no employee status with little job security, no benefits and no incentive to stay. "Essentially we are second class citizens," he said.

He said that the state has an annual fire season and that therefore the firefighters hired should not be looked at as emergency employees. He said guaranteed seasonal positions would help eliminate safety issues because of the high turnover rate of the firefighters. Leschak said over the long term, S.F. 220 would save the state money because training is a time consuming and costly process.

Bob Tomlinson, from the DNR, said the department was "not necessarily opposed to the bill." He said after the issue was discussed during last year's session, the DNR looked at ways to hire 45 firefighter positions. Leschak said 45 positions wasn't a realistic number in dealing with the problem. He said 110 positions are needed.

"We're not talking about an earth shattering amount of money," Lessard said. The committee approved the bill and forwarded it to the Environment and Agriculture Budget Division.

Environment and Agriculture Budget Division

Budget overviews heard

The Environment and Agriculture Budget Division, chaired by Sen. Steven Morse (DFL-Dakota), met Tues., Feb. 9, to hear budget presentations from the Minnesota Academy of Science, and the Minnesota Horticultural Society.

The committee first heard an overview from the Dept. of Finance on how the budget documents are assembled. Executive Budget Officers Doug Watnemo and Keith Bogut discussed format and layout changes from previous years.

Susan Kafka, executive director of the Academy of Science, said the organization is a volunteer driven organization with the mission of providing interaction between scientists and K-12 students. She said the organization's approach is to involve students in a process that is student driven where the teacher serves as a coach and mentor, with the students learning to find research solutions based upon collecting data.

She said 42 percent of the Academy's budget comes from membership and programs fees with 31 percent from corporate grants, and 23 percent from the state. Kafka said one of the organization's key responsibilities is to organize the State Science Fair, which features science projects from students throughout the state. The Science Fair is now in its 62nd year. She said another primary program of the organization is Share Science, which is a student to student program providing a link between teens and younger students working together on science experiments.

The Academy of Science has requested base level funding of \$41,000 for each year of the biennium. The governor has recommended the same amount of funding for the agency's base budget.

Richard Gaalswyk, president of the Minnesota Horticultural Society, said the organization provides programs and services to enhance people's knowledge and appreciation of plants in the state. He said the organization continues to look for ways to cut its expenses while increasing its revenues to serve the public better.

"Gardening is a rapidly growing pastime," Gaalswyk said, "We hope to continue educating people on how to garden safely." He said part of that education is increasing the public's knowledge about environmental concerns such as the problems and benefits of chemicals used in pesticides and fertilizers, and water quality issues caused by runoff from yards and gardens.

Terri Goodfellow-Heyer, the executive director of the Horticultural Society, said that projects like the society's Greening Conference encourage restoration of communities through gardening. She said programs like Minnesota Green help connect over 160 communities in the state on various horticultural issues. She said that while most people associate the Horticultural Society with flowers, the society is equally involved with other plants, trees and shrubs. The state appropriation accounts for about ten percent of the organization's revenues. She said the society hopes to increase its endowment over the next few years.

The Horticultural Society has requested base level funding of \$82,000 for each year of the biennium. The governor has recommended the same amount of funding for the agency's base budget.

Family and Early Childhood Education Budget Division

Adult ed overview discussed

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Fri., Feb 5, to hear overviews of Adult Basic Education (ABE) and Birth to Three Head Start programs in Minnesota.

Barry Shaffer, state director of Adult Education with the Minnesota Department of Children, Families and Learning, provided general information regarding ABE programs in the state. Shaffer said the purpose of ABE is to provide Minnesota adults with opportunities to acquire basic education skills in order to achieve self-sufficiency, high school equivalency, functional literacy and access to post-secondary and job training programs. Offered through ABE programs, he said, are ESL, GED, Adult Diploma, Basic Skills Enhancement, Family Literacy, Workplace Education and Citizenship Education classes. Shaffer said just over 48,000 people took part in ABE programs in 1998. Of those, he said, nearly 6,300 earned their GED, 1,200 earned a high school diploma and 1,100 gained citizenship. Also, he said after leaving an ABE program, 8,250 gained employment or bettered their employment situation, 620 left public assistance, just over 2,000 entered post-secondary education and nearly 4,000 were able to better assist their own children with school work. Shaffer also described several ABE issues and needs that he felt needed to be addressed by the legislature. He said because of greater numbers of ESL clients and high school drop-outs there were over 14,000 drop-outs in the state last year alone-ABE programs are in need of more funding, and rural programs are suffering the most from financial difficulties. Also, he said 17 percent of Minnesotans lack high school equivalency-one third of whom receive public assistance-which heightens the need for more funding of ABE. He also reported a need for more funding for educational technology, special needs students, professional development and supplemental services.

Francie Mathes, Head Start Specialist within the Minnesota Department of Children, Families and Learning, provided information regarding Birth to

Three Head Start initiatives in the state. Mathes said the project started in 1997 when a total of \$2 million was awarded to Head Start grantees in Bemidji, Virginia, Mora, Detroit Lakes, Minneapolis, St. Cloud and Zumbrota to implement full year Birth to Three programs. Through the two year grant, scheduled to end June 30, 1999, services were provided for 258 families in those areas. According to information provided, those services include quality early education in and out of the home, parent education and support, home visits for families with newborns and other young children, comprehensive health services and case management and peer support.

Wilder Foundation representative Richard Chase said children and parents are benefitting from the Birth to Three program. According to a Wilder study, 91 percent of the children involved passed developmental screening and two percent were identified early with hearing or vision problems. Also, 70 percent of the families who enrolled while the mother was pregnant were found to have adequate prenatal care. Chase said the information from the survey will enable representatives with the Birth to Three programs to better set performance targets.

Family service overview heard

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Tues., Feb. 9, to hear an overview of family service collaboratives and community education programs in the state.

Kathleen Velenga, director of the St. Paul-Ramsey County Children's Initiative, spoke about the services her organization provides to Ramsey County families. Velenga said the mission of the Children's Initiative is to increase the capacity of families and the community to nurture their children, and to decrease the amount of isolation between resources and families in a community. The Children's Initiative does this, Velenga said, by connecting families to other families, connecting families to services in the community and connecting services in the community to each other. Velenga said in order to familiarize families with the initiative, volunteers conduct home visits to families with a recent birth. She also said community baby showers are hosted, to which all

families with young children are invited in order to receive gifts donated by local businesses and connect with their community. Velenga also said families who don't require many services are used to help those who do. According to Velenga, the need to connect families with the proper services is much greater than she ever imagined.

Minnesota Department of Human Services Budget and Legislative Director Ralph McQuarter provided information regarding the Local Collaborative Time Study (LCTS), of which the St. Paul-Ramsey Children's Initiative is a part. McQuarter said the LCTS is a means for family service collaboratives to obtain new federal dollars through a random time study of the duration the county and state employees who collaborate with family service organizations spend administering intervention services. He said the funds received are meant to help families prevent out of home placement for children at risk of failing in school, who have poor physical or mental health, participate in illegal activities, or experience abuse or neglect. The funds generated, he said, are available to approved collaboratives in the state for expanding early intervention and prevention services. McQuarter said over 200,000 children have been served through LCTS since its inception in 1995 in such programs involving in-home crisis intervention, parent aides, third shift day care, juvenile diversion projects, mentoring and respite for families with severely emotionally disturbed children.

Karen Schaub, director of Community Education in Fridley and Columbia Heights, highlighted the many activities offered by Community Education today. Among other things, she said citizenship classes, Adult Basic Education, Early Childhood Family Education, infant care for teen moms, preschool programs and screening and workplace education classes are offered, as are various youth service programs, ESL and aquatics classes, summer school and adult with disabilities programs.

Testifying to the benefits of Community Education was Farid Farzanehkia. Farzanehkia, now a freshman at the University of Minnesota, said in high school he was involved in a Community Education program called "Positive Forces for Change." He said while in the program he learned about such things as

diversity, leadership and racism, and also served food and tutored children at a local food shelter. He said because of the program he gained a better understanding of the issues facing his community and was even better prepared for college. He said Community Education programs are worthwhile and should be supported.

Early child care reviewed

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Wed., Feb. 10, to hear a report on the interim recommendations for child care in Minnesota from representatives of the Early Child Care and Education Finance Commission.

The commission, made up of 32 business and community leaders, parents, legislators and child care experts, held eight meetings between Aug. 1998 and Jan. 1999 in which members studied current child development research and discussed issues surrounding child care. Robert Caddy, senior director of Western Digital and co-chair of the commission, spoke about the findings and recommendations that came forth from those meetings. Caddy said the goal of the commission is to ensure that Minnesota's children receive early care that is safe, nurturing and educational. He said members were guided by the principle that children are Minnesota's greatest resource and it makes a difference for society how they are raised. He said also that although members believe parents have the primary responsibility to raise their children, society has a responsibility to help support those families.

Caddy said commission members developed a list detailing what children need in order to succeed. According to the list, he said children need to feel loved, be stimulated, have good nutrition and health, age appropriate supervision and guidance, a stable and safe living environment and respect from their families and cultures. He also said children need adults for whom their well-being is a primary goal, opportunities to develop strong attachments to their primary care givers and preparation for living in a diverse world. Caddy also disclosed the interim recommendations of the commission for the governor and Legislature. He suggested using tax policies (perhaps credits and rebates) to benefit parents who wish to stay at home

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with their children and to assist families in paying for early child care services, utilizing one time opportunities such as the budget surplus or tobacco settlement to support families and services for children and exploring ways children can receive all appropriate services in a single location each day, with equal access to services and options for all families. He also suggested the Legislature exactly define society's responsibility for supporting a child's development, direct the Minnesota Department of Children, Families and Learning (CFL) to report on programs that most effectively demonstrate positive outcomes for children and encourage CFL to create a systems integration plan by 2001.

Don Fraser, co-chair of the commission and former Minneapolis mayor and U.S. Congressman spoke regarding the importance of early childhood development. Fraser pointed to an assessment of four and five year old children who entered kindergarten last year. According to the results of the assessment, he said, just over 70 percent of the 1,161 children surveyed were familiar with seven or fewer letters of the alphabet. He said also that one in three of those assessed could not say his or her last name when asked, about one-third did not understand that words on a printed page are read from left to right and top to bottom and 30 percent failed to identify more than half the numbers between 0 and 9. These children, Fraser said, are not ready for school and the K-12 system is "twisted into pretzels" trying to work with them. To remedy that situation, he suggested as much money should be spent in the first five years of a child's life as is spent in the K-12 years. Commission representatives and committee members agreed that new and creative solutions to the issues surrounding child development must be found.

Governmental Operations Budget Division

Y2K report heard

The Governmental Operations Budget Division, chaired by Sen. Leonard Price (DFL-Woodbury), met Thurs., Feb. 4, to review the Year 2000 (Y2K) progress report. The Y2K problem is a serious technical problem affecting mission critical information resources that

support services to citizens, said Jim Close, Year 2000 Project manager, Dept. of Administration.

Close said the Y2K problem continues to represent a challenge to state and local government and the private sector. The problem could affect the state's infrastructure, economy, mission critical government services, and equipment that supports the health, safety and well-being of our citizens, he said. One hundred percent of state agencies have completed project design for vital information resources including hardware, packaged software, custom applications, interfaces and firmware, said Close. Ninety-five percent of vital custom applications are Y2K compliant or have completed modifications and are completing verification testing, he said.

Close said in case of unforeseen problems, the department is stressing contingency planning. "We will not guarantee 100 percent compliance and that there will be no failures. We will be spending the majority of the year doing rigorous testing to reduce the probability of failure," he said.

Sen. Linda Scheid (DFL-Brooklyn Park) asked if the department has plans to educate the public on the potential problems and how to be prepared. Close said it is important that citizens maintain a high level of confidence in government and private industry's ability to continue providing services that citizens depend on and expect. He listed several public awareness initiatives including the Minnesota Y2K Project web site; a community awareness media kit; an e-mail help line; and the Project Office bi-monthly newsletter which reports on project activities and is available on the Internet.

Close reviewed the risk report that grades state agencies on Y2K readiness. He said the department has concerns about the Y2K readiness of the Secretary of State's Office. The Secretary of State's Office has completed 60 percent of the needed vital information resources modifications and 25 percent of the readiness testing. Close said the current staff is reviewing the progress and the budget available to complete the readiness procedures.

The goal of the Y2K Project is to reduce the impact of the Y2K problem on citizens, said Close. Lessening the impact of Y2K requires continuation of government services, infrastructure and

economy and protecting the safety and well-being of citizens, he said.

The State Register and Guidebook to State Agency Services Report was presented by Mark Scipioni and Mary Mikes, Dept. of Administration. Scipioni said the report was prepared in response to a Legislative directive stating that the department must analyze the financial impacts of making the State Register and the Guidebook to State Agency Services available on the Internet. Mikes said in FY 99 the number of paid subscriptions declined with the availability of the free-of-charge Internet version of the State Register, while the availability of the online version of the Guidebook to State Agency Services has had little impact on sales and revenues of the paper versions. Mikes said that because the paper edition operates on a four-year cycle, the major impact of the online version will be known after the next the next printing.

Budget overviews discussed

The Governmental Operations Budget Division, chaired by Sen. Leonard Price (DFL-Woodbury), met Tues., Feb. 9, to review the proposed budgets of three state agencies.

Jeanne Olson, executive director, Campaign Finance and Public Disclosure Board, said the board implements Minnesota Statute Chapter 10A, the Ethics in Government Act. The statute requires registration and public disclosure by candidates, political committees and funds; registration and public disclosure by lobbyists attempting to influence state Legislative action; disclosure of economic interests and conflicts of interest for certain state and metropolitan officials. The board is also responsible for the administration of the state's public subsidy program, a program that provides public funding to qualified state candidates.

Assistant Executive Director Gary Goldsmith told members an increase in the biennial funding is needed to add a staff person and upgrade the agency's campaign finance reporting software. The software will be ready for the 2002 election, said Goldsmith. "Although electronic filing has never been mandatory, we need to improve the departments ability to meet the needs of a wide variety of clients. The new software will help address the need," Goldsmith said. The software will also include a component that will allow for electronic archiving,

which is a better method than the paper archiving presently being done, he said.

State Board of Investment Manager of Public Programs James Heidelberg said the statutory mission of the agency is to establish standards that ensure that state and pension assets are responsibly invested to maximize the total rate of return without incurring undue risk. The board is comprised of the governor, state treasurer, state auditor, secretary of state and the attorney general. Heidelberg said the board provides investment management for the basic retirement funds; post retirement fund; supplemental investment fund; permanent school fund; environmental trust fund; and assigned risk plan.

The board bills the statewide retirement funds and nongeneral fund cash accounts for approximately 90 percent of its general fund appropriation, said Heidelberg. The board has a budget request of \$2.3 million.

Mark Oyaas, Metro Cable Network (MCN/6) reviewed the network budget request with members. Oyaas said the cable network, mandated by statute, operates 24 hours a day, seven days a week, providing programs of regional interest to over 650,000 cable television households in the seven county Metro Area.

The channel continues to be the main source of programs for ethnic communities in the Metro Area, said Oyaas. The channel also provides a main source for live event programming including election night coverage; Twin Cities Marathon; St. Paul Winter Carnival; Netday and the Bell Museum Jason Project, he said. Oyaas added that MCN/6 is the only channel in the state that provides polka music programs.

Oyaas said the network is using equipment purchased in 1987 and is badly outdated. MCN has initiated a capital campaign to raise the \$150,000 needed to replace the playback operation by year-end 1999. He said another reason for additional funding is that Teleport Minnesota, which had carried MCN's signal as a community service, began charging \$2,200 per month in 1998.

Oyaas said MCN/6 is one of the most successful public private partnerships in operation today. Thousands of Metro Area residents have contributed to the quality of life through the unique programming on the channel.

Budget overviews heard

Overviews of the governor's budget for three state agencies were reviewed by the Governmental Operations Budget Division Wed., Feb. 10. Sen. Leonard Price (DFL-Woodbury) chairs the committee.

Harry Baltzer, director, Lawful Gambling Control Board, told members the board's mission is to regulate lawful gambling so that citizens are assured of the integrity of the industry. Lawful gambling is also regulated so that nonprofit organizations may continue to raise funds for charitable contributions. To accomplish this mission, the board continues its proactive approach to regulation through education and communication with the industry, said Baltzer.

Minnesota's lawful gambling industry generates \$1.38 billion a year, said Baltzer. The five forms of lawful gambling in the state are pull-tabs, bingo, tipboards, paddle wheels, and raffles. Baltzer said in FY 97 charitable contributions amounted to \$74 million and state taxes collected for lawful gambling amounted to \$62 million. The budget request of \$2.1 million includes funding to improve the agency's technology infrastructure.

The budget for the Minnesota Racing Commission was presented by Dick Krueger, executive director. The commission is a regulatory agency created in 1983 to supervise and regulate the pari-mutuel horse racing industry in the state. The mission of the commission is to assure the integrity of pari-mutuel wagering and the safety and welfare of the humans and animals that participate in horse racing, said Krueger.

Krueger said the horse racing industry is improving and becoming more stable. It is anticipated that Canterbury Park will maintain the current level of operation for the foreseeable future, he said. The current level of spending, \$1.3 million, is required to regulate Canterbury Park and County Fair pari-mutuel racing in each year of the biennium, according to Krueger.

Cheryl Dickson, executive director, Minnesota Humanities Commission, reviewed the agency's activities and budget request with members. Dickson said the goal of the commission is to improve the quality of community life in the state through programs that promote

excellence in reading, learning, cultural programming and civics education. The commission assists families, schools, community groups and senior citizen networks in planning and conducting cultural programs that build healthy communities, said Dickson.

The commission, through the Motherhead/Fatheread program, grants and community programs and the Teacher Institute promotes family centered reading programs, subject-content workshops and seminars for K-12 teachers, support for community cultural and heritage programs and life long learning in the humanities.

Dickson said the commission receives its funding from a combination of sources. A yearly appropriation is received from the National Endowment for the Humanities, in addition to the state appropriated operating funds, she said. The Minnesota Humanities Commission is a model in raising funds from private sources, said Dickson.

Dickson said the commission is seeking an increase in funding for the next fiscal year and half of that would go to hire new trainers for the Motherhead/Fatheread program. The remainder of the appropriation will help fund seminars and workshops for standards related teacher professional development, grants for public humanities projects, and support of senior citizen learning networks.

Governmental Operations and Veterans

Special ed rule bill okayed

The Weds., Feb. 10, meeting of the Governmental Operations and Veterans Committee was devoted to discussion of two bills. The panel, chaired by Sen. James Metzen (DFL-South St. Paul), advanced both bills to the full Senate.

S.F. 297, authored by Sen. Martha Robertson (R-Minnetonka), makes several changes in the laws relating to special education. The measure was before the panel because of two sections relating to administrative rules. The bill changes a 1998 law amending all special education rules to align with federal requirements to amending specific rules to align with federal requirements. In addition, the bill sets forth specific special education rules to be modified or repealed. Robertson said the bill was

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developed with the cooperation of various groups and that the measure represents a reaffirmation of the state's commitment to deliver services for children age 0-5.

The second bill, S.F. 162, clarifies a law that extends employer-paid health insurance benefits to spouses of police officers or firefighters killed in the line of duty. The measure, sponsored by Sen. Randy Kelly (DFL-St. Paul), also clarifies that the employer-paid health insurance benefit includes not only spouses who were covered as dependents at the time of the firefighter's or officer's death, but also spouses who were eligible for coverage at that time, even if they were not covered. Kelly said the bill is needed because a measure passed in 1997 was not clear in defining spouses as dependents for purposes of extending health insurance coverage to the dependents of officers or firefighters killed in the line of duty.

Health and Family Security Committee

Donor bills discussed

Two bills relating to organ donations were among those discussed Fri., Feb. 5, at the meeting of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato).

Sen. Becky Lourey (DFL-Kerrick) carried S.F. 301, which modifies language in the suggested health care directive form so that in the portion of the form that specifies donation after death, the language refers to the donation of any parts of the body, including organs, tissues and eyes. Current language refers only to the donation of organs. Lourey said the inclusion in the form of tissues and eyes will save lives. The bill was approved and forwarded to the Senate floor.

Lourey also offered S.F. 348, which is a one time public education initiative designed to encourage organ donation. The bill appropriates funds to the commissioner of health to fund initiatives to promote organ, eye and tissue donation. According to the bill, the grant must be used to conduct research and public opinion surveys to assess attitudes toward donation before the initiatives are implemented. The bill also requires the department to assess the effectiveness of the specific initiatives

once they are put in place. The grant is also to be used to develop and implement advertising and public education campaigns to raise awareness and encourage people to become donors. Lourey said since 50 percent of Minnesotans are currently listed as donors, more must be done to convince people to contribute their organs. S.F. 348 was approved and sent to the Health and Family Security Budget Division.

S.F. 144 was offered by Sen. Claire Robling (R-Prior Lake). The bill amends the civil commitment act to allow parents to admit their 16 or 17 year old children to chemical dependency treatment if an independent examiner determines treatment is suitable for the child. Current law allows a child 16 years and older to request treatment, but only allows parents to admit their 16 or 17 year old children with the consent of the child. Robling said parents need to be given the opportunity to help children who are chemically dependent. "If we have good parents who are trying to help their children, we need to give them outlets to do that," she said. S.F. 144 was approved with limited discussion and sent to the budget division.

Sen. Linda Berglin (DFL-Mpls.) presented S.F. 130, a bill that extends the cost based reimbursement for federally qualified health centers and rural health clinics for an additional three years, until Dec. 31, 2002. The current reimbursement system for the health centers and clinics-designated as essential community providers-is set to expire Jan. 1, 2000. A second part of the provides for appropriations. Testifying in favor of S.F. 130 was Dr. Amos Deinard, executive director of the Community-University Health Care Center/Variety Children's Clinic located in South Minneapolis. Deinard said his clinic, located in a neighborhood in which 62 percent of the residents have incomes below 200 percent of the poverty level, provided \$600,000 of uninsured care last year. He said eliminating the reimbursement would cause a significant drop in revenue that the clinic would not be able to absorb. Hearing no testimony in opposition to S.F. 130, the bill was approved and sent to the budget division.

The discussion of S.F. 195, a bill relating to state funded benefits, was continued from three previous meetings of the committee. Carried by Berglin, the main section of the bill deletes

language in current law scheduled to take effect July 1, 2000, that would make certain people ineligible for the state funded General Assistance, General Assistance Medical Care, Group Residential Housing (GRH), and the Minnesota Family Investment Program-Statewide (MFIP-S) benefits they presently receive. Persons who would be ineligible for the benefits are those who do not qualify for Supplemental Security Income (SSI) because an alcohol or drug addiction is a material factor contributing to their disability, legal non-citizens who are ineligible for SSI due to 1996 federal law and legal non-citizens who are eligible for MFIP-S--either the cash or food portion--funded entirely with state money. The second section of the bill appropriates \$4.2 million from the general fund for the fiscal year beginning July 1, 2000, for the costs of the first section.

Questioning the bill, Sen. Martha Robertson (R-Minnetonka) wondered if the four groups of people covered under S.F. 195 should be prioritized. She said the benefits of legal non-citizens and those receiving GRH should be the first to be reinstated, but was uncomfortable reinstating access to benefits to those with an alcohol or drug addiction. She said she doubted if the best way to deal with the drug and alcohol addicted population was to simply cycle them through the system.

John Hastings, income maintenance program consultant within the Minnesota Department of Human Services, said he was sensitive to the issues Robertson raised. However, he said to remove the benefits for those with an alcohol or chemical addiction just delays the problem. He also said without benefits, persons with an addiction are no more likely to receive treatment than with benefits. S.F. 195 was approved and sent to the Health and Family Security Budget Division.

Emergency services bill approved

A bill appropriating funds for emergency medical services was among those discussed Tues., Feb. 9, at a meeting of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato).

Sen. Dallas Sams (DFL-Staples) carried S.F. 239, which appropriates money from the trunk highway fund to the Emergency Medical Services Board for the biennium

beginning July 1, 1999, to fund emergency medical services in the state. The bill originally called for an automatic inflationary adjustment for emergency services--instead of an appropriation--to be included in each budget, but automatic inflationary adjustment was roundly rejected by the members because an automatic adjustment was not seen as the best way to add dollars to a budget. However, since the members agreed that more funding is necessary in order for the state to continue to provide acceptable emergency services, the bill was amended to instead call for a specific amount of money. S.F. 239 was approved as amended and referred to the Health and Family Security Budget Division.

Sen. Linda Berglin (DFL-Mpls.) offered S.F. 334. The measure allows nursing facilities to apply for exemption from the current requirement that all facilities be certified for Medicare participation and that all facilities bill Medicare before billing Medicaid for services to residents eligible for both programs. According to Berglin, S.F. 334 is designed to help nursing facilities that are having trouble paying their bills under the current system. To qualify for the exemption, she said, a facility must have had at least six months experience under the Medicare prospective payment system, be able to demonstrate losses under that system and have a Medicare utilization rate of eight percent or less. Under the terms of the bill, the exemption can last up to three years. The bill also allows, as an alternative to Medicare decertification, the commissioner of human services to pay a supplemental rate to facilities that is equal to all or part of the difference between the Medicare rate and the medical assistance rate.

Iris Freeman, executive director of the Advocacy Center for Long Term Care, testified regarding some concerns about the bill. She asked the members to consider amending the bill so that residents living in facilities that become decertified have the opportunity to use the benefits promised to them at their admission. Despite her concerns, however, she said she did support S.F. 334. The bill was approved and sent to the Health and Family Security Budget Division.

Sen. David Ten Eyck (DFL-East Gull Lake) presented S.F. 410, a bill relating to the contract capitation rates of health

care providers. The bill requires the commissioner of human services to set the capitation rates--the amount the department grants care providers to perform health services--for the prepaid Medical Assistance (MA) and General Assistance Medical Care (GAMC) programs for non-metropolitan counties on a weighted average that is no less than 95 percent of the capitation rates for metropolitan counties, excluding Hennepin. Current law has the capitation rate set at 88 percent. Testifying in favor of the bill was Eric Lohn, chief financial officer for the Melrose/Long Prairie Hospitals. Lohn said the bill, by providing more funding for rural hospitals, supports rural communities and allows rural hospitals to provide better services and more ably compete with Metro Area hospitals for licensed professionals. S.F. 410 was approved and referred to the Health and Family Security Budget Division.

Hottinger carried S.F. 418, a bill that modifies a number of licensing and registration requirements for physicians, acupuncturists and athletic trainers. Among other things, the bill requires applicants for a physicians license who choose to take the United States Medical Licensing Examination (USMLE) and who are enrolled in or graduated from an accredited dual degree program to pass each of the steps of the exam within three attempts in seven years plus the time taken to obtain the non-MD degree or ten years, whichever occurs first. The bill also clarifies that a person studying in a formal course or tutorial intern program approved by the Acupuncture Advisory Council does not need a license to practice, so long as they are being supervised by a licensed acupuncturist. In addition, the bill permits the National Athletic Trainers Board to issue a temporary permit to an applicant eligible for registration if all application requirements have been met. The measure was also approved and referred to the Health and Family Security Budget Division.

Health and Family Security Budget Division

Nursing home rule discussed

Members of the Health and Family Security Budget Division met Thurs., Feb. 4, to discuss proposals to replace two

health care related Minnesota Department of Human Services (DHS) administrative rules.

Bob Held, director of Continuing Care for the Elderly within the department, discussed the replacement of Administrative Rule 50, which pertains to methods of operating cost payment rates for nursing facilities. Currently under Rule 50, Held said, payment rates for nursing facilities are established on a resident specific assessment and facility specific costs, based on a formula which is adjusted annually. However, Held said the department would like to replace this cost-based system with a payment procedure based instead on performance. Under a performance system, he said, payment rates for nursing facilities are based on quality assessments measured by Department of Health studies and consumer satisfaction surveys. Nursing facilities that are judged to be the very best, said Held, will receive bonuses and special recognition, and improvement will be demanded of those judged to be the worst. Information regarding nursing facility quality will also be made available to the public. According to Held, a switch to a performance based system will improve the quality of life at nursing facilities, empower consumers with facility information, achieve greatest value for resources expended, encourage innovation and eliminate redundancy.

Voicing concerns about the proposal to replace Rule 50 was Care Providers of Minnesota representative Patti Cullen. Cullen said using the same quality measurements for all nursing facilities is unreasonable because not all facilities are alike. Uniform performance definitions do not recognize specializations, community variations, different stages of development and variations in past regulatory compliance, she said, and place unfair expectations on facilities that do not have the resources to meet those expectations.

Shirley Patterson, director of Continuing Care for Persons with Disabilities with the Department of Human Services, discussed the replacement of Rule 53, which deals with the funding of intermediate care facilities for persons with mental retardation (ICF's/MR). Currently under Rule 53, Patterson said, funding for ICF's/MR is based on a retroactive reimbursement system. However, she said the department would

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like to replace this system with a prospective payment plan based on the forecasting of consumer needs, not on cost reports. She said a prospective procedure would permit facilities to better plan for their needs, and allow them to better utilize their resources, increase their emphasis on consumer satisfaction, foster a collaborative spirit between the DHS, counties and providers, and assure a greater accountability.

Steve Larson, director of Community Supports for Minnesotans with Disabilities with DHS, explained the proposed framework of the new payment system. Among other things to be introduced, he said, are performance outcomes and incentives, rate adjustments to address closure, relocation, downsizing and payment for empty beds exceeding 90 days, a minimum property rate and a variable rate to respond to increased resource needs of persons served.

Rick Hammergren, an administrator with REM, Inc., an organization that provides various services to people with disabilities in Minnesota, said his group generally supports implementing the new rule. He said he believes the prospective payment rate system will ensure stability and create a system that allows for individual variable rates as the needs of consumers change. He also said the establishment of a minimum property rate enables to maintain a high quality of service. One source of concern to Hammergren, however, is the emphasis on performance based contracting. He said regulations for ICF's/MR are already enforced under the Department of Health, and a new set of quality assessments could create another layer of unnecessary, cumbersome bureaucracy.

Jobs, Energy and Community Development Committee

Energy bills discussed

The Jobs, Energy and Community Development Committee, chaired by Sen. Steven Novak (DFL-New Brighton), heard three bills Tues. Feb. 9.

Sen. Steven Kelley (DFL-Hopkins), author of S.F. 2, gave a brief recap of the bill that provides authority to local government units to address the Y2K problem. The bill had been previously heard but not acted upon by the committee. The bill was approved and for-

warded to the Government Operations Committee.

S.F. 57, authored by Sen. Dan Stevens (R-Mora), provides loans for demonstration projects of farm manure processing and odor control technology. Under the bill, the interest free loans are available for up to \$200,000, with money from repayment deposited in a revolving loan fund to be used for future projects.

"Animal agriculture is important for the state's economy," Stevens said, "This would help solve two problems associated with feedlots located in Minnesota, odor problems and environmental problems."

Stevens said the manure digester technology has been used successfully in other states such as California and Pennsylvania. He said the demonstration projects provided by the bill would be used to see if the technology would work in the extreme temperatures of Minnesota.

Sen. Arlene Lesewski (R-Marshall) said she supported the bill and that demonstration projects were needed to help sell the technology to farmers. "This is a proven and good technology," she said.

Sen. Janet Johnson (DFL-North Branch) offered an amendment allowing poultry litter electricity facilities to qualify for the program's loans. Stevens supported Johnson's amendment and the amendment was adopted.

The bill was approved by the committee and referred back to the Agriculture and Rural Development Committee.

Novak offered S.F. 50, which repeals the sunset provision repealing performance based gas purchasing plans. Novak said in 1995, the Legislature authorized the Public Utilities Commission (PUC) to approve performance based gas purchasing plans and that the plans have been effective in leading to lower rates for customers. "It's been a mutually beneficial, productive process for all parties involved," he said.

Tracy Bridge, director of Regulatory and Energy Services for Reliant Energy Minnegasco, said under typical regulatory systems, gas utilities purchase natural gas and pass the cost on to their customers dollar for dollar. He said performance based regulation provides incentives for the utilities to take reasonable risks to obtain lower costs for economic benefits, and to pass cost savings on to customers. "Companies, like people, respond to incentives," he said. He said Minnegasco

is the only utility in the state to use the voluntary performance based regulation plans. Bridge said during the three years since the company implemented the plan, it has produced net benefits of approximately \$28 million, with \$17 million in savings to customers.

Bob Harding, a rates analyst from the PUC, said the commission does not support nor oppose the repeal of the sunset provision. He said while performance based regulation as an incentive based approach has worked well, the standards to measure its effectiveness are the most difficult part of the process. He said the PUC has remained neutral on the issue because several commissioners have questions about the concept.

The committee approved and forwarded Novak's bill to the Senate floor.

Judiciary

Response to auditor

The Judiciary Committee, chaired by Sen. Jane Ranum (DFL-Mpls.), met Fri., Feb. 5, to hear responses to the legislative auditor's out-of-home placement study. Representatives of agencies and counties, as well as advocates, gave their responses.

Recommendations the auditor made to the Legislature include: not allocating funds to counties based solely or largely on their historical number of out-of-home placements; not extending the moratorium on large, new residential facilities which is scheduled to expire in mid-1999; requiring all counties to establish multi-disciplinary juvenile screening teams; requiring the Departments of Human Services and Corrections to regularly report on goals met regarding court-ordered placements; and clarifying in law that counties are responsible for monitoring implementation of "transitional services plans."

Erin Sullivan Sutton of the Department of Human Services (DHS) said the department shares the auditor's concerns regarding consistency and the ability to assess a child's needs before placement. Sullivan Sutton said DHS ensures accountability in mental health services to children with severe emotional disturbances (SED). Since January 1998, counties have been responsible for collecting outcome data to use for later evaluations, Sullivan Sutton said. She said outcomes are measured in the following areas: reduction of the number

of children with SED in out-of-home settings; improved functioning of children with SED and their families; reduced clinical symptoms of emotional disturbance among children with SED; and increased client and family satisfaction with services.

Deb Eng, representing the Department of Corrections (DOC), said the legislative audit report validated a lot of concerns her department had found. "Programs need to focus on outcome," she stated. She also said that the better data DOC has, the better its programs can be measured.

A need for more community-based programs was emphasized by Patrice Bataglia, a county commissioner in Dakota County. "Minnesota doesn't need more residential facilities," she said. She said she saw a need for more truancy services and more foster care for entire families. Bataglia said the state needs to become a partner with counties and become more of a financial partner.

Rob Sawyer, social services director of Olmsted County, said his county uses a variety of tools to measure and improve outcomes for children in placement. According to Sawyer, a citizen-led community forum develops desired outcomes, including child and community safety; child and family well being; and family preservation and permanence. He said 75 percent of the children placed out of home return home.

Responding to escalating problems by trying to change juvenile behavior through consequences is a program model adopted in Anoka County, according to Jerry Soma, Anoka County corrections director. "We feel our mission is to fix the kid," he said. He said there is a difference in outcomes if the child can be worked with at an earlier age.

Mary Regan, executive director of Minnesota Council of Child Caring Agencies (MCCCA), said she was pleased to see the legislative auditor's study differentiated between youngsters who are in placement because of their behavior and those in placement due to their parents' behavior. Regan said her agency agreed with the report that assessments and screenings prior to placement are not consistently completed. She said that accurate, thorough assessment is critical to appropriate placement decisions and successful outcomes.

Malpractice bill approved

Three bills were brought before the Judiciary Committee, chaired by Sen. Jane Ranum (DFL-Mpls.), at its meeting Weds., Feb. 10.

Sen. Don Betzold (DFL-Fridley) presented S.F. 90, a bill extending the statute of limitations on medical malpractice, that was referred back to the Judiciary Committee. According to Betzold, compromises have been made on the bill, and it now extends the statute of limitations to four years from the date the cause of action accrued. The bill was approved and forwarded to the Senate floor.

S.F. 343 was offered by its author, Sen. David Knutson (R-Burnsville). The bill makes changes in provisions about certificates of title and the common interest of ownership. "If you've sold a home recently or are transferring property, you have to provide an owner's duplicate certificate of title," Knutson said. He said if that title is lost, the owner has to initiate action to replace it, and that can cost up to \$300. Knutson said the bill eliminates the concept of the owner's duplicate certificate of title and can offer substantial savings to the property owners. The bill also addresses operational and technical weaknesses that have been identified since the Minnesota Common Interest Ownership Act took effect in 1994, according to Knutson. Amendments to other statutes affecting real property are included in the bill, as well.

An author's amendment providing clarification of language was adopted. David Eide, an attorney practicing in Minneapolis, suggested members change the time period for a buyer to rescind purchase of a unit from 15 to 10 days. The change was incorporated in the bill. An amendment offered by Sen. Sheila Kiscaden (R-Rochester) specifies unit owners of condominiums may make alterations to the unit provided they do not impair the structural integrity or mechanical systems; affect the common elements; disturb other unit owners; or damage common elements. Sen. Deanna Wiener (DFL-Eagan) moved to strike language in the amendment referring to personal security needs of a unit owner. Wiener's amendment was adopted. The amendment, as amended, was then adopted. The bill was approved and sent to the Senate floor.

Betzold presented a bill, S.F. 403, providing for an alternative method of

describing real property for some purposes. Betzold said the bill allows the county recorder the opportunity to use a property I.D. number in a legal document as a transfer of title. "This doesn't abolish the legal description, but provides for a minimal chance of error," he said. He offered an author's amendment to limit the bill to Anoka County. Spear asked why he would limit the system to one county. Betzold said he is prepared to have it used statewide, but he believes some people are opposed to the idea.

Ed Treska, division manager of Anoka County Property Records and Taxation, spoke in favor of the bill. He said Anoka County had a 43 percent increase in documents filed in 1997, and the extra paperwork has resulted in operation of a night shift and overtime salaries. He supports using an identification number instead of a lengthy document.

Jim Neilson, a real estate attorney in Anoka, spoke against the bill. "It's the most radical real estate bill I've seen in 25 years," he said. He expressed concern over what may happen if a number is written incorrectly.

Spear reiterated that he did not think the bill should apply to just one county. "It may well be a good idea," he said, adding that the real estate section of law is the least amenable to change. Betzold removed reference to Anoka County in his amendment, offering only some wording clarification. His amendment was adopted, and the bill was laid over.

K-12 Education Budget Division

Sign language crisis discussed

Members of the K-12 Education Budget Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), heard the second of two special education bills Fri., Feb. 5. The bill, S.F. 296, sponsored by Sen. Martha Robertson (R-Minnetonka) contains items that are more controversial than those in the other special education bill, S.F. 297, heard previously by the panel.

Robertson offered, and the committee adopted, an amendment to insert into S.F. 296 provisions that were removed from the other special education bill. However, most of the committee discussion centered around language in the amendment that concerns certification of

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sign language interpreters and transliterators. A 1994 law specifies that in order for school districts to receive reimbursement for the cost of hiring interpreters after July 1, 2000, the interpreters must be certified. Addressing the issue of a looming interpreter shortage after the deadline, Robertson said that the certification test is for people who have about 2 years of work experience following training and that what is needed is a provisional license for interpreters who have finished training but don't yet have the experience. "We don't want to back off the standards, but we do have a shortage," Robertson said. "It will get worse after 2000," she added. Sen. Jerry Janezich (DFL-Chisholm) suggested that the 2 year internship should be incorporated into the training.

Mike Cashman, of the Dept. of Human Services, who is hearing impaired, addressed the committee through a sign language interpreter. He said that the certification test can be passed immediately upon completion of interpretation training, but many people who are currently working as interpreters have not taken advantage of training opportunities. He said that last year, 28 sign language interpretation training courses were offered, many throughout Greater Minnesota, but 23 of them had to be canceled due to insufficient enrollment. Cashman said that interpreters have had six years to prepare for the certification requirement, and now that the deadline is approaching, many uncertified interpreters are coming to the Legislature seeking a variance. He urged the committee to keep the law as it is because many hearing impaired students have lost instructional information due to the work of unqualified interpreters.

Katie Spiegel, a hearing impaired student at Highland Park High School in St. Paul, said that some of the interpreters she has had experience with are "lousy" and incorrectly interpret classroom instruction.

Marty Barnum, Bachelor of Interpretation program director at the College of St. Catherine, said that her school offers a four year sign language interpretation program that includes two years of practice. She said that the first class to graduate from that program should be able to get certified immediately after graduation. Barnum said that she supports what the deaf community is

saying about keeping the certification requirement.

Other changes proposed in the bill include setting the time limit for an individual education plan review following a student's expulsion to ten days; setting the upper age limit for mandatory special education services at 21 years; clarifying that public funds may be withheld from a non-public school if that school impeded educational services provided by the public school district; and setting caps on attorney's fees for litigation surrounding the provision of special education services. The committee took no action on the bill and will continue its discussion at a later meeting.

Earlier, the committee heard S.F. 214, sponsored by Sen. Dean Johnson (R-Willmar). The bill authorizes an appropriation for a magnet school in the Willmar School District.

Assistant Willmar School District Superintendent Kathryn Leedom said that although students in most magnet schools enroll voluntarily to help meet racial enrollment goals, the Discovery Magnet School will focus on best practices first so that there will less need for remedial education later. She said that Willmar is an "island of diversity in central Minnesota" and the district is starting to see some racial concentration in schools in the district, but hopes that the choice available through the magnet school will take care of that.

Johnson said that there is no need for a new building. Leedom added that the request includes \$500,000 for capital costs in order to retro-fit a climate control system into the building so that programs can be offered in the summer. She said that the request also includes \$750,000 per year for operational costs. Leedom added that the school will have an enrollment capacity of 300-350 students.

Sen. Sandra Pappas (DFL-St. Paul) compared the Discovery Academy Magnet School to the Achievement Plus and other magnet school models. She said that Achievement Plus is a neighborhood model and magnet schools draw students from other surrounding districts. Pappas said that the proposal is a hybrid of the two models and asked if there is any private foundation involvement. Leedom replied that there is none yet, but that the Willmar business community is supportive of the school. Sen. Kenric

Scheevel (R-Preston) asked if local revenue will follow students who enroll from other districts. District Superintendent Darrold Williams replied that the revenue would not. Pappas voiced support for the proposal, saying that there are not many learning centers in Greater Minnesota, but that is one of the governor's goals.

Leedom said that the magnet school will work closely with the Kandiyohi County Social Services and the Head Start program. Under the plan, Leedom said the school will implement an extended year Title I program to work with migrant families and will put more of the social services in the school to make the delivery of government services seamless. The goal, Leedom said, is to show parents that public education adds value to their children's lives.

Scheevel asked if parents were comfortable with having their 0-5 year old aged children away from the home. Leedom replied that the school will coordinate home visitations for delivery of services to 0-2 year olds, and that services will be delivered at the school site for 3-5 year olds. Sen. Charles Wiger (DFL-North St. Paul) said that the proposal sounds like maximum government involvement in people's lives and asked if the community philosophy supported that kind of program. Mike Reynolds, a member of the Willmar School Board, said that the community is supportive of programs that help individuals succeed. Sen. Jane Ranum (DFL-Mpls.) said that in other school districts where family services are delivered all in one place, many parents have viewed it as a "godsend."

The committee decided to put the proposal on their "C" list. Pogemiller explained that items on the "C" list will be included in the omnibus bill if funding is available.

Recommendations heard

Final recommendations of the Task Force to Study the Education Costs of Juvenile Out of Home Placements were presented at a Mon., Feb. 8, meeting. The task force is chaired by Sen. Jane Ranum (DFL-Mpls.) and Representative Mary Jo McGuire (DFL-Falcon Heights).

Ranum said the task force met several times during the interim to look at a number of concerns including school districts absorbing the excess cost of the education services for juveniles in out-of-

home placements, without receiving reimbursement; a lack of clarity about how charge-backs were occurring; and adequacy of education services. The task force focused mainly on the population of children who are placed in residential facilities that are licensed by either the Dept. of Human Services or the Dept. of Corrections, and children who are placed in residential facilities outside the child's district of residence. The population of children focused on in the report consists of students who are considered either regular education students who are non-disabled or special education students who are considered disabled.

Based on task force findings, Ranum offered a proposal for discussion. Among provisions in the proposal is a requirement that the commissioner of the Dept. of Children, Families and Learning implement a system to approve education programs serving children at care and treatment facilities, that will include a process for determining whether minimal education standards have been met; and a requirement that the commissioner develop and implement a uniform tuition billing system for school districts and other agencies that provide educational services for students who are placed out of the home.

The proposal requires that the state pay each district for the non-reimbursed instructional expenses incurred in providing care and treatment for non-disabled children who have been placed in care and treatment facilities. The provision will relieve school districts of the burden of paying for the non-reimbursed costs for care and treatment which is difficult to budget.

Also addressed in the proposal is the clarification of responsibility for transportation of general and special education students placed in day treatment programs.

Facilities recommendations heard

The K-12 Education Budget Division, chaired by Lawrence Pogemiller (DFL-Mpls.), met Tues., Feb. 9, to discuss several bills and to hear the recommendations of the Facilities Task Force.

Sen. Charles Wiger (DFL-North St. Paul), Facilities Task Force chair, offered S.F. 597 implementing the recommendations of the task force. Wiger said the Legislature has identified the need to invest more in public schools and all the

school districts have been surveyed to assess needs. The Dept. of Children, Families and Learning estimates a \$4.6 billion unmet facility need over the next 10 years, said Wiger. To address this and other findings of the task force, the bill provides a \$61 million increase in operating capital; consolidation of facilities levies; reduction of the debt service threshold rate; an increase in the equalizing factor; a reduction in the Alternative Facilities Bonding and Levy Program square footage qualification to 1.2 million square feet; and provides levy authority for new leased school facilities if voter approval is obtained. The bill was laid over for further discussion.

A bill providing an alternative facilities design grant was proposed by chief author Sen. Kenric Scheevel (R-Preston). The bill, S.F. 427, appropriates \$3 million in FY 2000 for the purpose of constructing a new school in the Grand Meadow School District using monolithic dome construction techniques. Grand Meadow Superintendent Bruce Klaehn told members the estimated cost to build a new K-12 facility was \$12 million. To provide the same educational facility using the proposed monolithic dome construction process is estimated at \$9.8 million, a savings of 18 percent over conventional construction, said Klaehn. The advantages of building a monolithic dome facility include lower construction costs; annual energy savings of at least 50 percent; reduced maintenance costs; improved usage of space; and the added safety of the structure.

Klaehn said the Grand Meadow School District voters passed an \$8 million bond issue contingent upon a grant from the Legislature. In return for the grant the school district will provide actual construction and operational figures to the Legislature, Dept. of Children, Families and Learning, and any interested schools. The district also plans to host visits and tours to any interested educational officials or groups, said Klaehn. The bill was recommended for inclusion in the omnibus K-12 bill.

A grant reimbursing the Triton School District for costs associated with the testing, evaluation, removal and replacement of building fixtures and equipment necessitated by the discover of mold in a school building is provided in S.F. 378.

Chief author, Sen. Dick Day (R-Owatonna), said an attempt made to find

out if the contractor was liable for the problem was unsuccessful. Triton School District Superintendent Viril Layton said the mold problem occurred in a newly remodeled facility and paying for the unreimbursed costs associated with the cleanup would have a tremendous impact on the operating budget of the Triton School District.

The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Dean Johnson (R-Willmar) presented S.F. 407, a bill amending a grant to the McLeod West School District. The language change in the bill provides a grant for a new facility for grades 7 through 12. Dan Bryan, Dept. of Children, Families, and Learning, told members that while the school district will be asking residents to vote on a building referendum in the Spring, the district can't afford to build a new facility without additional assistance from the Legislature. Bryan said a new facility is necessary because the existing one is a fire hazard. He said the enrollment in the district is stable.

Mike McLaughlin, superintendent, McLeod West Schools, said current facilities prevent the district from providing the very best for the students and maintaining worn out facilities continues to drain resources meant for student instruction and improved performance. The bill was recommended to pass and re-referred to the Children, Families and Learning Committee.

Wiger also presented S.F. 370, a bill providing the North St. Paul-Maplewood-Oakdale School District with alternative facilities bonding and levy program authority. Dr. Mike White, superintendent of the North St. Paul-Maplewood-Oakdale School District, said that the district shares facilities with other districts in collaborative education settings. Presently, the district cannot count the square footage of the leased space in the shared facilities, said White. By counting the square footage of leased space, the district meets the qualification criteria of the alternative bonding and levy program, said White.

Lt. governor testifies

"I feel that we need to have children reading by the end of first grade," Lt. Governor Mae Schunk told the K-12 Education Budget Division Wed., Feb. 10.

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Schunk told members that in her teaching experience, working with the children in small groups was most beneficial in teaching them to read. She said the small group instruction allowed for individual instruction, a time for practice, and an opportunity for the children to read to the teacher. "Children are excited when they can read," Schunk said.

One of the issues connected with teaching children to read is teacher preparation, said Schunk. When recent graduates of teaching training programs go into the classroom, they are often not prepared to teach, she said. "It requires more classroom experience to prepare the teacher, not just philosophy. Experience in the classroom gives you strength to teach," said Schunk.

The committee, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), heard several experts testify about the importance of reading by second grade. Sen. Jane Ranum (DFL-Mpls.) offered S.F. 232, a bill appropriating money to ensure that all children are able to read by second grade. Barbara Taylor, professor of curriculum and instruction, University of Minnesota, presented the results of a study that examined school factors and teacher factors in effective schools as compared to moderately effective and less effective schools in terms of primary grade students' reading growth and reading achievement. Taylor said one of the important findings about school factors was that in all of the most effective schools, a school-wide collaborative model for reading instruction was used in which regular, Title I, and special education teachers worked together to provide about an hour a day of small group instruction to students.

Taylor said year long professional development for teachers is key. It is crucial to help schools come up with the resources to provide teacher training. Sen. Sandra Pappas (DFL-St. Paul) asked if recent graduates of teacher training programs are prepared to teach reading. Taylor said that whatever we teach new teachers will not be enough. The teachers learn but it doesn't really make sense until the teacher is in the classroom, she said.

Sen. Thomas Neuville (R-Northfield) asked about the feasibility of eliminating social promotion and have promotion be dependent on a child's ability to read.

Taylor said research does not support retaining children for that reason. Research does support strategies that enable the child to read, she said. "We need to get kids ready to read by first grade, but we need to use best practices to ensure they don't lag behind. We need to get the children reading and keep them reading," Taylor said.

Sen. Jerry Janezich (DFL-Chisholm) told members that "it's not happening where it's supposed to be happening," in higher education. He said more time should be spent student teaching so that the new teachers have more experience when they enter the classroom. The committee recommended the bill for inclusion in the K-12 omnibus bill.

A bill appropriating money for youth outreach programs was offered by Sen. Steve Kelley (DFL-Hopkins). The bill, S.F.391, provides money for the Meadowbrook Collaborative Housing Project. Linda Trummer, outreach coordinator of the project, said it is a different strategy for addressing concerns in a low income neighborhood. Trummer told members the project is a collaborative effort between Meadowbrook residents; HealthSystem Minnesota, the school district, the City of St. Louis Park, Employment Action Center, Hennepin County Community Health; the local faith community; Park Shore Place Senior Housing; Jewish Family and Children Services, the Ridgedale branch of the YMCA; and many local businesses, individual community members and service organizations.

Since the implementation of the project in 1993, truancy rates among the residents has dropped and the number of police calls has declined, said Trummer. One goal of the project is to build a bridge between the Meadowbrook community and the greater community, she said.

We have a mentoring program to provide positive role models and assist in building healthy relationships, Trummer said. We try to make sure families have access to the resources they need to make them better parents and community members, said Trummer. We are an example of the whole community coming together.

Sen. Ember Junge (DFL-New Hope) moved that the bill be placed in the K-12 omnibus bill. The motion was adopted.

Sen. Jane Krentz (DFL-May Township)

offered S.F. 380, a bill authorizing program grants for gifted and talented students. Krentz said the bill appropriates \$1.5 million each fiscal year for the program. The bill was recommended for inclusion in the K-12 omnibus bill.

Local and Metropolitan Government

Residency bill forwarded

A bill repealing local residency requirements in the cities of Minneapolis and St. Paul was approved by the Local and Metropolitan Government Committee, Mon., Feb. 8. The committee is chaired by Sen. Jim Vickerman (DFL-Tracy).

H.F. 133, sponsored by Sen. Steven Novak (DFL-New Brighton), repeals the requirement for employees of the two cities to live in the city for which they work. "I think it's a fairly simple issue," Novak said, "Is government going to mandate where somebody is going to live? I don't think that is appropriate."

Minneapolis Mayor Sharon Sayles-Belton spoke against the bill. She said the Minneapolis residency requirement began in 1993. Employees hired prior to that time were grandfathered in under the law and are not required to live in the city. The city currently employs approximately 5,000 workers.

"It won't break our economy to repeal the residency requirements," Sayles-Belton said, "But every dollar we lose in our tax base is a dollar we will have to request from other sources." She said the requirement promotes community involvement from the city's employees, improving neighborhoods and the quality of service the city provides. She said there is no evidence that residency has diminished the quality of the applicant pool.

Jackie Cherryhomes, the president of the Minneapolis City Council, said that following last year's Legislative Session, a task force comprised of city management and union representatives met to discuss the requirement. She said the task force met nine times and took significant steps to deal with concerns. One of the steps taken, she said, was establishing a formalized waiver process giving employees with issues such as family circumstances and personal safety, a method to live outside the city. She said the city

also doubled its budget, from \$250,000 to \$500,000, for incentive programs to help employees purchase homes in the city.

Al Berryman, from the Minneapolis Police Federation, said he had a different view of the task force's accomplishments. He said the task force was unable to reach a consensus on any of the issues they examined. "There was just one small mortgage program and they would never agree to permanent waivers," he said. He said that the residency requirement has limited the number of qualified applicants for vacant city positions.

St. Paul City Councilmember Jay Benanav, said his city's residency rules do not apply for most of its 2,500 employees. He said the requirement only applies to about 40 executive positions.

Susan Kimberly, chief of staff, St. Paul Mayor's Office, said that residency requirements limit the pool of qualified applicants. "It puts the city at a competitive disadvantage with the private sector," she said. Kimberly said that since St. Paul's requirement went into effect, the percentage of employees who live in St. Paul has actually dropped from 50 to 44 percent. "Public service is hard, unglamorous work," she said, "People should be applauded and thanked for their public service, not asked to jump through more hoops."

Steve Hunter, representing the American Federation of State, County, and Municipal Employees (AFSCME), said the union strongly supports the repeal of residency requirements. He said that there is no evidence that the requirements benefit communities. "I don't see how having a clerk typist live next to me, other than they might make a good neighbor, makes the city a better place to live," Hunter said. "I think the majority of AFSCME members would choose to live in the city anyway, but it should be their choice," he said.

Kevin Frazell, director of member services of the League of Minnesota Cities, said residency requirements should be decided by the local municipalities and not the state. He said resolution of the issue had to balance personal freedom issues with public employees' responsibilities to their own communities. He said many citizens perceive that if an employee doesn't live in the city where they work, they don't care as much about the service they provide.

Sen. Carol Flynn said the residency requirement issue was one of the rare instances where all the Senators representing Minneapolis and St. Paul were in agreement. She said the Senators were in favor of the requirement. She said the magnitude of the problem, the number of city workers who live outside the city, gives a negative perception to citizens. She said other cities like Boston and San Francisco have residency requirements and that workers are expected to invest in their cities.

An amendment was offered by Sen. Sandra Pappas (DFL-St. Paul) allowing statutory or home rule charter cities to require residency for employees appointed by the mayor or city council. "I'm a big civil and individual rights advocate but I don't see this as one of those issues," Pappas said, "A person always has the option to not work for the city." She said elected officials should be given the option to require people in public policy making positions to live in their cities. Novak opposed the amendment because he said the language was too broad and could affect cities other than St. Paul and Minneapolis, and because he viewed the amendment as still being restrictive of personal freedoms. The amendment failed by an 8-7 vote.

Sen. Linda Higgins (DFL-Mpls.) offered an amendment establishing a referendum election in Nov. 1999, for the voters of Minneapolis to decide whether or not to require residency requirements for their city's employees. Higgins said she that people on both sides of the issue had been heard but "the people we haven't heard from are the residents of Minneapolis and St. Paul."

Sen. Leonard Price (DFL-Woodbury) said he opposed the amendment because it didn't improve the current situation. "The liberties of an individual are a very basic right and shouldn't be interfered with. This would not improve a bad law," he said. The amendment was defeated.

The committee voted 10-6 to approve and forward H.F. 133 to the Senate floor.

Corporate subsidy report heard

The Local and Metropolitan Government committee met Wed., Feb. 10, to hear a presentation from Greg LeRoy of Good Jobs First, on corporate subsidies. The committee is chaired by Sen. Jim Vickerman (DFL-Tracy).

Sen. John Hottinger (DFL-Mankato), said that in 1997 the Legislature established a commission to study corporate subsidy reform. He said the commission looked at the public purpose of subsidies including jobs, wages, and other economic development benefits, criteria for grant and loan awards, and the accountability and enforcement mechanisms used. The commission was directed to evaluate whether subsidies and tax laws impede competition or provide preferential treatment to businesses. Hottinger said that LeRoy's recently released report on economic development policies and issues was a valuable addition to the ongoing discussion.

LeRoy said Good Jobs was founded in 1998, as a project of the Institute of Taxation on Economic Policy. He said the project analyzed more than 550 Minnesota economic development reports, tracking more than \$176 million in loans, grants, and tax increment financing (TIF) by cities, regional bodies, and state agencies. He said the report issued from the project reveals high costs, low wages and an absence of standards to ensure that job subsidies produce an effective return on taxpayers' investment.

"About two-thirds of the projects were approved despite very low projected wages," LeRoy said, "Roughly half the projects report wages twenty percent or more below local market levels for their industries." He said many of the projects involved high dollar assistance to corporations including thirty eight projects approved at \$100,000 and above per job. He said of those 38 projects, 31 involved TIF money.

LeRoy said that more than three-fourths of the projects were approved despite wages that qualify a family of three for Medicaid. He said that despite lower unemployment, the number of Minnesotans claiming food stamps or Medicaid did not decline between 1990 and 1997. He said the analysis showed that government agencies granting subsidies did not, in most cases, require higher wages for higher subsidies, so that many economic development projects involved high assistance but low wages. He praised one Minnesota program, the Dept. of Trade and Economic Development's Minnesota Income Fund, for including a wage floor and subsidy cap. The program's projects are less costly and show a slightly less random

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cost benefit relationship than other economic development deals, he said.

"Intrastate bidding wars are a much bigger dilemma for Minnesota cities than interstate competition," he said, "TIFs are the subsidy of choice for Minnesota businesses looking to move."

LeRoy said Minnesota has the best in the nation disclosure law which greatly helped in researching the issues involved and preparing the report. The report concludes that to reduce costs, improve benefits and deter costly intrastate bidding, wage floors have to be pegged to local market levels. Also, according to the report, an anti-piracy prohibition making intrastate relocations ineligible for public assistance would improve the subsidy process.

Hottinger said that before economic development deals are made, the benefits to the community have to be clear. "Sometimes preferential subsidies make sense but the public needs to know what the proposal is and be able to make comments on it," he said, "We need accountability from elected officials making these decisions and the ability to recover some of the costs if promises fall short."

Property Taxes and Local Government Budget Division

Property tax bills discussed

The Property Taxes and Local Government Budget Division met Thurs., Feb. 4, to discuss three bills and get an update on the 1997 property tax rebate process. The meeting was chaired by Sen. Sandra Pappas (DFL-St. Paul).

Sen. Steve Murphy (DFL-Red Wing) offered S.F. 66, a bill that increases the aid base to the city of Pine Island. Abraham Algadi, the director of the Pine Island Economic Development Authority, said that in comparison with neighboring city Zumbrota and other cities of comparable size and culture, Pine Island falls far below on its annual per capita local government aid (LGA) and Homestead Agricultural Credit Aid (HACA).

Elmer Brocker, Pine Island's city administrator, said that the city has shown it has done a good job with its taxpayers' money. Brocker said from 1990 to 1999, the city's general fund decreased by \$106,778 and during the same time the LGA increased by only \$84,497.

Murphy said he had received a letter from a local business owner complaining about the high property taxes on the owner's business. Algadi said that often such business owners don't understand that Pine Island's ability to lower property taxes is hindered because it receives lower LGA funding than its neighboring cities.

Pappas said the committee would discuss S.F. 66 further in a couple of weeks, along with several other bills from communities requesting more local government aid.

Patricia Lien, from the Dept. of Revenue, gave an overview of the department's efforts to return the 1997 rebate to taxpayers. She said that the department originally estimated that the percentage of returns projected to claim a rebate was 80 percent. Despite a lot of free media publicity and the department's marketing efforts, Lien said only 69 percent of returns actually claimed a rebate.

"The department had a booth at the State Fair," Lien said, "I talked to a lot of people who didn't know whether or not they got a rebate. Almost no one understood the process." She said many people who never qualified for a property tax refund assumed they didn't qualify for the rebate. So far \$440 million has been claimed.

Sen. Kenric Scheevel (R-Preston) said the problems in getting those who qualify for a rebate to understand what they need to do to get their money demonstrated the need for permanent tax cuts. "Even when it is something that people want like a rebate, this emphasizes how difficult it is to administer," he said. Scheevel said he was preparing to introduce legislation for a permanent property tax cut.

Sen. Lawrence Pogemiller (DFL-Mpls.) said it was better not to go too far with permanent tax cuts. "If you think it is stressful lowering people's taxes, you might want to consider what it is like when you have to raise them," he said to Scheevel.

The committee then heard S.F. 382, the Dept. of Revenue's technical bill sponsored by Sen. Linda Scheid (DFL-Brooklyn Park).

Lance Staricha, an attorney from the department, said the bill allows homeowners who do not receive a timely notice of the denial on their valuation notice the right to appeal a denial of their homestead application in the small

claims division of a Tax Court, even if they have not first appeared before the local board of review and the county board of equalization. Currently, owners must first appear before the county board of equalization. Staricha said the technical bill also repeals the requirement for the department to contract with the University of Minnesota to provide a land valuation schedule required by statute. Staricha said the department and county assessors found the usefulness of the schedule for the assessment process has declined.

Scheid said two provisions of the bill likely would be removed and dealt with in other legislation. She said language clarifying that portions of tax parcels are eligible for "green acres" treatment has been questioned by some counties. She said the portion of the bill allowing county treasurers and auditors to view and access social security numbers and federal identification numbers given on homestead applications may have to be reviewed under the Data Practices Act. The committee took no action on the bill.

Sen. Richard Cohen (DFL-St. Paul), offered S.F. 85, requiring a local governing body to disclose at its truth and taxation hearing when the total market value of a property in a particular class of property has declined since the previous year, and the estimated amount and percentage by which the property tax levy will be shifted onto each other class of property within the taxing authority. The bill also requires that when the taxing authority adopts its final levy, the governing body in a separate vote, must indicate its intent to shift a portion of the property tax levy onto other classes of property that have not declined in market value, rather than reducing its final budget to compensate for the lost tax base. Cohen said he didn't expect the committee to act on S.F. 85 but said the bill needed to be discussed in the context of related property tax issues. Pappas said the governor is proposing a task force to look at tax reform issues and that Cohen's proposal might be an issue the task force should examine.

Sen. Jim Vickerman (DFL-Tracy) offered S.F. 425 requiring a truth in taxation hearing for hospital districts. John Dooley, from the Minnesota Association of Townships, said hospital districts should be held to the same

standards as other taxing districts. He said the costs associated with the requirement would be minimal since there is already a place on the property tax statement for "other districts."

Sen. Steve Kelley (DFL-Hopkins) said he was concerned about requiring another truth and taxation hearing that might conflict with others. He said that he was aware of one hospital district that had caused the issue to be raised and that it was not fair to pass legislation based on one district. "Just because we have one instance of possible abuse, I think it is inappropriate to impose the cost on a whole bunch of other people," Kelley said.

Pappas said the committee needed more information, such as the number of hospital districts in the state, and input from representatives from hospital districts, before acting on the bill.

Limit market value discussion

The Property Taxes and Local Government Budget Division met Tues., Feb. 9, to discuss three bills dealing with limited market value law. The meeting was chaired by Sen. Sandra Pappas (DFL-St. Paul).

The committee heard an overview from Dick Gebhart, from the Dept. of Revenue, on a limited value market report published by the department. Gebhart said the current law applies to agricultural, residential, and non-commercial seasonal recreational residential property. He said market limitation affects assessment years 1993 to 2001, and provides that market values increases cannot exceed the greater of ten percent of the preceding year's taxable market value or one fourth of the difference between the current estimated market value and the previous year's taxable market value. Limited market value does not apply to increases due to improvements.

Gebhart said the market value limitation from 1994 to 1999 grew from 0.54 percent to 1.92 percent of the total tax base. He said the limitation is concentrated in seasonal recreational residential and homestead properties primarily in Greater Minnesota.

Gary Carlson, from the League of Minnesota Cities, said the League supports changes to limited market value law because limited market values can cause distortions to the property tax

system. Carlson said local municipalities are held responsible for explaining large increases in a property's market value to taxpayers.

Roger Peterson, from the Association of Metropolitan Municipalities said limited market value can lead to inequities among neighbors where nearly identical and adjacent properties are valued and taxed differently. He said limited market value also can also cause tax shifts where taxpayers in neighborhoods with increasing values receive relief at the expense of higher taxes paid by those whose property taxes are stagnant.

Don Diddams, from the Association of Minnesota Counties (AMC), said AMC supports state funded programs to address unacceptable tax increases for individual property owners that exceed the owner's ability to pay, and other problems associated with rising property market values. He said AMC does not support artificial limitations on market values that can distort the property tax system and unfairly shift tax burdens onto other properties.

S.F. 189, authored by Sen. Cal Larson (R-Fergus Falls) provides that the limited market value treatment applies to all classes of property and the increase limitation is set at the lesser of five percent or the percent increase in the consumer price index for the preceding assessment year. The bill provides that when the property which is subject to limited market value is sold or conveyed, the value will be increased to the assessor's estimated market value if that is greater than the currently limited value. The bill also strikes the duration limit of 2001 so that it remains in effect indefinitely. Larson said other states have already enacted similar legislation.

Dick Wray, president of the Minnesota Seasonal Recreational Property Owners Coalition, spoke in favor of the bill. He said commonly accepted principles of taxation include the ability of a person to pay a tax, the use of the taxes collected fund services and facilities, and the more wealth the more tax is paid. He said taxes calculated from market value limitation do not meet any of those principles. "There are growing problems all over the state," he said, "Rising market value rates are forcing people out of their homes."

Pappas said it would be helpful to the

committee to have information about the impact that legislation similar to S.F. 189 has had in other states.

The committee next heard S.F. 159, authored by Sen. Richard Cohen (DFL-St. Paul). The bill changes the limitation in the limited market value law from the greater of ten percent of the previous value or one quarter of the difference between the current and preceding assessment, to the percentage increase in the consumer price index. Cohen said that although there may not seem to be any inherent connection between the consumer price index to the assessment process, the state uses the consumer price index "time and time again" in statute to help determine calculations in diverse areas like campaign finance limits and family law issues. He said the current law often makes it difficult for a person on a limited or fixed income to afford their property tax increases.

S.F. 431, offered by Sen. Carol Flynn (DFL-Mpls.), removes the requirement that an application be filed to qualify for "this old house" treatment. The bill only requires an application in jurisdictions that do not have a building permit process.

Flynn said that under the current law, an application for valuation exclusion for certain improvements to homes under the "this old house" program must be filed with the county within three years of the date the building permit was issued or within three years of the date the improvement was made in jurisdictions not subject to a building permit process. She said the bill reduces the administrative costs for local units of government.

Dorothy McClung, from Ramsey County, said the application system causes unnecessary delays, sometimes up to a year, for people participating in the program.

The committee approved incorporating S.F. 431 into the omnibus tax bill. No action was taken on the other two bills discussed

State Government Finance

Stud ban repeal advances

A bill repealing a ban on snowmobile metal traction devices or "studs" cleared the last committee hurdle Tues., Feb. 9, and now goes to the full Senate. Sen. LeRoy Stumpf (DFL-Thief River Falls), sponsor of H.F. 6, said the bill "un-does"

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the ban on using stud equipped snowmobiles on all public trails, roads and lands scheduled to take effect July 1 of this year and the \$51 fee charged this winter for snowmobiles equipped with studs.

In addition, Stumpf said, the bill does put in place a prohibition on using studded snowmobiles on paved public trails, but allows a local government with jurisdiction over the trail to waive the prohibition. It also establishes a fine schedule of \$50 for the first offense, \$200 for the second offense, and \$600 for subsequent offenses rather than forfeiture of the snowmobile for a second offense, Stumpf said.

Stumpf said that the fiscal impact of the ban repeal on the snowmobile trails account will be addressed in the environment and agriculture omnibus budget bill later this session. He also said that a technical aspect of the bill is still unresolved in that it is unclear if the Dept. of Natural Resources will have the authority to issue citations. Under the bill, violations will be subject to civil penalties rather than criminal penalties as prescribed by the 1998 law. Stumpf said that an amendment to clarify the issue will be drafted for the bill when it reaches the Senate floor.

Committee Chair Richard Cohen (DFL-St. Paul) asked if the economic impact of the 1998 snowmobile stud regulations had been quantified. Colleen Tollefson of the Office of Tourism in the Dept. of Trade and Economic Development (DTED) said that it has been difficult to quantify the effect because many snowmobiling groups have not returned or have canceled trips planned to Minnesota because of the ban. She said that the lack of snowfall earlier in the winter also had an effect on snowmobile tourism. Tollefson said that a 1996 study of snowmobile tourists found that those whose snowmobiles were equipped with studs tended to spend more money and stay longer. She said that snowmobile tourism annually generates \$104 million from residents and \$44 million from non-residents which results in \$7.5 million in tax revenues for the state. When asked by Cohen, Tollefson said that DTED supports the stud ban repeal for unpaved trails.

Sen. Bob Lessard (DFL-Int'l. Falls) said that the 1998 law has "basically eliminated" snowmobile tourism from Canada because the 48 percent exchange rate

makes the stud sticker cost about 80 Canadian dollars. He said that he has seen very few snowmobilers from Wisconsin because they think that the stud ban is already in effect. Lessard urged committee members to "pass the ban repeal and get it over with."

Committee discussion turned to the fiscal impact on the state's trails system. Sen. Steven Morse (DFL-Dakota) said that the state has spent \$41 million in the last 10 years to develop trails. He said that with more people trying to use the same resources, the Legislature will have to strike a balance in the budgeting process. Morse said that the governor's budget recommendation has already created a \$4 million deficit in the snowmobile trails and enforcement account through the next four years, and the damage to trails will make it worse. Sen. Janet Johnson (DFL-North Branch) said that many counties received federal ISTEA money to build the trails and they may have to return the money if the trails are not maintained.

The bill was approved by voice vote and now goes to the Senate floor.

Transportation Budget Division

MnDOT budget overview given

An overview of the budget for the Department of Transportation (MnDOT) was given at the Transportation Budget Division meeting Thurs., Feb. 4. The meeting is chaired by Sen. Janet Johnson (DFL-North Branch).

Ed Cohoon, deputy commissioner of MnDOT, said the agency's budget is financed primarily from dedicated sources of funding. He said the department has been working on the budget since last May, putting it together based on existing taxes.

Cohoon said the two principal revenue sources for the highway users tax distribution fund (HUTDF) are the state gasoline tax and the motor vehicle registration tax. These revenues may be used only for highway purposes, which include costs of employees, buildings, equipment and construction. Ninety-five percent of the proceeds to HUTDF are deposited in the Trunk Highway Fund, and the distribution of remaining five percent is determined by the Legislature every six years. Cohoon said that in 1998, the Legislature

voted to put the funds in a Flexible Highway Account within the County State Aid Highway Fund, beginning in FY 2000.

Cohoon said the governor is recommending an additional \$93.84 million to the trunk highway fund biennial base for highway construction and building improvement. He is asking for an increase of \$3.7 million to maintain current levels of service for the transit system outside the Metropolitan Area and \$1.622 million to complete the 800 megahertz radio backbone system in the Metropolitan Area.

Ray Rought, director of the Office of Aeronautics for MnDOT, said the aeronautics program promotes aviation safety, supports the development and maintenance of a system of airports, establishes and operates a system of navigation aids and fosters the development of aviation. The program took in revenues of \$116 million in the current biennium. Rought said most of the money comes through a federal process and passes through the state. The governor requests the following adjustments: a biennial increase in funding of \$38,000 for headquarters building repair and maintenance; \$1 million for airport construction grants; \$700,000 for airport maintenance grants; \$300,000 to be transferred from the state airports fund to the hangar loan revolving account; and \$400,000 to conduct technology training at airports. Rought said his department would like to enter into a technology training program with the University of Minnesota.

The Department of Aeronautics provides air transportation service for the governor, Legislators, agency heads, other elected officials and their staffs. According to Rought, the service reduces travel time and increases the efficiency of state government. The agency has three aircraft and two pilots, and is requesting another pilot.

Donna Allan, director of the Office of Transit, said the program provides transit services throughout the state. She said the transit program furnishes grants to Greater Minnesota public transit providers and technical assistance to increase efficiency and productivity of public transit systems. Allan said 59 counties currently have county-wide transit service, 13 have municipal service only and 8 have no transit service. "We work

with communities who are the most ready," Allan said. "Bus use depends on the needs of a community. We are hopeful we can create a network so people can move around the state on our public transit system." According to Allan, 45 percent of transit funding is provided by local communities; 43 percent by the state and 12 percent by the federal government. The governor recommends a biennial increase of \$3.7 million for transit grants to local communities to maintain the current level of service. The governor also recommends an annual increase of \$1.85 million in Greater Minnesota Transit Assistance funds to provide operating assistance for existing public transit systems in Greater Minnesota.

Bob Winter, a MnDOT engineer who is working with the Hiawatha Corridor Light Rail Transit (LRT) project, said the corridor, which runs from downtown Minneapolis to the Mall of America, is a priority. He said the north end of Hiawatha can connect with another planned corridor, Northstar, and the south end can extend into Dakota County. Hiawatha is scheduled to be in operation by 2003.

"We need to develop a guaranteed financing plan with the federal government," Winter said. The governor is recommending \$60 million be reserved at this time as the balance of state funds for Hiawatha LRT. The state appropriated \$40 million in 1998, and anticipated funding sources include \$223 million in federal money and \$123 million in local money.

MnDOT overview continues

The Department of Transportation (MnDOT) continued its budget overview at the Transportation Budget Division meeting, chaired by Sen. Janet Johnson (DFL-North Branch), Tues., Feb. 9. Al Vogel, director of the Office of Freight, Railroads and Waterways, said no change initiatives are requested by his division. Vogel said the Railroad and Waterway program identifies and develops safety improvements at railroad grade crossings; develops statewide railroad and waterway plans; develops agreements and provides loans or grants to public port authorities, regional railroad authorities, railroads and shippers; manages passenger rail planning activities; and develops strategies to improve freight productivity.

The Office of Motor Carriers Services, according to Ward Briggs, director, is responsible for implementing Minnesota laws and federal safety regulations governing segments of the for-hire and private motor carrier industry in Minnesota. Briggs said the program is sometimes confused with the state patrol. He emphasized the program does not include any roadside enforcement activities. "Our expenditures are largely salaries and rent," he said. No budget changes are requested.

An overview of state roads was presented by Randy Halvorson, assistant commissioner of Transportation Research and Investment Management. He said the state roads program designs, constructs, maintains and operates the state's highway infrastructure. Halvorson said the governor is requesting 10 budget adjustments in the program. A biennial increase of \$1.6 million for a 2000 Census Transportation Planning Package (CTPP) is recommended. With the funding, according to Halvorson, MnDOT can collect accurate and reliable travel data and gather detailed population information. He said the budget increase pays for staff training, software and staff.

Dave Ekern, director of the Engineering Services Division, said Central Engineering Services provides engineering and technical leadership and support services to all districts, Metro Division and local road authorities. Ekern said that in any given year, 270 construction contracts are being developed, and 1,400 to 1,500 projects are in the pipeline at any given time, in various stages of plan and design. Johnson questioned whether MnDOT should have that many projects going at one time. Ekern said the projects cover a nine-year period, and work out to about 300 projects annually. He said about \$16 million is spent annually for consulting services for various projects. He added that Minnesota is at the lower end of the scale nationally in its use of consultants. "Competition and the hiring away of staff is a growing problem for us," he said. "We have lost 400 employees since 1995 through retirement and hiring away." The budget issues in Engineering Services revolve around recruiting and adding employees with technical expertise. The governor recommends a biennial increase of \$62.75 million for an expanded highway

construction program and related program delivery costs.

Freeway operations enhancements have been effective in lessening congestion and reducing crashes, according to Richard Stehr, Metro Division engineer. He said funding is needed for several initiatives designed to improve traffic safety. These include integrated corridor traffic management; the highway helper program; incident management and operations; and technology deployment. As part of the projects, Stehr said MnDOT wants to add two people to highway helpers in more congested areas. Additional trained staff is needed to integrate computer systems and extend hours of operation for current traffic management systems already in place. A request for a biennial increase of \$2.787 million in freeway operations enhancements has been made by the governor.

Pat Hughes, assistant commissioner of the Operations Division, said the maintenance program is requesting \$1 million for each fiscal year to fund the contractor that provides for maintenance and custodial care of rest areas, and to fund liability insurance for all of MnDOT's fleet. He said an additional \$6 million for the biennium is needed to increase the frequency of painting stripes or installing more durable marking materials on the state's trunk highways.

Transportation

Commuter rail debated

The Transportation Committee, chaired by Sen. Carol Flynn (DFL-Mpls.) met Tues., Feb. 9, to hear Al Vogel, director of the Office of Freight, Railroad and Waterways of the Department of Transportation (MnDOT), give a review of the Twin Cities Metropolitan Commuter Rail Feasibility Study.

Vogel said that the Twin City Metropolitan Area is expected to increase by 330,000 households by 2020, with 2.4 million more daily trips anticipated in the region by that year. The feasibility study was done to determine the potential of using freight rail corridors in the Twin Cities for commuter rail service. Vogel said that commuter rail is a passenger train service that operates on existing freight railroad tracks and primarily serves the suburban market. Service hours for the system are at peak hours of 6 to 9 a.m. and 3 to 6 p.m. The

Committee update

average commuter trip length is 22 miles at a cost of \$3-\$10 million per mile.

The study evaluated estimated ridership; capital costs and costs per passenger mile; and operation and maintenance cost per passenger. The recommended corridors in the study are the connector route from Minneapolis to St. Paul and six other routes: Bethel-Minneapolis-St. Paul, Elk River-Minneapolis-St. Paul, Northfield-Minneapolis-St. Paul, Hastings-St. Paul-Minneapolis, Forest Lake-St. Paul-Minneapolis and Young America-Minneapolis-St. Paul.

Vogel said the study has involved the public and citizen participation through nine open house meetings at separate locations; a web site that has had over 1,200 hits to date; community newspaper and radio interviews; a booth at the State Fair and information packets available at area libraries; 22 formal presentations; and a distribution of 1,500 citizens' guides. Vogel stated that 90 percent of residents favor commuter rail. Concerns with commuter rail come from adjacent property owners who could experience conflict with congestion, according to Vogel. There is also a concern about sufficient funding. By 2005, the daily riders estimated on each commuter rail route will vary from between 2,300 and 4,700. Vogel said the total capital cost for the entire project is \$1.364 billion. The project has to be looked at as a long-term investment, according to Vogel.

From an environmental standpoint, Vogel said the feasibility study finds that commuter rail trains emit less exhaust, weigh less and operate quieter than freight trains already accessing the corridors. "The freight people have been at the table with us," he said, "and this can be accomplished. Freight and commuter can co-exist." Vogel said the fares for commuter rail are higher than current bus fares.

"What will be the incentive for people to use commuter rail instead of taking the bus?" asked Sen. Claire Robling (R-Prior Lake). Vogel said there is not sufficient road capacity for the current rate of growth, and cited the reduction in rush hour traffic if commuter rail is used.

Commissioner of Transportation Elwyn Tinklenberg said there is no easy solution to the congestion problem. He cited the need for dialogue and working together to see how the increase in traffic can be managed.

Report on Welfare to Work

A report on the Welfare to Work program was presented to the Transportation Committee, chaired by Sen. Carol Flynn (DFL-Mpls.), at its meeting Weds., Feb. 10.

Hennepin County Commissioner Peter McLaughlin, chair of the Metropolitan Light Rail Transit Joint Powers Board, spoke on Access to Jobs, a study of welfare-to-work transportation needs in the seven-county Metro Area. The study, funded by the McKnight Foundation, reported that transportation is essential to successful welfare reform. Under the Minnesota Family Investment Program (MFIP), most welfare recipients are required to work.

"We found that transportation needs varied dramatically, based on geography and by what job or training level the person is on," McLaughlin said. He said people may need transportation for employment or pre-employment. Eighty-three percent of MFIP clients live in Hennepin and Ramsey Counties, primarily because those areas offer affordable housing and schools, according to McLaughlin, as well as a convenient transit system. However, the vast majority of jobs are in the suburbs.

"We get people on the first or second rung of the welfare to work program," McLaughlin said. "These are large numbers of people we had to move in the system right away." He said key findings of the Access to Jobs study show that transportation infrastructure has not kept pace with the pattern of job growth. Enhancements are needed to provide reliable and timely transportation options to low-income job seekers, according to McLaughlin. He said public transportation is a low-cost, reliable method of connecting welfare recipients to jobs.

McLaughlin said the study recommends maintaining the existing level of support for welfare-to-work transportation efforts. This includes bus passes, mileage reimbursement, gas vouchers and car repair. Frequency and hours of fixed bus route service need to be increased, he said, as well as adding new or extended fixed routes. The study suggested improving and increasing suburb-to-suburb transit, also. McLaughlin said there is a need for increased demand-responsive transportation, such as dial-a-ride and van pools. Car programs need to be strengthened and continued, volunteer drivers re-

cruited and a fleet for short-term use created.

Funding requests include \$1.4 million per year from the Federal Transit Administration and \$1.5 million from the state.

David Lee, general manager of Connecticut Transfer in Hartford, said the Hartford area and the Twin Cities have similarities: welfare to work participants live in the city, jobs are in the suburbs and transportation is needed. He said a collaborative process is essential. He said key players in Connecticut are the transportation providers, welfare administrators, business community and job developers. He said the Hartford transit system has expanded its hours to run early and late seven days a week.

Blair Forlaw, director of policy and programming for East/West Gateway Coordinating Council in St. Louis, Missouri, said the issue of access to jobs is exceedingly important. She emphasized collaboration, making better use of resources already in existence and the importance of sustainable solutions. The St. Louis program uses 18 miles of light transit rail. She said the transit is complemented with private transportation. "Welfare to work is an economic issue," Forlaw said. "Individuals who were previously discounted serve as resources for labor."

Tom Bates is the job development and transportation supervisor for St. Paul Rehabilitation Center (SPRC). He said the agency was given seven vans a year ago, and six are up and running. They have carried 852 total riders for one complete quarter. The vans run from 6 a.m. until 12:30 a.m. with two full-time drivers. "Our vans are used for employment and pre-employment purposes," he said, "including job interviews, drug tests or uniform fittings."

Chris Roberts, general manager of Global Aviation, Inc., at Minneapolis-St. Paul International Airport, said his company looks at public transportation to an airport before moving in. He said 50 people from SPRC are employed by Globe. He said his company negotiated better bus service to and from the airport, and that has helped tremendously.

Preview

Monday, February 15

Rules and Administration Committee

Chair: Sen. Roger D. Moe

9:30 a.m. Room 107 Capitol

Agenda: Joint rules. Resolution on committee deadlines.

The Senate is in Session at 10 a.m.

Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

12 noon Room 107 Capitol

Agenda: S.F. 15-Johnson, D.J.: Repealing motor vehicle air pollution emissions testing program. S.F. 18-Metzen: Repealing motor vehicle air pollution emissions testing program. S.F. 69-Murphy: Repealing motor vehicle air pollution emissions testing program. S.F. 142-Pariseau: Repealing motor vehicle air pollution emissions testing program on 7-1-2000.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: S.F. 184-Ranum: Juvenile code recodification. S.F. 299-Kelley, S.P.: Limiting the liability of the state and municipalities for certain claims involving Y2K problems.

Election Laws Committee

Chair: Sen. John Marty

12:30 Room 112 Capitol

Agenda: Action on S.F. 87-Marty: "Public right to know" bill.

Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: S.F. 3-Marty: Decreasing the DWI per se blood alcohol concentration level from 0.10 to 0.08. S.F. 75-Foley: Decreasing the DWI per se blood alcohol concentration level from 0.10 to 0.08.

Environment and Agriculture Budget Division

Chair: Sen. Steven Morse

4 p.m. Room 107 Capitol

Agenda: Board of Water & Soil Resources budget overview.

Joint Senate Judiciary and House Civil Law Committee

Chair: Sen. Jane Ranum

5 p.m. Room 15 Capitol

Agenda: Discussion on whether to move forward with revising M.S. 604.10 (the economic loss statute). Professors Dan Kleinberger and Linda Rusch will be making a presentation on the need for revising the statute.

Tuesday, February 16

Environment and Agriculture Budget Division

Chair: Sen. Steven Morse

8 a.m. Room 123 Capitol

Agenda: Dept. of Agriculture budget overview.

Higher Education Budget Division

Chair: Sen. LeRoy Stumpf

8 a.m. Room 107 Capitol

Agenda: Budget presentation, MnSCU.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: SF 356-Johnson JB: School impact fees. SF 589-Stumpf: Fund transfer for Oklee School District. SF 390-Betzold: Changes to State High School League. SF 435-Betzold: Equalized discretionary aid and levy for deferred maintenance purposes. SF 570-Janezich: Retired employee health benefits.

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8:30 a.m. Room 15 Capitol

Agenda: Budget overview, Department of Finance.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: S.F. 217-Moe, R.D.: Tobacco settlement endowments. S.F. 253-Moe, R.D.: Tobacco Prevention Board. S.F. 488-Kiscaden: Modifying State Advisory Council on mental health. S.F. 596-Hottinger: Increasing funding for crisis nurseries.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: Discussion of S.F. 295-Marty: Civil remedy for injured employees. Workers' compensation and occupational safety - Department of Labor and Industry.

Transportation Committee

Chair: Sen. Carol Flynn

12 noon Room 112 Capitol

Agenda: S.F. 375-Murphy: Port development funds. S.F. 434-Foley: Failure to use seat belt as a primary offense.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

12 noon Room 125 Capitol

Agenda: Budget overview: Arts Board; Department of Employee Relations; Minnesota State Lottery.

Legislative Audit Commission

Chair: Sen. Deanna Wiener

1:30 p.m. Room 316 Capitol

Agenda: Election of Legislative Audit Commission officers; remarks by the Legislative Auditor; report on program evaluation topic selection.

Rules and Administration Subcommittee on Committees

Chair: Sen. Roger D. Moe

1:45 p.m. Room 237 Capitol

Agenda: Appointments.

Economic Development Budget Division

Chair: Sen. Tracy Beckman

2 p.m. Room 123 Capitol

Agenda: S.F. 514-Novak: Labor Interpretive Center funding. S.F. 413-Anderson: Neighborhood Development Co-operative grant. Budget overviews from the Department of Labor and Industry and the MN Labor Interpretive Center.

Commerce Committee

Chair: Sen. Sam Solon

2 p.m. Room 112 Capitol

Agenda: S.F. 324-TenEyck: Permitting branch bank in Crooked Lake. S.F. 360-Wiener: State funding for Minnesota

Preview

comprehensive health association. S.F. 640-Johnson, D.H.: Regulating structured settlement agreements. S.F. 148-Oliver: Protection of structured settlements.

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

2 p.m. Room 107 Capitol

Agenda: S.F. 605-Scheevel: Providing risk management, tax relief, right-to-farm, and technology development assistance; regulating growth of industrial hemp as an agricultural product. S.F. 586-Lesewski: Exempting agricultural land from the general education levy.

Health and Family Security Budget Division

Chair: Sen. Don Samuelson

4 p.m. Room 112 Capitol

Agenda: Budget overviews: Ombudsman for Mental Health and Mental Retardation; Ombudsman for Families; Veteran's Home Board; Medical Boards; and Council on Disability.

Property Taxes and Local Government Budget Division

Chair: Sen. Sandra Pappas

4 p.m. Room 118 Capitol

Agenda: Overview and discussion of LGA; S.F.126-Hanson: Increase aid base for city of St. Francis LGA.

State Government Finance Committee

Chair: Sen. Richard Cohen

4 p.m. Room 107 Capitol

Agenda: S.F. 428 - Hanson: Pseudorabies.

Joint House and Senate Children, Families and Learning Committees

Chairs: Sen. Pat Piper, Sen. Lawrence Pogemiller and Sen. LeRoy Stumpf

6 p.m. Room 200 State Office Building

Agenda: Nomination of U of M Regent candidates.

Wednesday, February 17

Children, Families and Learning

Chairs: Sen. Pat Piper, Sen. Lawrence Pogemiller and Sen. LeRoy Stumpf

8 a.m. Room 112 Capitol

Agenda: SF 407-Johnson D.E.: Amend-

ing capital investment grant to McLeod West. SF 370-Wiger: Providing ISD #622 with alternative facilities bonding authority. Report on the interim recommendations of the Early Care and Education Finance Commission.

Governmental Operations and Veterans Committee

Chair: Sen. James Metzen

10 a.m. Room 15 Capitol

Agenda: S.F. 2- Kelley, S.P.: Providing immunity for certain activities relating to the year 2000 problem. Discussion regarding recent Supreme Court decision declaring Minnesota's law allowing Administrative Law Judges the authority to decide child support matters as unconstitutional; Chief Administrative Law Judge Kenneth Nickolai.

Transportation Committee

Chair: Sen. Carol Flynn

10 a.m. Room 112 Capitol

Agenda: Report from Northwest Airlines on impact of 1991 state loan on air commerce in Minnesota.

Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

12 noon Room 107 Capitol

Agenda: S.F. 4-Pariseau: Lifetime game and fish licenses. S.F. 636-Lessard: Changing the name of Scenic State Park. S.F. 205-Ourada: Transfer of easements from drainage systems to storm sewer improvement districts.

Election Laws Committee

Chair: Sen. John Marty

12:15 p.m. Room 112 Capitol

Agenda: S.F. 516-Scheid: Updating voter records. The committee is currently considering an amendment to S.F. 516 that incorporates the contents of S.F. 47-Junge: Campaign finance, reporting, and gift ban provisions.

Judiciary Subcommittee on Data Privacy and Information Policy

Chair: Sen. Don Betzold

12 noon Room 15 Capitol

Agenda: Information Policy Task Force report. S.F. 212-Kiscaden: Providing

data privacy for certain public utility customers. S.F. 552-Betzold: Requiring the Revisor of Statutes to reorganize and recodify the data practices law. S.F. 653-Betzold: Data collection and dissemination. S.F. 654-Betzold: Classifying data, etc.

Local and Metropolitan Government Committee

Chair: Sen. Jim Vickerman

2 p.m. Room 107 Capitol

Agenda: S.F. 9-Betzold: Abolition of police civil service commission in Spring Lake Park. S.F. 373-Vickerman: Appropriating money for regional development commissions to assist local governments in planning. S.F. 465-Pappas: Permitting county recorders to require minimum deposits in certain cases.

Crime Prevention and Judiciary Budget Division

Chair: Sen. Randy Kelly

2 p.m. Room 112 Capitol

Agenda: Review Department of Corrections budget.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

2 p.m. Room 125 Capitol

Agenda: Budget overview: Secretary of State; State Auditor; Capitol Area Architectural and Planning Board.

Environment and Agriculture Budget Division

Chair: Sen. Steven Morse

4 p.m. Room 107 Capitol

Agenda: S.F. 57-Stevens: Manure digester; S.F. 64-Wiger: Regional trail funding; Ag Utilization Research Institute budget overview.

Legislative Commission on Minnesota Resources

Vice Chair: Sen. Len Price

6:30 p.m. Room 5 State Office Building

Agenda: Elections to three vacant positions on Executive Committee; presentation of award to Env. and Natural Resources Trust Fund Coalition in recognition of their donation to Trust Fund; consider amendment to 1999

recommendations to extend availability of 1997 mercury manometers appropriation; status of S.F.149-Morse and H.F.385-Holsten; request from DNR for variance from the provisions of MS 89.022; discussion of summer calendar. Executive Committee meeting to follow to consider approval of administrative budget for 1999-2001; consider work for 1999 summer and fall.

Thursday, February 18

Children Families and Learning Subcommittee on Teacher Preparation

Chairs: Sen. Sandra Pappas and Sen. Deanna Wiener

8 a.m. Room 107 Capitol

Agenda: Continued discussion about teacher preparation.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

8 a.m. Room 123 Capitol

Agenda: S.F. 685-Kelley: Deregulating coin-operated or public pay telephones. S.F. 684-Novak: Authorizing PUC to establish and delegate powers to subcommittees, designate lead commissioners. S.F. 406-Murphy: Modifying provisions related to human remains.

The Senate is in Session at 10 a.m.

Joint Convention at 12 noon.

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

2 p.m. Room 107 Capitol

Agenda: S.F. 316-Dille: Appropriating money for the farm safety and health program of the University of Minnesota extension service. S.F. 122-Moe, R.D.: Classifying industrial hemp as an agricultural crop subject to regulation and requiring growers of industrial hemp to be registered by the commissioner.

Economic Development Budget Division

Chair: Sen. Tracy Beckman

2 p.m. Room 123 Capitol

Agenda: To be announced.

Health and Family Security Budget Division

Chair: Sen. Don Samuelson

4 p.m. Room 112 Capitol

Agenda: Continuation from Tues., Feb. 16 meeting budget overviews; Dept. of Health.

Transportation Budget Division

Chair: Sen. Janet Johnson

4 p.m. 107 Capitol

Agenda: Budget overview.

Friday, February 19

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: S.F. 296-Robertson: Modifications to special education provisions.

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8:30 a.m. Room 15 Capitol

Agenda: Committee budget overview, Department of Children, Families & Learning.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: S.F. 319-Piper: Physician assistants immunity. S.F. 506-Lourey: Clarifying that minor parents must live with an adult to receive Minnesota Family Investment Plan benefits. S.F. 543-Lourey: Modifying provisions relating to Minnesota Family Investment Plan. S.F. 564-Lesewski: Modifying requirements for nursing home administrators. S.F. 675-Berglin: Expanding medical assistance eligibility for employed persons with disabilities.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: S.F. 32-Scheid: Establishing a housing improvement area - Brooklyn Park. S.F. 540-Berglin: Authorizing the use of enterprise zone incentives. S.F. 593-Kleis: Correcting the name of a grant recipient to that of the project owner.

Joint Senate and House Crime Prevention Committees

Chairs: Sen. Allan Spear and Rep. Rich Stanek

2 p.m. Basement Hearing Room, State Office Building

Agenda: Concealed carry firearms laws. Presentations by John R. Lott, professor of economics and Olin Fellow, University of Chicago; Jens Ludwig, assistant professor of Public Policy Program, Georgetown University and expert affiliate, Johns Hopkins Center for Gun Policy and Research.

Listserv available

Both the Senate and House have established "listservs" to automatically send daily committee schedules to subscribers with Internet e-mail access. The service is designed to make it easier for the public to get up to the minute information about Senate and House committee schedules. A "listserv" is a mailing list program designed to copy and distribute electronic mail to everyone subscribed to a particular mailing list. It is necessary to subscribe to each list separately.

Individuals may subscribe to the Senate and House listservs at any time and the schedules will be e-mailed on a daily basis. In cases of a major change in the schedule, updated schedule information will also be sent to the listserv mailing list.

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Minnesota Senate 1999

Party	Phone	Name	Room	Dist.	Party	Phone	Name	Room	Dist.
DFL	296-5537	Anderson, Ellen R.	G-24 Cap.	66	DFL	6-5645	Marty, John	325 Cap.	54
DFL	6-5713	Beckman, Tracy L.	124B Cap.	26	DFL	6-4370	Metzen, James P.	303 Cap.	39
R	6-5975	Belanger, William V.	113 SOB	41	DFL	6-2577	Moe, Roger D.	208 Cap.	2
IND	6-5094	Berg, Charles A.	G-51 SOB	13	DFL	6-5649	Morse, Steven	G-24 Cap.	32
DFL	6-4261	Berglin, Linda	309 Cap.	61	DFL	6-4264	Murphy, Steve	301 Cap.	29
DFL	6-2556	Betzold, Don	306 Cap.	48	R	6-1279	Neuville, Thomas M.	123 SOB	25
DFL	6-5931	Cohen, Richard J.	317 Cap.	64	DFL	6-4334	Novak, Steven G.	322 Cap.	52
R	6-9457	Day, Dick	147 SOB	28	R	6-4837	Oliver, Edward C.	121 SOB	43
R	6-4131	Dille, Steve	103 SOB	20	R	6-1282	Olson, Gen	119 SOB	34
R	6-2084	Fischbach, Michelle L.	149 SOB	14	R	6-5981	Ourada, Mark	145 SOB	19
DFL	6-4274	Flynn, Carol	120 Cap.	62	DFL	6-1802	Pappas, Sandra L.	120 Cap.	65
DFL	6-4154	Foley, Leo T.	G-9 Cap.	49	R	6-5252	Pariseau, Pat	109 SOB	37
R	6-8138	Frederickson, Dennis R.	139 SOB	23	DFL	6-9248	Piper, Pat	G-9 Cap.	27
DFL	6-3219	Hanson, Paula E.	328 Cap.	50	DFL	6-7809	Pogemiller, Lawrence J.	235 Cap.	59
DFL	6-9246	Higgins, Linda I.	226 Cap.	58	DFL	7-8060	Price, Leonard R.	235 Cap.	57
DFL	6-6153	Hottinger, John C.	120 Cap.	24	DFL	7-8061	Ranum, Jane B.	306 Cap.	63
DFL	6-8017	Janezich, Jerry R.	328 Cap.	5	R	6-4314	Robertson, Martha R.	125 SOB	45
DFL	6-9261	Johnson, Dave	111 Cap.	40	R	6-4123	Robling, Claire A.	151 SOB	35
R	6-3826	Johnson, Dean E.	117 SOB	15	R	6-1253	Runbeck, Linda	107 SOB	53
DFL	6-8881	Johnson, Douglas J.	205 Cap.	6	DFL	7-8063	Sams, Dallas C.	328 Cap.	11
DFL	6-5419	Johnson, Janet B.	G-9 Cap.	18	DFL	6-4875	Samuelson, Don	124 Cap.	12
DFL	6-2889	Junge, Ember Reichgott	205 Cap.	46	R	6-3903	Scheevel, Kenric J.	129 SOB	31
DFL	7-8065	Kelley, Steve	321 Cap.	44	DFL	6-8869	Scheid, Linda	317 Cap.	47
DFL	6-5285	Kelly, Randy C.	323 Cap.	67	DFL	6-4188	Solon, Sam G.	303 Cap.	7
R	6-4848	Kiscaden, Sheila M.	135 SOB	30	DFL	6-4191	Spear, Allan H.	120 Cap.	60
R	6-6455	Kleis, Dave	143 SOB	16	R	6-8075	Stevens, Dan	105 SOB	17
R	6-4120	Knutson, David L.	133 SOB	36	DFL	6-8660	Stumpf, LeRoy A.	G-24 Cap.	1
DFL	6-7061	Krentz, Jane	235 Cap.	51	DFL	6-4913	Ten Eyck, David J.	G-24F Cap.	4
R	6-4351	Laidig, Gary W.	141 SOB	56	R	6-6238	Terwilliger, Roy	115 SOB	42
DFL	6-3205	Langseth, Keith	122 Cap.	9	DFL	6-5650	Vickerman, Jim	226 Cap.	22
R	6-5655	Larson, Cal	153 SOB	10	DFL	7-8073	Wiener, Deanna L.	303 Cap.	38
R	6-4125	Lesewski, Arlene J.	131 SOB	21	DFL	6-6820	Wiger, Charles W.	325 Cap.	55
DFL	6-4136	Lessard, Bob	111 Cap.	3	Capitol address: 75 Constitution Avenue				
R	6-2159	Limmer, Warren	127 SOB	33	State Office Building address: 100 Constitution Avenue				
DFL	6-0293	Lourey, Becky	G-9 Cap.	8	St. Paul, MN 55155				

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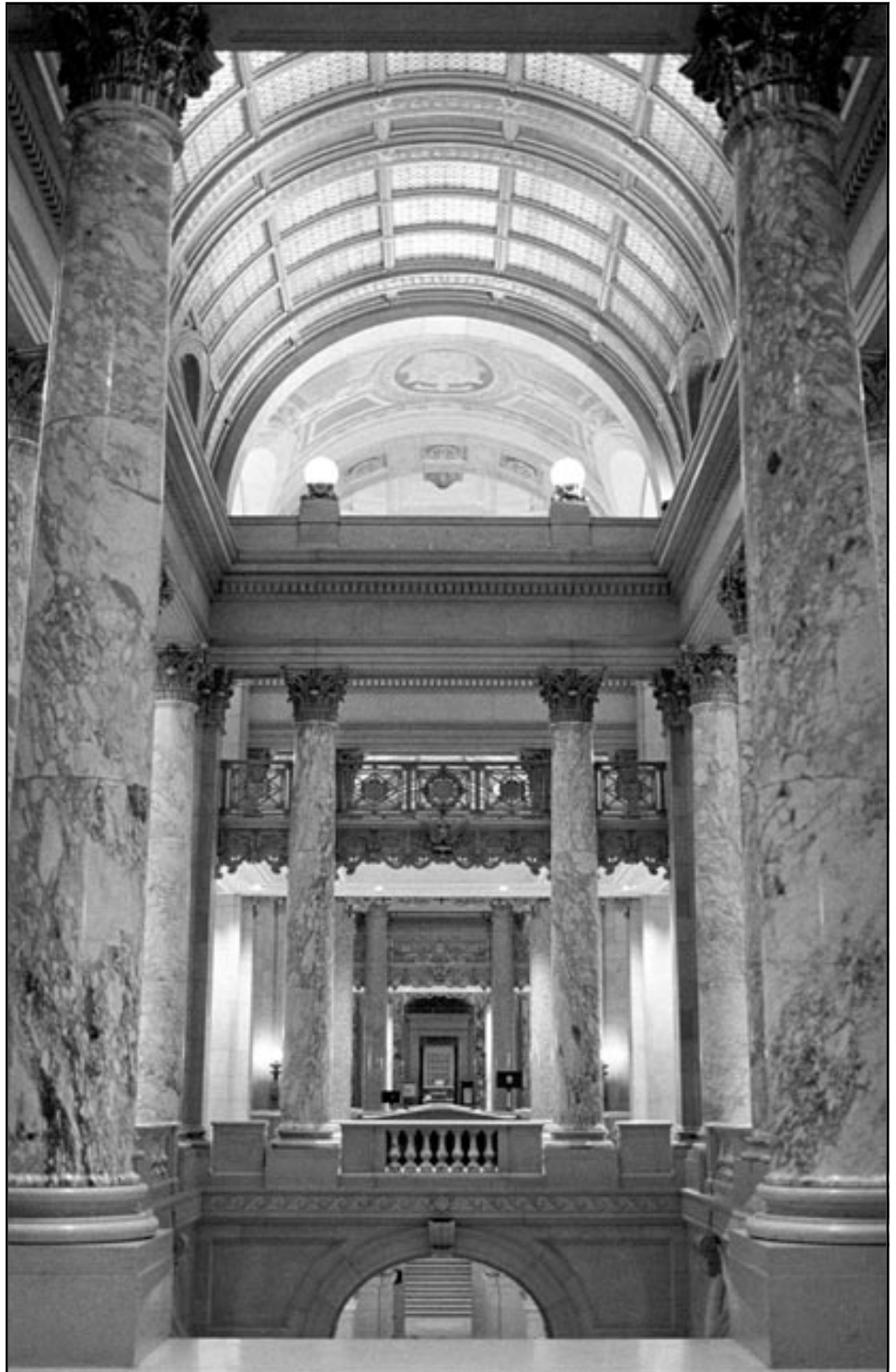
Senate Briefly

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*Photo by Andrea Murrill
A view of the Senate Chamber
entrance from the east wing of
the Capitol.*



February 19, 1999

Senate Highlights

Stud ban repeal okayed

A bill repealing a statewide ban on carbide snowmobile studs was preliminarily approved by the Senate, Mon., Feb. 15. H.F. 6, sponsored by Sen. Leroy Stumpf (DFL-Thief River Falls) maintains the current law passed last session banning the use of studs on paved state trails, but repeals the ban of their use, scheduled to take effect July 1, 1999, on unpaved trails. The bill also eliminates the \$51 sticker fee required this winter for the use of snowmobiles equipped with studs and reduces the penalty for violations of the ban from forfeiture of the snowmobile to a schedule of fines. Stumpf said the bill addresses safety issues as well as the loss of tourism revenue from snowmobilers who have avoided coming to the state because of the ban.

Stumpf said the statewide ban of studs on paved trails could be repealed by counties, who by resolution could vote to allow usage on their county's trails. He offered an amendment to the bill putting in place a fine system similar to the state's civil trespass law, imposing a penalty of \$50 for the first offense, \$300 for the second offense, and \$600 for the third and subsequent offenses. Stumpf said the penalty system was a more

realistic deterrent system than the forfeiture of snowmobiles. He said the penalties imposed are civil citations which means that the fines collected would go to the jurisdiction issuing the citation. The amendment also included language putting in place an appeals process where the recipient of a citation would be able to request a hearing within fifteen days of the violation.

Sen. Becky Lourey (DFL-Kerrick) offered an amendment to the Stumpf amendment allowing snowmobilers to slowly cross over paved trails at the shortest possible crossing or over any portions designated for crossing by the commissioner of the Dept. of Revenue. Lourey's amendment was supported by Stumpf and adopted. The Stumpf amendment passed with a voice vote.

Sen. Steven Morse (DFL-Dakota) said the current law was not established through a faulty process. He said the bill that passed last Session received a proper hearing, and the compromise that was reached in conference committee was establishing the \$51 sticker fee to go toward repair of damage caused by studs. "The current law does not ban studs statewide. What it does is ban the studs on paved state trails and that's basically

what this bill does," Morse said. "The ban everyone is excited about doesn't take effect until July 1 of this next year."

Sen. Dean Johnson (R-Willmar) said the public was confused about whether or not studs were allowed in Minnesota. "I would like to hear the message 'Minnesota repeals the stud ban- welcome to Minnesota,'" Johnson said, "Because if that's not said clearly, there still is the perception that we don't welcome snowmobiles with studs in Minnesota."

Morse said the confusion was not based solely on actions taken by the Legislature. "There's been a lot of demagoguery on this. There is no broad ban on studs in Minnesota that's in place," he said, "The misinformation is out there and I find it ironic that those people who supposedly are advocates of the snowmobile industry have pumped information out early on about this stud ban that's not in effect," Morse said.

He said that Minnesota's paved trail system has been enjoyed by many users in many different communities. "This is a challenge to snowmobilers. We want to see personal responsibility so the trails are not destroyed for the thousands of other people using them for their enjoyment," Morse said.

Stumpf said the issue of paying for damage done to paved trails would be addressed in other legislation. He said quick action was needed on H.F. 6 to help lessen the losses already incurred by the tourism industry. "We need to get the word out that there still is plenty of good snowmobiling in Minnesota, particularly up north," he said.

In other action, the Senate approved the adoption of Permanent Joint Rules of the Senate and House of Representatives. Sen. Ember Reichgott Junge (DFL-New Hope) said Senate Concurrent Resolution 5 establishes gender neutral language, formalizes bill format processes, establishes conference committee rules including a provision that a conference committee cannot meet between the hours of midnight to 7 a.m., and modifies election procedures for regents of the University of Minnesota. Sen. Dave Kleis (R-St. Cloud) offered an amendment prohibiting a conference committee report from appropriating a larger sum of money than either bill or amendments referred to the committee. The rules as written allow an additional appropriation

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if signed jointly by the Speaker of the House of Representatives and the Majority Leader of the Senate. Kleis' amendment failed. Sen. Gen Olson (R-Minnetrista) offered an amendment clarifying language in the election of regents to the University of Minnesota. The original language of the rules said the candidate for each seat who receives a majority of the votes cast was elected. Olson's amendment modified the rule to say that if more than one candidate receives a majority of votes cast for a seat, the candidate with the highest number of votes is elected. The amendment was adopted. The resolution was adopted by a 59-0 vote.

The Senate also approved Senate Concurrent Resolution 6 adopting deadlines for the 1999 Session. Junge said the first deadline is Mar. 19 for committees to act favorably on bills in the house of origin. She said the second deadline is Mar. 31 for committees to act favorably on bills, or companions to bills, that met the deadline in the other house. The deadline for committees to act favorably on omnibus appropriation bills is Apr. 16, Junge said. The resolution was adopted.

Regents elected

Members of the Senate and House of Representatives met in Joint Convention Thurs., Feb. 18, for the purpose of electing members to the University of Minnesota Board of Regents. Earlier, four candidates had been nominated for consideration by the Joint Convention. From the floor Rep. Phyllis Kahn (DFL-Mpls.) placed the name of Julie Bleyhl in nomination for the seat from the 2nd Congressional District. Upon a roll call vote, William Hogan II for the 3rd Congressional District, Anthony Baraga from the 8th Congressional District and Dallas Bohnsack from the 2nd Congressional District were elected. Members then voted on the at-large seat. Rep. Carol Molnau (R-Chaska) placed Bleyhl's name in nomination. However, upon a roll call vote William Peterson was declared elected from the at-large seat.

Rebate bills discussed

The Tax Conference Committee met Tues., Feb. 16 to discuss the Senate and House tax rebate bills. The committee was chaired by Sen. Douglas Johnson

(DFL-Tower) and Rep. Ron Abrams (R-Minnetonka).

The committee heard a comparison of the two bills from Keith Carlson, an analyst from the Senate, and Joel Michael, an analyst from the House. Both analysts agreed there were several technical differences between the two bills other than the sales tax mechanism in the Senate version, and the income tax mechanism in the House version.

Michael said the House rebate provides approximately \$70 million in relief to farmers. He said farmers could apply for a payment equal to \$4 for every acre in which the farmer produced an agricultural crop in 1998. Livestock farmers operating a livestock production facility of less than 160 acres are also eligible for the payment, Michael said. He said farmers are also eligible for a refund equal to the full amount of the May 15, 1999 property tax payment on agricultural land and buildings.

Carlson said that the Senate bill provides approximately a \$47.9 million rebate to farmers. He said crop farmers are eligible for a \$4 cash per certified acre payment toward their property taxes with no acreage limit. He said there is a farm rebate limit of \$4,000 per farmer. Rep. William Kuisle (R-Rochester) that the Senate's attempt to target the farm rebate toward certain farmers was not fair because the status of farm markets is different now than it was in 1997. He said the House plan doesn't attempt to target certain farmers but instead gives an across the board rebate to all farmers. Sen. William Belanger (R-Bloomington) said that if the Legislature could not decide on which farmers needed the most help then "perhaps the market takes care of itself."

There was also disagreement from the two sides on the total amount of the rebate. Abrams said the House rebate, totaling over \$1 billion, could increase depending on the state's February economic forecast. He said the Senate's proposal, which doesn't include money from the tobacco settlement, or money generated from converting \$400 million of capital projects from general fund cash financing to general obligation bonding, totaled \$700 million. Johnson said that the Senate rebate, like the governor's proposal was for over \$1.1 billion. He said that there would be sufficient money for the rebate at the end of the fiscal year

when the rebate checks will be mailed out to taxpayers. He said the Senate wants to continue to work with the administration throughout the process.

Lifetime license bill heard

The Environment and Natural Resources Committee met Weds., Feb. 17 to hear a bill that establishes lifetime game and fish licenses. The committee is chaired by Sen. Bob Lessard (DFL-Int'l. Falls).

Sen. Pat Pariseau (R-Farmington), author of S.F. 4, said the bill establishes lifetime licenses for angling, small game, firearms deer and sporting for residents and non-residents. "This is a concept that has been discussed for many years around the Capitol," she said, "We decided it was the time to take some action."

Pariseau said twenty two states currently offer lifetime hunting and fishing licenses. She said the programs have been very successful and popular in those states with the largest purchasers of the lifetime licenses being grandparents giving a gift to children and grandchildren. She said the cost of a lifetime license in her bill was still being researched but costs in the other states came to around \$250-\$350 per license. She said there has been no negative revenue impact in any of the states offering lifetime licenses, and in many of those states there has been a positive revenue impact.

Dave Sandstrom, from the Ruffed Grouse Society, said a similar program in Oklahoma has increased interest and participation in hunting and fishing in the state. He said because numbers show a decline in the number of 16-17 year olds participating in hunting, his group was "very much in favor" of lifetime licenses.

Ron Heyer, from the Dept. of Natural Resources said the department supports the concept of the bill. He said the department had some concerns regarding the impact on the funding of the Game and Fish Fund. He said a reduction in annual appropriations could mean reduced services. He said the issue of federal funding which is based on the number of licenses sold annually, also needed to be addressed.

The bill was approved and forwarded to the Environment and Agriculture Budget Division.

Committee update

Agriculture and Rural Development Committee

Tax relief bills heard

The Agriculture and Rural Development Committee, chaired by Sen. Dallas Sams (DFL-Staples), met Tues., Feb. 16, to hear several proposals for agricultural property tax relief.

Sen. Kenric Scheevel (R-Preston) authored S.F. 605, which exempts agricultural property, including buildings, except for the house, garage, and one acre of land, from a school district's debt service and referendum levies. The bill also allows farmers to carry back losses for five years and allows farmers to average income for state tax purposes.

Sen. Arlene Lesewski (R-Marshall) presented a similar bill, S.F. 586, and the committee discussed both bills. Lesewski's bill also exempts agricultural land, except for the value of the house, garage, and one acre of land, from the general education levy portion of the local property tax. In addition, the bill adds \$80.3 million in general education aid to replace the lost revenue in fiscal year 2001.

Scheevel said that S.F. 605 is a compilation of elements relating to the farm crisis. There is a perceived lack of equity in the way agricultural land is taxed and the perception has caused a rift between farmers and homeowners, he said.

Sen. Dean Johnson (R-Willmar) asked if the proposed change shifts the tax burden back to commercial and industrial tax. Lesewski said there is a big difference between farmers and industry. She said that manufacturers can pass on any taxes in the cost of the product they sell, but farmers have no control over the prices of agricultural products.

Grand Meadow School Board Chair Polly Glenn told members that she supports the proposed changes in the way agricultural land is taxed. Farm income is low and farmers are concerned that they are being asked to pay out so much for a referendum, said Glenn.

Harold Deacon, who farms near Marshall, Minnesota, said that his taxes have increased 140 percent due to educational funding. He said it isn't right to ask farmers to pay the tax whether the farmer has income or not. "The funding of education is grossly unfair when the burden rests on agriculture," said Deacon.

Scheevel also presented S.F. 790, a bill providing assistance to farmers for crop insurance payments, crop disease research, alternative crops, and farm-to-market initiatives.

Minnesota Farm Bureau Federation President Al Christopherson said the Farm Bureau supports S.F. 605 and S.F. 790. He said that permanent property tax reform is a top priority of the bureau. In many rural school districts, the portion of property taxes on bare agriculture land used for school funding is much higher than other types of property, said Christopherson. Passage of the property tax reform provisions in the bill is very important and will address some of the significant inequities that now exist in school funding in rural Minnesota.

Christopherson said the research provisions in the assistance bill is a very important initiative that needs to be started, continued and expanded. "I am convinced that research cutbacks in the past put us in a position of not being able to respond as soon as needed to the wheat and barley scab problems we now have. Adequate research funding will be a key to the future for agriculture and we need it now," said Christopherson.

No action was taken on the bills.

Children, Families and Learning

U of M regent nominations

Members of the Senate Children, Families and Learning and House Education Policy Committees, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), Sen. LeRoy Stumpf (DFL-Thief River Falls), Sen. Pat Piper (DFL-Austin) and Rep. Harry Mares (R-White Bear Lake), met jointly Tues., Feb. 16, to nominate four University of Minnesota Regent candidates.

Competing for the regent position in the 8th U.S. Congressional District were Anthony Baraga and Fred Friedman. Baraga, recommended by the eighth district caucus for the post, is a radiologist and Hibbing resident. He grew up in Chisholm and studied at the University of Minnesota and the university's medical school between 1958 and 1965. He told the committee members that in order to compete in the next century, professors at the university must be paid more. Friedman, a public defender in the Sixth

Judicial District, is a Cloquet resident. He grew up in Duluth and earned degrees from the University of Minnesota-Duluth and the U of M Law School in Minneapolis. He said in order to compete in the next century, the school must chose specific academic areas in which to excel. Baraga was nominated by a vote of 48 to 8. One vote was also cast for a nominee who did not testify.

Representing the 3rd U.S. Congressional District were Richard Clarke and William Hogan. Clarke, recommended by the third district caucus for the role, is corporate vice president of MTS Systems Corporation and a resident of Plymouth. He grew up in St. Paul and graduated from the U of M with degrees in Mechanical Engineering. Clarke said he wanted to help guide the school into the 21st century. Hogan, the current chair of the Board of Regents, is also chairman and CEO of The Hogan Company in Minneapolis. A Minnetonka resident, he earned several degrees from Oklahoma State University and Southern Methodist University. Hogan said the cost of education must be reduced, and closer ties between administration, faculty and alumni must be fostered. Hogan was nominated by a vote of 44 to 12.

Vying for the regents position from the 2nd U.S. Congressional District were Dallas Bohnsack and Rohlan Larson. Bohnsack, recommended by the second district caucus for the position, is a self-employed farmer and New Prague resident. He also grew up in New Prague and graduated from the university's College of Agriculture in 1960. Bohnsack lauded the various types of research currently being done at the school, and said a focus should be placed on outreach and public service. Larson, a senior partner in the firm of Larson, Allan and Weishair is a Buffalo resident. He grew up in Benson and graduated from the university in 1947 with a Bachelor of Business degree in Accounting. Larson said he wanted an opportunity to "give something back" to the school, and said its greatest challenge is in connecting to the community. Bohnsack was nominated by a vote of 44 to 12.

Contending for the at-large seat were David Johnson and William Peterson. Johnson, a resident of Minneapolis, is currently a chancellor at the University of Minnesota-Morris. He grew up in

Grand Rapids and has earned degrees from Gustavus Adolphus College, the University of Iowa and Harvard University. Johnson said his vision for the university included an emphasis on teaching and research, and also stressed the importance of working cooperatively with other universities in the region. Peterson is currently the secretary-treasurer for the Minnesota AFL-CIO and is a resident of Eagan. He grew up in St. Paul. Peterson said salaries should be raised in order to keep and attract first rate faculty, and also said university representatives should focus on ensuring students come from all regions, population groups and income levels of Minnesota. Peterson was nominated by a vote of 35 to 16. The nominees were sent to the full Legislature.

Early child care report

Members of the Children, Families and Learning Committee, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), Sen. Pat Piper (DFL-Austin) and Sen. LeRoy Stumpf (DFL-Thief River Falls), met Wed., Feb. 17, to hear a report on the interim recommendations for child care in Minnesota from representatives of the Early Child Care and Education Finance Commission.

The commission, made up of 32 business and community leaders, parents, legislators and child care experts, held eight meetings between Aug. 1998 and Jan. 1999 in which members studied current child development research and discussed issues surrounding child care. Robert Caddy, senior director of Western Digital and co-chair of the commission, disclosed the interim recommendations of the commission for the governor and Legislature. He suggested using tax policies (perhaps credits and rebates) to benefit parents who wish to stay at home with their children and to assist families in paying for early child care services, utilizing one time opportunities such as the budget surplus or tobacco settlement to support families and services for children and exploring ways children can receive all appropriate services in a single location each day, with equal access to services and options for all families. He also suggested the Legislature exactly define society's responsibility for supporting a child's development, direct the Minnesota Department of Children, Families and Learning (CFL) to report on

programs that most effectively demonstrate positive outcomes for children and encourage CFL to create a systems integration plan by 2001.

Dr. Blanton Bessinger, director for Child Advocacy and Child Policy for the Minnesota Children's Hospitals and Clinics, provided information regarding early childhood brain research. He said 80 percent of the brain growth of a child is completed by the age of two, and 90 percent is finished by the age of three. He also presented a graph that showed the ability of the brain to change stays virtually the same between the ages of 10 and 70. He said children are born ready to learn, and government spending must be proportioned differently to accommodate that fact.

Don Fraser, co-chair of the commission and former Minneapolis mayor and U.S. Congressman, spoke regarding the importance of early childhood development. Fraser pointed to an assessment of four and five year old children who entered kindergarten in Minneapolis last year. According to the results of the assessment, he said, just over 70 percent of the 1,161 children surveyed were familiar with seven or fewer letters of the alphabet. He said also that one in three of those assessed could not say his or her last name when asked, about one-third did not understand that words on a printed page are read from left to right and top to bottom and 30 percent failed to identify more than half the numbers between 0 and 9. These children, Fraser said, are ill-prepared for school and the K-12 system is "twisted into pretzels" trying to work with them. Fraser said that the primary responsibility in child rearing is the parents, but because many children are not receiving the attention they need, more should be done to support families. Commission representatives and committee members agreed that new and creative solutions to the issues surrounding child development must be found.

In addition to this discussion, the committee also took action on two small bills. Sen. Dean Johnson (R-Willmar) carried S.F. 407, a bill that amends a grant to the McLeod West School District No. 2887. According to Johnson, during the 1998 Legislative session, the district was awarded a \$1 million planning grant for a K-12 school. However since that time, he said, a

special session trimmed the appropriation down to \$500,000 and the district decided to build a grades 7-12 facility instead. S.F. 407 simply changes language in existing law to recognize those changes. The bill was approved and sent to the floor of the Senate.

Sen. Charles Wiger (DFL-No. St. Paul) presented S.F. 370. According to Wiger, the bill provides the North St. Paul-Maplewood-Oakdale School District No. 622 with alternative facilities bonding and levy program authority. Wiger said current law allows districts to bond and levy only when a building is 20 years old and of a certain size, but the District 622 building in question falls just short of the size requirement. He said S.F. 370 gives the district the authority to bond and levy despite missing that requirement. The bill was approved and sent to the Senate floor.

Members also briefly approved several nominations to the Minnesota State Colleges and Universities (MNSCU) Board of Trustees. The appointees are Daniel Coborn, from St. Cloud; W. Andrew Boss, from St. Paul; Michael Nesdahl, from Marshall; Kathleen Caffey, from Loretto; and Mary Choate, from Bloomington.

Commerce

Structured settlements discussed

The Commerce Committee, chaired by Sen. Sam Solon (DFL-Duluth), discussed bills regarding the protection and regulation of structured settlements at its meeting Tues., Feb. 16. The committee also heard a bill to permit a branch bank in Crooked Lake, and a bill relating to funding the Minnesota Comprehensive Health Association.

Sen. Edward Oliver (R-Deephaven) presented S.F. 148, a bill that provides protection of structured settlements. Oliver said structured settlements are payments made by an insurance company over a period of time to an individual who has sustained personal injury or disability. The person may receive a lump sum for a lesser amount. Oliver said the structured settlements must be overseen by a court, particularly if the injured party is a minor.

Oliver said factoring companies seek to purchase these payments made to individuals. The injured party sells his right to future payments in exchange for

Committee update

a sharply discounted lump sum of money. He or she may receive half the amount in a lump sum. He cited the case of a minor from Minneapolis who sold his right to payments for an amount of cash, and soon had dissipated those funds. "This legislation can correct a serious matter," Oliver said. "Illinois, Kentucky and Connecticut have already passed legislation on factoring companies."

David Bracket of Capital Planning, Inc., said he tries to keep in mind the vulnerability of the injured parties who sell their rights to future payments. "Most of the folks I deal with have never had money to manage," he said. He cited the case of the Minneapolis man who sold his structured settlement of \$67,500 for \$13,200. He said the man was brain-injured, and his parents called to see if Bracket's company could do anything.

Randy Dyer, executive director of the National Structured Settlements Trade Association, said factoring companies work with sleight-of-hand tactics. "We believe these kind of abusive practices cry out for legislation," he said. Thomas Countee, executive director of the National Spinal Cord Injury Association, also spoke in favor of the bill. "We're concerned about factoring companies who prey upon the weakest and most vulnerable in our society," he said. "You can and should stop this outrage."

A similar bill, S.F. 640, was presented by Sen. Dave Johnson (DFL-Bloomington). Members decided to work with S.F. 148 and lay over the Johnson bill.

Speaking against the bill were Jerry Soderberg of the National Association of Settlement Purchasers and Robin Shapiro of Singer Asset Finances. Soderberg said the bill gives insurers an absolute veto, even over transactions the courts would otherwise approve. Shapiro agreed there is a need for a regulatory framework, but expressed concern the bill takes away the rights of the injured parties. He said structured settlements may be inherited by a beneficiary or received in a divorce, or a minor may recover and at the age of 21 choose to have a lump sum of money. "Things change in people's lives," he said. He added insurance companies are concerned that factoring companies are going to educate the public about present values of the payments. He said the best interests of the claimant need to be considered. Solon said the bill will be continued for discussion.

Sen. David Ten Eyck (DFL-East Gull Lake) presented S.F. 324, which permits a bank operating its principal office in Crosby to establish and maintain a branch in Crooked Lake Township. Special legislation is required to establish a branch in a township. The act is effective after approval by the Crooked Lake town board.

The bill was recommended to pass and moves to the floor.

Sen. Deanna Wiener (DFL-Eagan) presented S.F. 360, a bill that continues current state funding for the Minnesota Comprehensive Health Association. The bill was approved and re-referred to the Health and Family Security Committee.

Crime Prevention

DWI bill addressed

A bill to lower the DWI per se blood alcohol concentration level from 0.10 to 0.08 was presented at the Crime Prevention meeting Mon., Feb. 15. The committee, chaired by Sen. Allan Spear, heard testimony on S.F. 75, authored by Sen. Leo Foley (DFL-Anoka). The bill lowers the per se standard for hunting while impaired to 0.08, also. Chemical testing laws, the criminal vehicular homicide law and the laws applicable to driving or operating a vehicle or aircraft also reflect the lower per se standard.

"I think this is some of the most significant legislation we have before us this session," Foley said.

Speaking on behalf of the measure, Capt. Mike Asleson of the Minnesota State Patrol said lowering the level to 0.08 will save lives. He cited a test performed on legislative participants, in which the subjects whose alcohol level measured .05, did not believe they were responsible enough to be driving. By the time the alcohol level reached .08, they all felt confident they could drive. "The very first thing to go is judgment," Asleson said.

Karen Sprattler from the Department of Public Safety testified that research shows virtually everyone is impaired at a level of .08. She said France and Germany have concentration levels of .05 for alcohol impairment offenses. James Fell, a research analyst for the National Highway Safety Transportation Administration, said that the publicity going along with a change in alcohol concentration level would help in reducing the number

of intoxicated drivers on the highways. He said the federal government currently offers incentives to states that have adopted the .08 law by providing additional funds for highway construction.

Steve Simon, director of the Minnesota Criminal Justice System DWI Task Force, spoke in favor of S.F. 75. "As a society, we want to tell people they must drink less if they are going to drive," Simon said. Sen. Randy Kelly (DFL-St. Paul) raised a concern about the overcrowding of jails at the local level. He said the system is overburdened now, and by increasing the number of DWI arrests the system will be more overburdened. Simon referred to a study indicating that in general, the misdemeanor offenders receive sanctions other than incarceration in a local jail. Simon said the sanctions take the form of special DWI programs or community work service. He said he did not believe the law will have much of an effect on the jails in Minnesota.

Although drivers can currently be prosecuted for driving at a .08 level if their driving is impaired, Simon said it is difficult to prosecute because juries are aware the legal level for alcohol impairment is .10. Sen. Gary Laidig (R-Stillwater) said the law provides that driving can be impaired at any level. "It is currently a crime for any person to drive under the influence of alcohol," he said. "There is no legal limit in this state. It's nonsense to say we need to reduce the legal limit."

Speaking against the bill, James Farrell, executive director of the Minnesota Licensed Beverage Association, referred to a study in North Carolina taken when the state lowered its impairment level to .08. He said lowering the rate did not appear to lower alcohol-related crashes. "I think the .08 level will impact jail crowding," Farrell said. He cited the fact that officers in Ramsey County currently wait up to four hours in a booking process. "I think there is a wide range of options in what we can do, and I'm not sure that lowering the alcohol impairment level is the way to go," he said.

Adding his voice against the bill was David Knutson, first assistant public defender for the Fourth District. He said if .08 is used for the alcohol impairment level, it will mean more prosecutions. He said the extra prosecutions would result in expenditures of over \$400,000 extra

for public defenders in the next two fiscal years. He added the defenders are already overburdened with cases.

The bill was recommended to pass and referred to the Crime Prevention Budget Division.

Crime Prevention and Judiciary Budget Division

Corrections budget reviewed

Sen. Randy Kelly chaired the Crime Prevention and Judiciary Budget Division meeting Weds., Feb. 17. Division members heard a budget review on the Department of Corrections (DOC).

Sheryl Ramstad-Hvass, the new DOC commissioner, addressed the meeting and said she plans to visit with Legislators individually about their concerns. She said she cares very deeply about youth and recidivism rates for juveniles and adults, as well as having a financially responsible corrections system.

Dennis Benson, deputy commissioner of the DOC, said existing adult correctional facilities are at capacity, and an increasing adult inmate population is projected. He said there is also an increase in court commitments and the system is seeing more violent adult and youth offenders. Benson said the governor recommends additional biennial funding of \$29.637 million above the agency General Fund base level. The funding includes \$3.45 million for asset preservation and repair of state facilities; \$1.3 million for expanding mental health and infirmary units; \$5.554 million for programming, aftercare and other juvenile services; \$4.626 million for technology improvement; \$15 million to maintain correctional service in the community; and \$3.56 million in base reductions from the elimination of the productive day grants program and the judicial district grants program.

Regarding funding for aftercare programs in the community, Kelly asked what kind of partnership the DOC has with counties. Debbie Eng, director of Juvenile Services, said the county currently pays for the cost of confinement. Kelly said he supports aftercare, but is concerned with who should bear costs. "If the child comes out into the community and is unsuccessful and returns to the DOC, it will be more costly for the county," he said.

Benson said the DOC receives non-dedicated revenue, dedicated revenue and federal funds. He explained that the non-dedicated revenue comes from per diem charges to various counties for confinement of juveniles. Counties which contract with the state for provision of juvenile probation and parole services reimburse the state for these services, and these are non-dedicated funds. Benson said dedicated revenue is generated through interagency agreements with state agencies, other governmental units, school districts, out-of-state residential detention facilities, businesses and individuals. He added that the DOC also receives federal grants.

Erik Skon, assistant to the deputy commissioner, cited budget requirements for seven adult facilities operated by the DOC. Funding is required for inmate bed expansion and maintenance of operations. Funding is also needed to open and operate the new 965-bed prison at Rush City, and to provide work clothing for inmates at the Camp Ripley adult work program, according to Skon. He also cited funding needs for health care, educational and administrative services.

Kelly recommended the DOC examine salary costs and look at improvements in the vocational training offered.

Economic Development Budget Division

Tourism budget reviewed

A bill increasing the Minnesota Office of Tourism's advertising and marketing budget was heard by the Economic Development Budget Division, Thurs., Feb. 11. The committee is chaired by Sen. Tracy Beckman (DFL-Bricelyn).

S.F. 389, authored by Sen. Cal Larson (R-Fergus Falls), appropriates \$10 million for the 2000-2001 biennium, doubling the Office of Tourism's current marketing and advertising budget. The bill also provides \$2 million for the redesign, integration, and enhancement of the office's database systems. The governor's budget calls for a \$5 million increase for marketing and advertising for the biennium.

"Tourism is a \$10 billion dollar industry in the state," Larson said, "We get a pretty significant return on our investment." He said that the Mall of America alone draws over 40 million people a year.

Tom Day, from Hospitality Minnesota, said the state's tourism industry operates at a disadvantage with neighboring states. He said the city of Chicago by a three to one margin outspends the state of Minnesota on tourism marketing, and Valleyfair and the State Lottery have bigger advertising budgets than the Office of Tourism.

Rob Buntz, owner of the Bluefin Bay Resort in Tofte, said additional advertising could help the state's tourism industry reach markets they currently can't afford. He said the tourism industry is important to the state's economy. "Tourism is about people, and it's about communities," he said, "Our area is dependent on tourism. It's all we got." Eileen McMahon, president of the St. Paul Convention/Visitors Bureau, said the state has invested much money in infrastructure improvements so it is important to get a return on the investment by stepping up the marketing of the state. "Visitors love our state. It's the real America, clean, friendly, safe. People truly enjoy visiting Minnesota," she said.

The committee also heard S.F. 336, authored by Beckman. The bill expands funding for youth intervention programs by \$1.45 million. "These programs bring together people that usually are not talking to each other," Beckman said, "When this doesn't occur, then kids fall through the cracks."

Scott Beaty, executive director of the Minnesota Youth Intervention Programs Association, said that 91 out of every 100 children served by the programs do not have any further involvement with the legal system. "These programs help keep kids at home and in school so they have a better chance to become educated and get jobs," Beaty said, "It keeps kids out of the justice system and in the community." Nancy LeTourneau, director of the St. Paul Youth Service Bureau, said the additional appropriation provides necessary administrative costs. She said the less time spent on trying to raise money means more time can be devoted to improving services and developing better ways to measure the outcomes of the programs.

No action was taken on either bill.

Budget overviews from the Dept. of Economic Security of the Dept. of Trade and Economic Development (DTED), and Minnesota Technology Inc. were heard, with focus on the programs where

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the governor has proposed cuts.

Earl Wilson, commissioner of Economic Security, said the governor's budget proposal has cut funding for two programs from the department. He said the governor has proposed sunseting the statutory appropriation of \$635,000 per year for enterprise zone grants. Wilson said the program terminates incentive grants given to businesses in Minneapolis, St. Paul, and South St. Paul to create new jobs and to hire and train residents in designated enterprise zones. He said the sunset eliminates an incentive for businesses to create an estimated 122 new jobs each year. The governor has also proposed to transfer an additional \$22 million from the dislocated workers fund to the general fund. Wilson said the transfer is to offset expenditures for dislocated workers in other state programs and to help finance programs that provide services to a broader range of workers. The current transfer is \$7 million over the next biennium. He said because the need for services and program expenditures have remained stable while collections have increased, program services should continue at the current level even with the transfers.

Gary Fields, deputy commissioner of DTED, said the governor's proposed cuts came in pass through grant programs with little associated economic development activity, or that were redundant with other state programs. "The governor tried to eliminate programs that benefited a few at the expense of many," Fields said. The governor's proposed cuts come in a number of the department's programs including Advantage Minnesota, a public/private partnership designed to promote Minnesota's business climate, targeting Canadian and Scandinavian businesses; WomenVenture, which provides grants to women owned businesses or to women seeking to start a business; the Rural Policy and Development Center, a \$2 million endowment with grants available to operate the center and conduct research on rural issues. Fields said other pass through appropriations targeted by the governor for cuts include grants for Agriculture Societies, Micro Enterprise Technical Assistance, the Metropolitan Economic Development Association, the St. Paul Rehabilitation Center, Asian-Pacific Community Development, the Community Development Corporation, and the

Community Resources Program. The total amount the governor is proposing to cut is over \$3.1 million for the next two biennia, Fields said.

Patty Billings, managing director of Minnesota Technologies Inc., a science and technology agency of the state, said the governor has proposed cutting over \$1.9 million per biennium in pass-through grants to the organization. She said affected programs include the Minnesota Inventors Congress, which assists entrepreneurs and inventors in finding information and resources, and the Minnesota Cold Weather Resource Center, which promotes and develops the industries associated with cold weather. Billings said other program cuts include the Natural Resources Research Institute, Minnesota Project Innovation, and the Minnesota Council for Quality.

Appropriation bills discussed

The Economic Development Budget Division met Tues., Feb. 16, to discuss two appropriation bills, and get an overview of the Dept. of Labor and Industry's budget. The committee is chaired by Sen. Tracy Beckman (DFL-Bricelyn).

Sen. Ellen Anderson (DFL-St. Paul), offered S.F. 413, appropriating \$90,000 to the Dept. of Trade and Economic Development (DTED) to make a grant to the Neighborhood Development Center, Inc. (NDC). Anderson said the appropriation continues a successful program. "This is a cost effective program that helps entrepreneurs build successful businesses. It's an example of getting the best use of our economic development dollars," Anderson said.

Mike Tamali, executive director of NDC, said the organization's goal is to help build neighborhood economies from within through small business creation. He said the NDC offers training and financial assistance along with other technical support to businesses owned by community residents. "Our programs help create role models that are very visible in their communities," Tamali said.

Gene Sampson, owner of Big Daddy's Old Kentucky BBQ located in the Union Depot in St. Paul, said the program provided vital technical support to his business. He said he started off as a street vendor in St. Paul, and now has over 40 employees. "The food business is a difficult business to succeed in. You have to have a product people want to

buy and you have to know how to manage your food inventory," Sampson said, "Basically what the NDC has done for me is provide technical support that helped our business. They helped me develop a business plan, and opened up so much more to me," he said.

Beckman said that he thought the program was a good idea. "The governor has shown an interest in helping the film and tourism industries in the state. This is an example of a smaller program that seems to be working," he said.

No action was taken on the bill.

Sen. Steven Novak (DFL-New Brighton), author of S.F. 514, said the bill appropriates \$3.4 million over the next biennium to the Minnesota Labor Interpretive Center (MLIC). Novak said the appropriation is necessary to fund programs and to assist the organization in its process of moving into the Science Museum's old location.

Tom Sersha, executive director of the MLIC said the center offers a variety of programs that help educate the public to the history and future of workers in Minnesota. He said the appropriation allows the MLIC to continue its exhibits, theatrical plays, seminars, forums, conferences, art shows, and lectures.

Russell Fridley, senior program advisor for MLIC, said the governor is proposing to eliminate the center, and merge its activities into the Minnesota Historical Society. The governor has proposed an appropriation of \$110,000 in F.Y. 2000 to help in the transition. Fridley said the MLIC did not have the opportunity to discuss its budget with the governor. Novak said he was discouraged by the governor's lack of seeking input in the decision to eliminate the program. "This is one of the number of decisions made apparently without discussions with the policy makers of the departments," he said.

Novak said the process in developing the MLIC had been methodical and responsible. "This isn't something we dreamt up yesterday," he said. He said legislation was needed to eliminate the MLIC, and he had not seen such legislation thus far. He said the bill thus addresses a statute that may be changed but he felt should not be changed. "Along the way the governor will see that politics is different than wrestling. In politics, you don't always know who's going to win the fight before it begins,"

he said.

Sen. Randy Kelly (DFL-St. Paul) said because the governor could line item veto any appropriation passed by the Legislature, discussions with the governor's office were needed to determine how the budget decisions were made. "In all fairness, the governor made it very clear when he was campaigning that he believed the state should not be in the business of economic development," Kelly said.

The committee next heard an overview of the Dept. of Labor and Industry's budget. Commissioner Gretchen Maglich said the agency was responsible for compliance with workplace statutes and rules in the state. She said the mission of the department was to foster a safe, efficient, and productive working environment for the 2.5 million workers and 150,000 businesses in the state.

Maglich said in working with the Dept. of Finance on the agency's budget, focus was placed upon programs funded out of the general fund. She said the governor has recommended reducing funding for the department's Apprenticeship Program by \$1.3 million. She said the department looked for other ways to fund the program.

Roslyn Wade, a deputy commissioner from the department, said the agency was proposing funding the apprenticeship program by requiring a \$150 registration fee. Sen. Steven Murphy (DFL-Red Wing) said he had participated in the apprenticeship program and was disappointed in the governor's proposed elimination. "There is no way the governor's objectives can be met with his budget numbers," Murphy said, "He's not going to fool anyone on this committee. This state does an excellent job of taking care of apprenticeships. The governor has made one huge mistake here."

Sen. Linda Higgins (DFL-Mpls.) said the apprenticeship program should be looked at as an extension of the focus of moving people off welfare and into good paying jobs.

Beckman said he wanted to work with the governor in addressing the issues raised. "I agree with the governor that government should only do what is critical and important. But there is nothing more important than the apprenticeship program. We need to work with the governor on some of the holes in the budget" he said.

Election Laws

Gift ban discussed

Modifications to the ban on gifts from lobbyists and principals were considered at the Wed., Feb. 17, meeting of the Election Laws Committee. Sen. John Marty (DFL-Roseville) chairs the committee.

Discussion resumed on S.F. 516, authored by Sen. Linda Scheid (DFL-Brooklyn Park). The committee is currently considering an amendment to the bill, which makes several changes to the ethics in government statute. The provision of the amendment dealing with gifts by lobbyists and principals was the focus of discussion.

David Schultz, president, Common Cause Minnesota, told members that he opposed the entire amendment on procedural and substantive grounds. Shultz said he did not support a relaxation of the gift ban. "There is no need to make any changes in the gift ban law," he said. In addition, there was an attempt to push the bill through the committee without a chance for public input, said Schultz.

Shultz told members "This is a camel's nose under the tent. There could be a cumulative effect. The current law is unambiguous and shields the legislators from the appearance of impropriety", he said.

Jane McWilliams, League of Women Voters of Minnesota, said the league urges the committee to use extreme care in considering any changes to the gift ban. The gift ban removes the appearance that special consideration is afforded to those who convey gifts, said McWilliams. The public is very sensitive to potential undue influence, she said.

Center of the American Experiment Executive Director Mitch Pearlstein, said he has "more than enough faith in the leaders of the state to trust they won't forsake the oath of the office over the offer of a Swedish meatball." Members should use a common sense approach when determining how to change the gift ban law, Pearlstein said.

Wade Russell, a constituent from District 62, said he read the article about Marty in the morning newspaper and felt like he should attend the hearing and testify. He said he sees no problem keeping the gift ban law the way it is. "It's not about the cookies or the coffee, and you know that," Russell said. "It's just

not proper and it doesn't look good," he added.

Sen. Mark Ourada (R-Buffalo), author of the amendment, said media rhetoric suggests that the amendment abolishes the gift ban. "That's not true. We are just allowing a cup of coffee," said Ourada.

Marty spent part of the meeting addressing concerns outlined in a letter he received from Sen. Ember Reichgott Junge (DFL-New Hope) and Ourada. Marty said his handling of the bill reflects his concern about how the bill will be amended. The gift ban issue is significant enough to be handled as a separate bill, said Marty.

Junge said the discussion has been very constructive. "In the end, our goals are the same and we are not far apart on the issue," said Junge.

Ourada offered an amendment incorporating federal gift ban language, which defines the conditions under which a gift to a Legislator is and is not acceptable. The motion prevailed and the bill was laid over for further discussion.

Environment and Natural Resources

Emission test bills heard

The Environment and Natural Resources Committee heard four bills Mon., Feb. 15, proposing to eliminate the state's emissions testing of Metropolitan Area automobiles. The committee is chaired by Sen. Bob Lessard (DFL-Int'l Falls).

The chief authors of the four bills, Sen. Douglas Johnson (DFL-Tower), Sen. James Metzen (DFL-South St. Paul), Sen. Steve Murphy (DFL-Red Wing), and Sen. Pat Parisseau (R-Farmington), said the bills eliminate the testing of carbon monoxide levels of Minnesota automobiles because the state's air quality has improved since the testing began in 1991. Johnson said that as he traveled the state over the summer and fall, the proposed elimination of the emissions test was widely supported wherever he went. He said the original law requiring emissions testing was amended in 1995 to exclude cars that were less than five years old. "The current law is a discriminatory program," Johnson said, "It puts a mandatory fee on lower and middle income Minnesotans with no exemptions."

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Metzen said the Legislature proposes hundreds of bills every session but rarely revisits laws to measure their effectiveness. "People are speaking up out there for less government, and less interference," he said. He said eliminating the emission testing would save Minnesota taxpayers over \$8 million a year.

Murphy said he had more calls for the elimination of testing from people in Hastings, the only constituents of his affected by the testing requirement, than any other issue. "The program worked well at the beginning but over a period of time we have attained reductions," he said, "We can do more for air quality by proposing a good mass transportation program."

Sen. Steven Morse (DFL-Dakota) asked if there was any hard data available confirming that the majority of Minnesotans support eliminating emissions testing. He said a recent Decision Resources poll showed 74 percent of the state's residents were for keeping the program, and even the governor's informal web page survey showed 63 percent of respondents were against eliminating emissions testing. Morse said that the testing was useful in measuring air toxics other than carbon monoxide and that mobile sources are still the largest source of air pollutants in terms of sources of health risks. Johnson said the intent of the original law as to deal strictly with the carbon monoxide issue.

Sen. Ellen Anderson (DFL-St. Paul) said that even if the original goal had been met, additional information was needed to determine the impact of emissions testing on health issues before she could support eliminating the testing all together. She said she hadn't received any calls from her constituents concerning the testing other than a few complaints from people who want a testing center in St. Paul rather than just in the suburbs.

Huel Scherrer, an engineer from the American Society of Mechanical Engineers, and Dave Kittelson, an engineer from the University of Minnesota, spoke about a study they conducted measuring the effectiveness of emissions testing in the Twin Cities. Their study concludes that there has been a steady decrease in carbon monoxide levels since 1987, with no measurable change in the pattern after annual emission tests began in 1991.

Scherrer said measurement of carbon monoxide concentrations show that reductions are being achieved due to cleaner cars with improved emission control systems. He said no additional reduction in carbon monoxide levels has been obtained through the vehicle inspection programs, and that the study showed that only 1.3 percent of air improvement can be credited to the testing. "An emissions test is neither a legitimate or reproducible measure of a vehicle's emissions," Scherrer said. He said that cars can fail to pass at one site and pass at another with no repairs or adjustments made.

Kittelson said reducing pollution from industrial sources should have more focus than vehicle emissions testing. He said that one individual industrial source in St. Paul Park has emitted 500,000 tons of carbon monoxide since 1988. "We have spent thirty years trying improve air quality. Let's spend money on things that work," he said.

No action was taken on any of the bills.

Environment and Agriculture Budget Division

Reports presented

The Dept. of Agriculture presented the findings of several reports at the Thurs., Feb. 11, meeting of the Environment and Agriculture Budget Division. Sen. Steven Morse (DFL-Dakota) chairs the committee.

Agronomy and Plant Protection Division Director Greg Buzicky discussed results of a study examining the need and feasibility of a certification program for noncommercial manure applicators. Noncommercial applicators are defined as persons who apply manure and do not receive payment for the activity. Buzicky said the department recommends the development of a voluntary Noncommercial Applicator Certification Program to be implemented as a pilot program with a subsequent evaluation component and report to the Legislature. He said the pilot program should be targeted to limited geographic areas such as a watershed boundary so that participation and effectiveness can be evaluated.

Buzicky also said the pilot program should be coordinated with the development of the Commercial Manure

Licensing Program and the adoption of the revised feedlot rules. The pilot program should be available to all farmers, regardless of the size or type of their operation, he said.

Fred Mitchell, director, Dept. of Agriculture Dairy and Food Inspection, reviewed the Apple Cider Pasteurization Alternatives Research Project. Mitchell told members the FDA requires that a warning statement appear on the label or a sign be displayed at the point of purchase for unpasteurized juices, due to the increase in the number of consumer illnesses associated with unpasteurized juice products. The intent of the research project is to find ways to assist Minnesota apple processors in achieving the FDA required 100,000 fold reduction in numbers of microbes present in unpasteurized cider in a cost effective manner, while retaining the desired quality of unheated juice or cider, and eliminating the need for the FDA warning statement, said Mitchell.

University of Minnesota Dept. of Food Science and Nutrition Associate Professor Bill Schafer said the research project will investigate two methods of reducing the number of microbes as potential alternatives to traditional heat pasteurization. Schafer said the first method uses ozone to wash and disinfect whole apples and processing equipment and possibly a very low level treatment of the juice itself, if needed. The second method is a freeze-thawing of apple juice with acidity control followed by refrigerated storage and possibly low heat treatment, if needed, he said. After both methods are tested, recommendations will be made for commercialization, said Schafer.

Becky Leschner, budget director, Dept. of Agriculture, reviewed the FY 2000-01 budget request of the department, which includes \$10.2 million for new initiatives. Leschner said the budget also provides for an open appropriation of up to \$63.6 million for ethanol producer payments. The mission of the department is to protect public health and safety regarding food and agricultural products; to provide consumer protection regarding product quality and content; and to ensure orderly commerce in agricultural and food products. The department seeks to work toward a diverse agricultural industry that is both economically profitable and environmentally sustainable, Leschner said.

One of the budget increase initiatives is for export certification and pest detection and management, said Don Stoddard, Dept. of Agriculture. Stoddard told members that increased trade has significantly elevated the risk from invasive exotic pests. Some invasive species are already established locally in Minnesota and control methods need to be developed to prevent their migration, he said. The Agronomy and Plant Protection Division, which has responsibility for controlling invasive and quarantine pests proposes to increase resources to protect against invasive pests and increase the inspection of nursery stock, said Stoddard.

BWSR's budget discussed

The Environment and Agriculture Budget Division met Mon., Feb. 15, to hear an overview of the Board of Water and Soil Resources (BWSR) budget. The meeting was chaired by Sen. Steven Morse (DFL-Dakota).

Ron Harnack, executive director of BWSR, said the agency was an effective partnership between the state and local government. "Our mission is to help local units of government manage and conserve their soil and water resources by providing financial, technical, and administrative assistance," Harnack said.

He said that approximately \$28 million or 78 percent of BWSR's budget passes through to local governments as grants. He said the agency's grant programs have been effective in helping local units of government develop and implement resource protection plans. As an example he cited the agency's Reinvest in Minnesota Reserve Program (RIM). "RIM is administered through local soil and water conservation districts and has enrolled over 81,000 acres since 1986," he said. Harnack said that the governor has recommended that RIM administrative costs be moved from the capital budget to the general fund to avoid unnecessary interest costs. The governor also has proposed funding an administrative services director and a grants coordinator position.

Harnack said that during the 1998-1999 biennium, BWSR began an information resource management initiative to integrate the agency's databases in order to provide greater access to the agency's information, and information on soil and water conservation practices and

projects conducted in the state. The governor has proposed continuing the initiative with over \$1 million appropriated over the 2000-2001 biennium. "This will help us better understand the outcomes of what we have achieved through our water quality measurements," he said.

Harnack said the agency's proposed base of \$36 million over the biennium is the same amount recommended by the governor.

Agriculture budget overview

Increased fees are needed to continue to provide effective food inspection services, the Environment and Agriculture Budget Division was told Tues., Feb. 16. The hearing was chaired by Sen. Steven Morse (DFL-Dakota).

As part of the Dept. of Agriculture's budget overview, Fred Mitchell, director of the Dairy and Food Inspection Division, and Bill Krueger, director of the Laboratory Services Division, said that along with a proposed \$450,000 general fund increase to the Dairy and Food Services Protection Services Program, the department is proposing adding a \$75 fee on its Certificate of Free Sale. Mitchell said the certificates are issued by food inspectors to companies to provide the export of dairy and food products. Krueger said that incidents like the recent Listeria outbreak in milk products are increasing. "Five years ago we would see an outbreak every six months," Krueger said. "Now they are occurring on a monthly basis. The globalization of pathogens are challenging our limited resources at the department. I'm forced to admit we are no longer able to provide adequate protection for citizens of the state," he said. Mitchell said the increased funding would help the department restore services by hiring five food inspectors and two food inspector supervisors.

Overviews of programs from other areas of the department were also given to the committee. Dan Stoddard, assistant director of the Agronomy and Plant Protection Division, said the infestation of plant pests like the gypsy moth, the Japanese beetle and the Asian long-horned beetle, continue to increase in the state. He said adding staff would aid in the state's inspection processes. Dharma Sreenivasam, supervisor of the Plant Pest Survey Program, said that an

increase in the number of field personnel would help the department collect and distribute pest management information in a more timely manner.

Mary Hanks, supervisor of the Energy and Sustainable Agriculture said the Environmental Protection Agency's enforcement of the Food Quality Protection Act, which was implemented to limit pesticide residues in food, means that some pesticides currently in use, will no longer be available in the near future. She said this means that integrated pest management, which combines pesticide use with other pest control techniques, will become more and more important.

Greg Buzicky, director of the Agronomy and Plant Protection Division, said the department's voluntary incident cleanup programs, in which regulated clientele reimburses the state for cleanup costs have been a model nationwide. He said the department is requesting additional superfund funding of \$120,000 for the biennium to address program demands.

Manure digester bill discussed

Members of the Environment and Agriculture Budget Division, chaired by Sen. Steven Morse (DFL-Dakota), met Wed., Feb. 17, to discuss two bills.

Sen. Dan Stevens (R-Mora) carried S.F. 57, a bill relating to manure digesters. Stevens said the bill provides loans of up to \$200,000 to any Minnesota resident for demonstration projects of new technology for processing manure and odor control. A total of \$2 million is appropriated from the general fund to finance the loans. The bill also provides incentives for the purchase of energy from manure waste methane recovery systems and poultry litter. Stevens said it makes sense for the state to make the financial investment called for in the bill. He said the bill not only provides incentives to use manure to generate electricity, but burning the manure also provides a solution for the odor and other environmental problems that stem from feedlots.

Providing some concerns regarding S.F. 57 was Brian Elliot, a representative from the Clean Water Action Alliance. Elliott said the bill should not be approved until more is known about the environmental effects of the combustion of poultry litter. Burning poultry litter may contaminate the air, he said, which

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may in turn contaminate the water supply. He also cited a University of Minnesota study that reported larger manure digesters may have trouble achieving a high enough temperature to burn manure and litter in a cold climate. Winter burning in Minnesota, he suggested, may not be feasible. Some Senators raised questions regarding Elliott's concerns and some also wondered if the \$200,000 loans would only help the largest Minnesota farms. Because more discussion was necessary, S.F. 57 was laid over to be addressed again at a later meeting.

Sen. Charles Wiger (DFL-North St. Paul) offered S.F. 614, a bill that appropriates money for a regional trail around White Bear Lake. Specifically, the bill allocates from the general fund \$750,000 to the Ramsey County Board of Commissioners and \$750,000 to the Washington County Board of Commissioners to cooperatively acquire land for and to develop all or parts of a non-motorized, paved route around the lake. The bill also earmarks \$75,000 to the Ramsey County Board of Commissioners and \$75,000 to the Washington County Board of Commissioners to cooperatively develop a plan for the trail.

Testifying in favor of the bill was Dorian Grilley, executive director of the Minnesota Parks and Trail Council. Grilley said a paved trail is necessary to enhance the safety of the area. He said the area around the lake is popular among pedestrians and bikers, and several deaths on the road near the lake in recent years can be blamed on the lack of a proper lake route. Senators raised questions concerning the amount of money the counties and cities involved are willing to provide, and asked if the project could be completed in stages. S.F. 614 was laid over because more discussion is necessary and will also be presented again at a later meeting.

The meeting also featured a report on the Agricultural Utilization Research Institute (AURI). Edgar Olson, executive director of the institute, said the mission of the organization is to foster long term economic benefit through increased agriculture related business and employment opportunities to rural Minnesota. With four offices throughout the state, he said this goal is accomplished by identifying and expanding existing markets for new or existing

commodities, ingredients and products, developing more efficient natural resource saving production practices and developing new uses or improvements for Minnesota agricultural commodities. He said AURI partners with farmers, small businesses, state agencies and commodities groups.

Dr. Edward Wene, a scientist specializing in microbiology and industrial agriculture products with AURI, provided information regarding the AURI sponsored Minnesota Poplar Project. Wene said through the project, which exemplifies agricultural innovation initiatives in which AURI is involved, AURI partners with various businesses in Minnesota to cross breed several kinds of trees. Using land owned by the businesses on various sites throughout the state, he said, the goals of the program include improving wood yield, winter hardiness and disease resistance through tree breeding, developing best practices for growing trees as a crop on agricultural land and testing hybrid cottonwood in product applications. Wene said 10,000 new crosses have been produced over the duration of the project.

David Bartholomay, deputy director of AURI, provided examples of alternative agricultural products the organization has helped market and test. He showed the members samples of a type of cat litter made from wheat, ice cream made with oats (no milk) and a skin lotion—called “Soysoft”—made from soy beans.

Family and Early Childhood Education Budget Division

Budget overview

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Tues., Feb. 16, to hear an overview of Gov. Ventura's 2000-01 budget.

Stephanie Andrews, finance agency coordinator within the Minnesota Department of Finance, reported the governor was guided by three principles when making budget decisions. She said he wanted to be fiscally conservative and prudent, do the right things and do them well and provide incentives for desirable behavior. Andrews also said the governor is seeking to accomplish six goals through the budget. She said he is trying to provide tax relief, ensure the best

public education, invest tobacco lawsuit funds wisely, continuously reform state government, use technology to improve services to citizens and make limited investments to improve Minnesota communities. Andrews stated that two-thirds of the available new dollars are returned to Minnesota taxpayers in the budget. This includes, she said, a 1999 tax rebate totaling \$1.087 billion as well as \$1.372 billion in additional tax cuts over the next two years.

Andrews also provided information regarding the sources and destinations of general fund dollars. She said for every dollar collected in the state's general fund, 47 cents comes from income taxes, 31 cents from sales taxes, 6 cents from corporate taxes, 4 cents from motor vehicle taxes, 2 cents from liquor and tobacco taxes, 1 cent from annual tobacco settlement payments, 5 cents from other miscellaneous taxes and 4 cents from all other fees and charges. As far as spending the general fund money, Andrews said 33 cents out of every dollar will go to K-12 education, 23 cents to health and human services, 13 cents for property tax aids and credits, 11 cents to higher education, 5 cents for the criminal justice system, 3 cents for debt service, 3 cents to the state government, 2 cents for families and children, 2 cents for transportation, 2 cents for the environment and natural resources, 2 cents for economic development and 1 cent for other dedicated spending.

Deb Bednarz, executive budget officer for the finance department, explained the budget as it relates to family and early childhood education spending. She said the governor has allocated \$467.669 million in the budget for family and early childhood education spending for the fiscal years 2000 and 2001, which is an increase from the previous budget of 23.9 percent. This includes, she said, a \$103.4 million increase from 1998-99 in funding for Minnesota Family Investment Program (MFIP) Child Care, as well as a \$1 million per year increase in the existing after school enrichment program and a \$1.5 million yearly increase to the early childhood screening program. The new spending also calls for \$200,000 to be set aside for state armories that offer youth programming. Bednarz also reported that special one time supplemental funding from the previous budget for several existing programs were

removed from this budget. The removed funding, she said, consists of \$300,000 for transitional housing programs, \$300,000 for emergency services grants, \$250,000 for Head Start/Early Childhood and Family Education (ECFE) grants, \$3.25 million for Basic Sliding Fee Child Care and \$100,000 for lead hazard reduction. Bednarz said there were some changes this year relating to the formula that helps compute funding for family and early childhood spending. She said 1998 legislation altered the levy to aid mix in the ECFE, Community Education and Adult Basic Education programs, but did not effect the overall revenue for the programs. It simply, she said, increased state aid and reduced the local levy. Bednarz also said a change was made in determining the statutory base adjustment for family and early childhood programs. She said in the past, prior year funding was used as a starting point for budget deliberations, but this year, forecast data and statutory aid formulas were used instead. Bednarz said the change was meant to reflect what she termed the governor's truth in budgeting principle.

Governmental Operations and Veterans

Y2K bill advances

The Governmental Operations and Veterans Committee, chaired by Sen. James Metzen (DFL-South St. Paul), met Wed., Feb. 17, to discuss a bill relating to potential problems arising from the Year 2000 computer problem.

Sen. Steve Kelely (DFL-Hopkins) authored S.F. 2, which enables state and local governmental units to respond quickly and flexibly to problems resulting from the inability of many computers and programs to recognize the year 2000. Kelley said the bill requires mandatory reporting on Y2K compliance by various state departments and public utilities in order to track readiness. The reports, due June 1, Sept. 1, and Dec. 1, enable risk assessments to be done in time to remedy potential problems, said Kelley. Providing accurate information to the public will reduce the reaction and overreaction to the potential problem, he said.

Kelley said the bill also provides civil immunity for certain organizations and governmental entities for collecting and publishing information relating to solving

Y2K problems. He said an example is if a hospital that had more resources had already developed solutions to Y2K problems and wanted to share the information with a smaller hospital, the immunity provision in the bill removes any legal inhibitions.

Sen. Deanna Wiener (DFL-Eagan) asked why the bill provides no interest loans for local governments instead of requiring the local units to obtain their own loans. Kelley said that the situation is different in each municipality. Some local units of government have the cash reserves to deal with the problem, others don't, he said. The Y2K Task Force developed the list of concerns addressed in the bill, with an emphasis on correcting the problem and implementing contingency plans, said Kelley. The no interest loan was a suggestion of the task force, he said. Weiner moved that a 4.5 percent interest rate be attached to the loan. The motion was adopted.

Sen. Lawrence Pogemiller (DFL-Mpls.) said he was uncomfortable with language in the bill enabling the governor to declare a peacetime emergency in a time of technological hazard. He said that hazard implies potential for a problem, not an actual problem. Pogemiller moved that the language be changed to a technological failure or malfunction. The motion was adopted.

The bill was recommended to pass and forwarded to the Governmental Operations Budget Division.

The remainder of the meeting was spent discussing the recent Supreme Court decision declaring unconstitutional Minnesota's law allowing Administrative Law Judges the authority to decide child support matters. The Supreme Court ruling stated that the statute violated the separation of powers doctrine by infringing on the District Court's original jurisdiction by creating a tribunal which is not inferior to the District Court and by permitting child support officers to engage in the practice of law.

Chief Administrative Law Judge Kenneth Nickolai told members the Office of Administrative Hearings was created in 1975 by the Legislature to establish a nonbiased fact finding process and give the public a system for resolving disputes with state and local governments.

Bruce Johnson, assistant chief administrative law judge, told members that the Office of Administrative Hearings has

been performing child support hearings for 11 years. Removing the function from the office will have fiscal consequences and will slow down the child support hearing process, he said. Johnson listed several options for dealing with Supreme Court decision, the most viable being moving the Office of Administrative Hearings from the executive branch to the judicial branch of government or leaving the system the way it is currently, and have a district judge sign off on all the child support rulings.

Governmental Operations Budget Division

Vets' Affairs Budgets reviewed

The Governmental Operations Budget Division, chaired by Sen. Leonard Price (DFL-Woodbury), met Thurs., Feb. 11, to review the budgets of military and veterans organizations.

Carl Goodermont, representative of the Military Order of the Purple Heart, told members that the order is a congressionally chartered veterans organization authorized to represent veterans, dependents, widows, and orphans with Dept. of Veterans Affairs claims. The organization is made up of combat-wounded veterans from all wars, he said.

Goodermont said the success of the organization can be measured by the number of veterans represented before the U.S. Dept. of Veterans Affairs, and currently that number is 1,205. The biennial budget request of \$40,000 enables the organization to continue to provide quality services to the veterans of the state, he said.

The purpose of the Veterans of Foreign Wars (VFW) is fraternal, patriotic, historical, and educational, said Tom Hanson, director VFW Claims Office. The organization serves as attorneys-in-fact for veterans, their dependents, widows, and orphans in securing funds and services to which they are entitled, said Hanson. In addition, the organization provides hospital representatives to the V.A. Medical Center in Minneapolis and representation in front of the Court of Veterans Appeals, he said.

As veterans age they experience increasing health and disability problems, creating an increase in the demand for the services of the VFW, Hanson said. Services will be provided to an estimated

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93,686 veterans and dependents annually in FY 2000-01, he said. The VFW requests a state budget appropriation of \$41,000 annually.

Michael Pugliese, Disabled American Veterans (DAV), said the mission of the organization is to build better lives for all of the nation's disabled veterans and their families. To carry out the mission, the DAV provides free professional assistance to veterans and their families in obtaining benefits and services earned through military service, said Pugliese.

During the next biennium, it is anticipated that there will be a greater demand for services from the DAV because of the increasing age of veterans, said Pugliese. The DAV also anticipates a rise in the cost of providing services, because of the high volume of transportation services that are provided to assist veterans in obtaining medical care at the V.A. Medical Centers, he said. The DAV seeks an appropriation of \$13,000 annually to supplement the federal appropriation the organization receives.

Dept. of Veterans Affairs Deputy Commissioner Jeff Olson said that the mission of the department is to serve veterans, their dependents and survivors in securing benefits provided by federal and state laws. The department seeks to ensure that the basic needs of veterans and their dependents in temporary hardship will be met; veterans and their dependents do not live in poverty; veterans will be able to provide a stable environment for their children; and that veterans will have the skills for lifelong learning and good citizenship.

Olson presented the budget request for \$4.3 million and told members that staffing for the guardianship program will be increased to allow the department to serve more individuals who otherwise may end up being institutionalized at a greater cost to the state. Currently, 120 clients are being served in the guardianship program, he said. With the increase staff, the department expects to serve 50 additional clients.

Arts, Lottery budgets reviewed

The budgets of the State Arts Board and the State Lottery were reviewed by members of the Governmental Operations Budget Division Tues., Feb. 16. The committee is chaired by Sen. Leonard Price (DFL-Woodbury).

State Arts Board Member Ellis Bullock

said that the board promotes the quality of life in Minnesota by making the arts accessible to all citizens, nurturing creative activities, encouraging the development of innovative forms of artistic expression, and preserving the diverse artistic heritage of the people. Direct funding and services are provided to individual artists, schools, arts organizations, colleges and universities, communities, and sponsor groups which provide arts activities to serve the people of the state, he said.

Mark Turner, chair, Regional Arts Council Forum, Staples, told members that the Arts Board serves as the fiscal agent for 11 Regional Arts Councils that comprise a statewide decentralized regranting system. The councils provide grants and support services to sustain and encourage a diverse range of local arts activities. Turner said the decentralized decision-making process is more of a grass roots effort, with decisions being made on the local level.

Booker referred to the board as a conduit for information. He said some of the ways in which the board is helping to bridge communities to the arts include the Arts Board website; technical assistance provided by the board; workshops; media updates; publications; roundtable discussions; public meetings; and accessibility training.

Among the programs sponsored by the board are the Arts in Education program; Artist Assistance program; Folk Arts program; and the Art in Public Places program, said Booker. The newest program of the board is the Arts Across Minnesota program, he said. The program supports special celebrations of Minnesota culture, heritage, arts, and community by funding arts festivals and tours in every region of the state.

Director George Andersen presented the budget review of the Minnesota State Lottery. Anderson said the lottery's mission is to provide secure gaming opportunities designed to maximize public participation and acceptance, within the guidelines provided by statute. The lottery offers a wide range of paper and electronic gaming options designed to appeal to a variety of the state's citizens and visitors, he said. New games are continuously under development, with themes and styles varied to keep pace with changes in player preferences in the market place, said Andersen.

Anderson said in FY 99 sales are projected to be \$370 million, with projected state revenues of \$82 million. Of the state revenues, \$57 million goes to the general fund; \$22 million to the Environmental and Natural Resources Trust Fund; and \$2.4 million to the Dept. of Human Services for compulsive gambling programs.

Auditor, DOER budgets reviewed

Budget overviews were presented for the Office of the State Auditor and the Dept. of Employee Relations at the Wed., Feb. 17, meeting of the Governmental Operations Budget Division. Sen. Leonard Price (DFL-Woodbury) chairs the division.

State Auditor Judith Dutcher presented the proposed budget of the Office of the State Auditor. Dutcher told members that the office is a constitutional office which serves as a watchdog for Minnesota taxpayers and helps to assure integrity, accountability, and cost-effectiveness in government throughout the state. The office performs approximately 250 audits per year and has oversight responsibilities for 4,300 local units of government throughout the state, said Dutcher. Through reports and research, the office helps local governments find new ways to provide essential services more economically and efficiently, so the local units may respond to growing needs with limited financial resources.

The biennial budget proposal of \$20.1 million includes funding for the divisions of audit practice, special investigations, government information, pension oversight, the office operations, and monitoring tax increment financing, said Dutcher. She said that because many of the services provided by the office are performed on a fee for service basis, approximately 81 percent of the office costs are recovered.

The budget proposal includes funding for several new staff positions and funding for salary adjustments that will make the auditor salaries more competitive with private sector salaries, said Dutcher. The audit division conducts financial and compliance audits of local governments throughout the state, she said. The division is experiencing significant turnover in audit staff due to labor shortages and active recruitment by other employers, said Dutcher. The attrition rate among auditors has been 50

percent over the last four years, she said. Funding increases are imperative to reduce the public-private gap for entry level salaries and for retention of current staff, Dutcher said.

Matthew Lindemann, director of the Government Information Division, said the division collects uniform financial data from over 2,700 local governments and compiles it into statewide databases. The data, which is then made available through published reports and on the Internet, enables citizens, local officials and state policymakers to assess the financial condition of local governments, said Lindemann. The budget request for additional staff includes two full time and one half time position to help meet the current technology needs, for which the office is understaffed.

The Dept. of Employee Relations budget overview was presented by Kathy Burek, assistant commissioner. In opening remarks, Commissioner Karen Carpenter told members that the department serves as the central human resource agency, including personnel administration and labor relations, for the executive branch of the government. The department manages the state employee management human resource payroll system in conjunction with the Dept. of Finance, she said. The Dept. of Employee Relations also operates the insurance and workers' compensation programs for state employees, as well as employee insurance benefit plans for participating public and private employers, Carpenter said.

The remainder of the budget overview will be presented at the next meeting of the Division.

Health and Family Security

Revenue Maximization

Members of the Health and Family Security and Human Resources Finance Committees, co-chaired by Sen. John Hottinger (DFL-Mankato) and Sen. Linda Berglin (DFL-Mpls.), met jointly Thurs., Feb. 11, to hear a report regarding federal revenue maximization in Minnesota.

Peter McLaughlin, vice-chair of the Hennepin County Board of Commissioners, defined federal revenue maximization in this case as an effort by the state to obtain an appropriate share of federal tax reimbursement dollars for the state and

counties in the state in the areas of health care and social services. He said Minnesota is not currently receiving as high a percentage of federal reimbursements as many other states, and as a result, state taxes are higher here than in many other states. McLaughlin said federal revenue maximization must be pursued in order to stabilize state and local taxes, contain state and local costs, better meet the needs of state citizens and ensure that state and local services are delivered efficiently.

In order to explore federal revenue maximization, representatives from Hennepin and Blue Earth County--with cooperation from the Minnesota Department of Human Services--contracted with the independent consulting firm of Copeland, Glenn and Associates, Inc. to study human service financing issues in those counties. Jamie Halpern, manager of Collaborative Financing in the Hennepin County Human Service Department, discussed the results of that study. Halpern said Minnesotans currently get back 78 cents for every dollar they spend in federal taxes, a figure which ranks the state 44th among the 50 states. A decade ago, he said, Minnesotans received 95 cents back. Halpern said the goal of the maximization study was to discover if it was possible to capture additional federal reimbursements by enhancing the funding structure of Minnesota's Medical Assistance program without undoing current agreements between counties and the state. According to the results, he said that although the specific dollar amounts mentioned in the final report could not be guaranteed, the state could, in fact, find ways to receive more federal funding. He said Minnesota counties could receive up to an estimated \$60 million of additional funds annually, while Hennepin and Blue Earth Counties could receive up to \$20 million and \$600,000 in additional federal funds respectively. He said the state--independent of the counties--could receive an estimated amount of between \$30 and \$60 million in additional federal funds annually.

Linda Glenn, a partner in the consulting firm, discussed what could be done in order to obtain the additional federal funds. Among other things, she said the state should establish a Medical Assistance capitated payment for billing treatment services provided in out of

home children's group care, create a new Targeted Case Management category for Vulnerable Adults and broaden the definitions of services and persons qualified to provide the services in the State's Personal Care Medicaid program. For counties, she recommended establishing county billing for services provided to county clients and insuring that federal block grants are moved into categories of services and clients that are ineligible for Medicaid reimbursement. She also recommended counties refuse to accept risk under the Collaborative or Disability Pilot for at least two full years after actual enrollment begins, and until reasonable rates--including full reimbursement of all eligible services, inclusion of all state, local and federal costs for groups in the rate and a bundled rate that is fully loaded with all overhead and administrative costs--have been included. Glenn said that there are not any major holes in Minnesota's current federal reimbursement process, but added if those holes are not fixed, the state could be missing out on \$1 billion of federal reimbursement in the long term.

Many Senators pointed out that any additional federal funds acquired in the future would not simply be "free money." Although recommendations to receive the additional funds were given, they pointed out that it would cost money in the county and the state system to implement the recommendations--costs which, they said, will ultimately be shouldered by the same taxpayers the changes will benefit.

Endowment fund bill heard

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Tues., Feb. 16, to discuss S.F. 253, a bill relating to the use of tobacco settlement funds.

Carried by Sen. Roger Moe (DFL-Erskine), S.F. 253 establishes three endowment funds--the medical and research endowment fund, the children's endowment fund and the tobacco endowment fund--which are to be created through a portion of the payments made to the state from the recent tobacco settlement. The funds from the settlement are to be paid between the time period of Jan. 2000 and 2003. Moe said by the year 2003, payments from the settlement will provide \$353 million for

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the medical education and research endowment fund, \$301 million for the children's endowment fund and \$655 million for the tobacco prevention endowment fund. Moe said the endowments are part of a long term plan designed to help prevent the next generation of children from becoming addicted to smoking. He said the tobacco settlement represents a "once in a lifetime" opportunity, and that the test of the Legislature this year is in finding the best ways to utilize the money received. S.F. 253, he said, will do nothing less than save lives and reduce health care costs.

Testifying in favor of S.F. 253 was Dr. Anne Joseph, a physician at the VA Medical Center and president of the Minnesota Smoke Free Coalition. Joseph said 31 percent of all 12th grade students in the state smoke cigarettes weekly. She also reported that 52 percent of males between the ages of 21 and 25 in Hennepin County smoke weekly. Many will eventually contract diseases such as lung cancer and emphysema, she said, and since cures for the diseases are rare, reducing tobacco use among Minnesota's youth is a critical issue.

Dr. Cheryl Perry, professor in the Division of Epidemiology at the University of Minnesota's School of Public Health, also testified in favor of the bill. Perry, who has been involved in smoking prevention for 22 years, said youth prevention programs are necessary because the majority of smokers begin at an early age. She said 82 percent of smokers begin before age 18 and two-thirds of those who start go on to become daily smokers. She also said one out of every three teens who smoke will die prematurely from smoking related causes.

Also speaking was Dr. Robert Wilson, president-elect of the American Heart Association. Wilson supported the general concepts surrounding S.F. 253, but said more emphasis should be placed on research and development. He said he does not see the mechanisms that are necessary to separate education funding from research, and that more thought needs to be given regarding which organizations are best suited to receive research directed funds. He said he would like to see a legacy of world class medicine in Minnesota, which is a goal that can only be accomplished with the proper funding of research.

Many Senators had questions regarding the organization of the bill. Sen. Sheila Kiscaden (R-Rochester) stated she thought the bill should include language that directs more money to research.

Also, Sen. Martha Robertson (R-Minnetonka) said she was not comfortable approving the bill at this point due to funding questions and considerations. Although supporting the theme of the bill, she said more work should be done before any final decision is made.

Moe said he had no problem dealing with S.F. 253 in additional hearings. Calling the subject of utilizing the tobacco settlement funds perhaps the biggest issue of this session, he said as much time as is necessary should be taken to draft the best bill possible. He said he hopes to create a structure with some flexibility in order to give the Legislature something with which to work. S.F. 253 was laid over, and will be heard again at future meetings.

Health and Family Security Budget Division

Budget overviews

Members of the Health and Family Security Budget Division, chaired by Sen. Don Samuelson (DFL-Brainerd), met Tues., Feb. 16, to hear brief health and human services budget overviews.

Roberta Opheim, ombudsperson for Mental Health and Mental Retardation, discussed the proposals relating to the agency in the 2000-01 budget. Opheim said the governor has requested a \$93,000 increase to the agency's base budget funding for each year of the biennium. She said the extra funding enables the agency to maintain a status quo, because without it, employees or services will have to be cut. Opheim also said the governor has recommended for the agency a deficit funding of \$36,000 in 1999. According to information provided, the extra money is meant to ensure that quality advocacy services in the areas of mental health and mental retardation are available state wide and to make it possible for consumers of health care services to realize the efficiencies of coordination among ombudsman offices.

Anne Hill, the Ombudsperson for Families, reported on the activities of the agency. Hill said the primary focus of the

agency is to monitor child placement activities, respond to complaints about the child welfare system and to recommend various actions to counties regarding certain child welfare cases and issues. Dwight Peterson, executive budget officer within the Minnesota Department of Finance, discussed the specifics of the budget proposal for the families agency. Peterson said the office will receive funding through a transfer from the Minnesota Department of Human Services of \$92,000 each year of the biennium, as well as base level general fund appropriations of \$166,000 in fiscal year 2000 and \$171,000 in fiscal year 2001. He said the governor also recommended a biennial increase in the base budget of \$60,000-\$30,000 for each year-for the addition of an administrative support position in the office.

Minnesota Veterans Home Board representative Stephen O'Conner discussed the budget proposal as it related to the Home Board. O'Conner said the purpose of the board is to provide nursing care for veteran's and their spouses in five homes across the state-the most recent of which was built in Fergus Falls in 1998. He reported that there are three important recommendations made in the governor's budget. The first recommendation, he said, calls for an increase to the agency's general fund budget of \$229,000 in fiscal year 1999 and \$362,000 in fiscal year 2000 to offset revenue losses while emergency repairs are being made to the Luverne home. The repairs, he said, are necessary to eliminate a mold contamination found in the walls of the building. Second, he said, the governor calls for a total of \$2.8 million for repair and replacement funds in order to maintain the five state homes. O'Conner said repairs are especially needed in the Minneapolis building, which was built in 1887 and is listed on the National Historic Register. Third, O'Conner said the governor recommended additional funding of \$1.67 million to allow the full operation of the new Fergus Falls Veterans Home.

Clell Hemphill, executive director of the Minnesota State Council on Disability, spoke regarding the Disability Council. He reported no budget increases except for those covering rent and staffing. Hemphill did mention, however, that the council is concerned about the increase in the senior population and

with rural transportation for people with disabilities.

Emergency Medical Services Regulatory Board Executive Director Mary Hedges provided budget information regarding the agency. The budget for EMS in 2000 is set at \$3.8 million, but Hedges said the governor has recommended an increase in 2000 to \$4.1 million and an increase in 2001 to \$4.5 million. She said 60 percent of the EMS budget is funded through grants. Hedges also said the governor recommends funding to develop and maintain an EMS data reporting system to produce an evaluation process for the direction of EMS in Minnesota. She also mentioned a \$10 fee the board is considering charging people for EMS certification. Some Senators questioned using the fee, since those who do become certified usually volunteer their time.

Higher Education Budget Division

MnSCU budget presented

Members of the Higher Education Budget Division heard a presentation of the Minnesota State College and University (MnSCU) budget at the division meeting Tues., Feb. 16. The division is chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls).

Morrie Anderson, chancellor of MnSCU, said Minnesota's success is not an accident. He said the state has a wonderful economic base and is known for its work force. He said good government on the forefront of change can work hand-in-hand with a diverse economy and strong education system. Anderson said MnSCU is offering services to a changing student population. Students are increasingly part-time and older. "Thirty-eight percent of our students are over age 29," he said. He stated that an increasing number of students are working and going to school, rather than going to school and working. A large percentage of students are taking non-credit classes. "These characteristics require us to change our programs to meet students' diverse needs," he said.

Anderson added that 56 percent of small businesses can't find an adequate number of workers, and Minnesota needs 90,000 more technical workers than are currently available.

Anderson said MnSCU's new approaches to students feature continuous lifelong learning; flexibility; focus on achievement; and faculty as facilitators, mentors and partners.

A look at the diversity of learning offered at area educational institutions was presented. Jim Bensen, president of Bemidji State University, spoke of several research projects the university is involved with. He said 25 projects across the state are affiliated with Bemidji State. He said Sebeka has three new companies with 100 new jobs, and MnSCU has been a part of the industry growth. He added that Bemidji State won first place in the nation for its on-line writing lab, created by the English department. "People are the engine, and education is the fuel," Bensen said.

Sharon Grossbach, president of Hennepin Technical College, said the school's philosophy is to partner. "We view ourselves as a learning store, because learning never ends. It's a lifelong event. You return to us, like going to a department store," she said. She said the college trains students for entry level positions as well as providing career retraining. She said Hennepin Tech serves hundreds of small companies, as well as large businesses such as 3M. The school is a major partner with work force centers.

Anderson said the total request from MnSCU for state funds for FY 99-2000 is \$230.6 million, and the governor's recommendation is \$121.3 million. Anderson said the growing number of non-credit and part-time students increase costs. He said the full-year equivalency does not capture what is actually happening. Stumpf said he does not believe the Legislature should be funding enrollment loss.

"We seem to be locked in a system that is out-of-step," said Sen. Sheila Kiscaden (R-Rochester). "We have fundamental policy changes we need to look at this year. We need to look at a system for the future."

Jobs, Energy and Community Development

Corporate subsidies examined

The Jobs, Energy and Community Development Committee met Thurs. Feb. 11 to discuss a report and a bill

relating to corporate subsidies. Sen. Steven Novak (DFL-New Brighton) chaired the committee.

Greg LeRoy, director of Good Jobs First, a project of the Institute of Taxation and Economic Policy, presented findings from a report recently completed for the project. Using data from the Minnesota Dept. of Trade and Economic Development (DTED), the report shows that much of the \$176 million spent in economic development loans, grants, and tax increment financing (TIF) has led to high costs and low wages. LeRoy said that the analysis shows that there has also been an absence of standards to ensure that job subsidies produce an effective return on taxpayers' investment.

He said 38 of the projects examined were projected at \$100,000 or more per job created. 31 out of those 38 deals involved TIF money, Leroy said. Sen. Linda Runbeck (R-Circle Pines) questioned whether it was fair to analyze those projects based on job creation since many of the projects could have involved job retention. LeRoy said that the state's reporting requirements, which he said were the best in the nation, didn't collect job retention statistics.

He said that while 30.7 percent of Minnesotans earn \$10 an hour or less, exactly two thirds of the jobs projected in the economic development projects called for wages in that range. He said although the unemployment rate has dropped, the number of Minnesotans receiving food stamps has only recently started to decline, and the number of Medicaid recipients has risen by more than a third. Sen. Arlene Lesewski (R-Marshall) said the Medicaid statistic was not an accurate wage indicator since many senior citizens receive Medicaid.

LeRoy said the report calls for standards to be set to address some of the problems. He said one such standard would be to require the wage floor be set at 85 percent of the county/industry standard. This would require a job created in a subsidized project to pay at least 85 percent of what identical jobs in the same region pay, he said.

In talking with local economic development officials, LeRoy said he rarely heard concern about "interstate bidding wars" where states compete with each other to put together projects to entice a relocation of a business. He said the greater concern was with "intrastate"

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competition where Minnesota cities bid against one another with no economic benefit to the state. He said another recommended standard would prohibit making economic development deals on intrastate corporate relocation projects.

Sen. John Hottinger (DFL-Mankato), offered S.F. 607, a bill regulating local and state business subsidies by requiring more information before subsidies are approved. Hottinger said his bill, which he called a work in progress, addresses many issues raised in the Jobs First report.

"With many of these subsidies we invest, we hope, and we pray that we don't regret it," Hottinger said, "There needs to be some up-front standards." He said the bill requires a business subsidy agreement to include a description and statement of public purpose of the subsidy, to outline the goals and financial obligation of the recipient if the goals are not met, and a statement of why the subsidy is needed. He said there should also be a mechanism put in place to recover public dollars when goals and objectives are not met.

"When a form for MnCare is more detailed than an application a business does for a subsidy, that's nuts," Hottinger said. He said the \$176 million spent on economic development projects examined in LeRoy's report was more than what the state spends on early childcare programs. "There needs to be accountability, information available on an ongoing basis. We need to know the return on our tax investments," he said.

S.F. 607 also requires that the author of a bill relating to new, or an expansion of existing tax expenditures, prepare a statement of public purpose in addition to estimates of impact analysis before a committee hearing on the bill. Hottinger said that subsidies should focus at least as much on retaining jobs as much as they do on creating new ones. "We all have seen the story in the newspaper that says, 'Senator supports legislation for project that will create new jobs,' but we seldom see the second story that says it didn't work," he said.

Bernie Brommer, president of the Minnesota AFL-CIO, spoke in support of the bill. Brommer said the AFL-CIO has historically supported the importance of government's role in economic development. "Anti-government and anti-regulation feelings are prevalent in our society, much of it coming from the

corporate community," he said. He said with the chief executive officer of the state calling for more personal accountability, the same should be expected of businesses.

Brommer said he supported the bill's requirement of more accountability and disclosure from corporations receiving subsidies, and that there needs to be follow up to see if wage and job goals are actually met.

The committee took no action on the bill.

Worker safety bill heard

A bill providing civil remedies outside the workers' compensation system for injured employees, and the descendants of employees killed on the job, was heard by the Jobs, Energy and Community Development Committee, Tues., Feb. 16. The committee is chaired by Sen. Steven Novak (DFL-New Brighton).

S.F. 295, authored by Sen. John Marty (DFL-Roseville), allows workers injured on the job, and descendants of workers killed on the job, to seek damages in court if the employer knowingly violated a safety law, rule, standard, or ordinance, and the violation was a substantial contributing cause of the injury or death. Marty said the focus of the bill is to provide incentives to companies to prevent accidents from occurring, rather than punishing them after the fact. "Workers comp is about benefits, this bill is about making the workplace safer," he said.

Novak said he could think of no other issue that has had as complicated a history in the Legislature than workers compensation. "I think it's helpful to air issues like this one on a complicated subject," he said.

Margaret Randel, whose son Patrick was killed in a workplace accident, said following her son's death, the family collected only \$7,500, the maximum amount allowed under the current workers' compensation system. She said the dollar amount was determined on the wages her son was making, and because he left behind no dependents. "S.F. 295 is about human life, it is not about money," Randel said, "A company that knowingly violates safety rules should be held accountable."

Randel said that on June 9, 1998 Patrick was on his ninth day working for Buffalo Bituminous, a construction

company out of Buffalo, Minnesota. She said her son was sent down into a manhole with no oxygen where he suffocated and was unable to be revived. "A child is the most important thing a parent has and we lost the most important thing in our life," she said.

Laura Waldon, a friend of Patrick Randel, said the Legislature has the "power to save lives." She said the state's safety laws should have prevented the accident but didn't. "If the company had followed the law, my friend would still be alive. We should punish companies who violate laws and give incentives to those who follow safety standards," she said.

Marty said in other areas of law, such as those concerning DWI violations, a person is held accountable for deaths caused by their actions. He said employers should be held to the same standard. "This doesn't affect companies not breaking the law," he said. "It helps them because they are the ones paying into the system. Fewer accidents means the less their workers' compensation bills will be."

Sen. Mark Ourada (R-Buffalo), who represents the Randel's district said, "Sen. Marty is to be commended for trying to improve the existing law."

Mary Schmaltz, an Elk River woman who lost her son, Marty, to a work related automobile accident, said the company that employed her son was found to be in violation of several state laws. She said her son had been hired by Metro Home Insulation as an installer and was put behind the wheel of a commercial vehicle he was not old enough to drive. She said the Dept. of Transportation found the company violated several laws and rules including failing to assemble her son's driver qualifications; failing to systematically maintain vehicles controlled by carrier; and employing a driver in intrastate transportation who was under 18 years old. She said the company was not fined but given 45 days to correct the violations, and that workers' compensation laws forbid her to seek legal action unless she can prove the company intended to kill her son. "I don't understand this. They clearly broke the law and because they broke the law, my only son was taken from me," she said.

Beth Hargarten, an attorney from the Dept. of Labor and Industry, said the state's workers' compensation laws were

written to be similar to other states. She said the basis for most workers' compensation law is to establish a system outside the court system, to handle workers' claims against companies. She said because no fault provisions were the basis for the law, to allow more individual rights would cause great changes to the current system. She said the best way to deal with improving safety issues is through OSHA, but a stiffer fine system is needed.

Sen. Ellen Anderson (DFL-St. Paul) asked what action was going to be taken on the bill after the committee hearing. She said she was concerned that if the committee didn't act on the bill that it would not return back to the committee. "There are lots of reasons we should be looking at this," Anderson said, "The current system is not doing its job. It's not providing enough of a deterrent for companies."

Novak said the bill would be sent to the Workers Compensation Advisory Council. He said the Legislature had established the council to make recommendations on legislation dealing with workers' compensation issues.

Bernard Brommer, president of the AFL-CIO, and a member of the Advisory Council said he thought the council would take a look at the bill but because a majority vote is needed to recommend action, he was not confident about the council advising passage of the legislation. "I don't want anyone here to anticipate that this will come back from the Advisory Council," he said.

Tom Hesse, from the Minnesota Chamber of Commerce, also a member of the Advisory Council, said the council would discuss the bill. "We don't have a closed mind to this issue. We will address it," he said.

Judiciary

Bill reorganizes juvenile code

Sen. Jane Ranum (DFL-Mpls.) presented S.F. 184, a bill recodifying the juvenile code, to the Judiciary Committee at its meeting Wed., Feb. 15. The meeting is chaired by Ranum.

Ranum said the bill reorganizes the juvenile code and other laws relating to child protection and child welfare services, and creates separate areas of law dealing with child protection and delinquency. She offered an author's

amendment that addresses all unintended corrections made in the bill. The amendment was adopted.

Robert Kittel, Revisor's Office, said the bill clarifies what is truly child protection and what is clearly juvenile delinquency. He said the bill does not change any substance of the original code. The bill was approved and re-referred to the Crime Prevention Committee.

Sen. Steve Kelley (DFL-Hopkins) offered S.F. 299, a bill relating to Y2K liability. The bill limits the liability of the state and municipalities for certain claims involving Year 2000 problems. According to Kelley, the bill provides that the state or a municipality will not be liable for a Year 2000 claim if the state or municipality identifies the problem that gave rise to the claim; makes reasonable efforts to correct the problem or mitigate its effects; and files a disclosure of the potential problem with the Department of Administration by July 1, 1999.

He cited as an example a street light that does not function properly because of a Y2K problem. If the city in which the light is located discloses the problem and makes efforts to repair it, the city is immune from liability. He said he also made provisions in the bill for a cooling off period, so that lawyers will not be sitting and waiting for a problem to surface.

Sen. Sheila Kiscaden (R-Rochester) said she wonders if it is possible for small towns to know in advance if they have computer chip problems. She also questioned whether consumers know if items they have purchased may have Y2K problems.

Kelly said the bill narrows liability. "My assumption is that a city has already prioritized its systems. If problems that could give risk to people are not identified by July of this year, the city should be liable," he said. Kelley added that risks of liability are not very great at lower levels that do not pose health and safety risks. He said some states have passed blanket immunization for government agencies, but he did not agree with that.

Jerry Hendrickson, assistant city attorney for the city of St. Paul, said his office supports the bill. "St. Paul has been working on Y2K for some time, and we have really focused on it the past several months. We feel this bill is very helpful," he said.

Sen. Thomas Neuville (R-Northfield) expressed concern about Y2K problems with items that may have been forgotten or not considered.

Kent Sulem, staff attorney and Y2K coordinator with the League of Minnesota Cities, said the League views the bill as a strong incentive to keep working on Y2K. He added that in spite of prevention, Y2K problems may still occur and need to be prioritized.

Ranum said discussion will continue on the bill.

Economic loss statute discussed

The Joint Senate Judiciary and House Civil Law Committee, chaired by Sen. Jane Ranum (DFL-Mpls.), met Mon., Feb. 15, and discussed the economic loss statute. The statute differentiates between what is and what is not recoverable in tort. "A distinction is based on whether goods or other property is damaged," said Kathy Pontius, Senate counsel. She said the current statute was enacted in 1991 as a response to a specific case.

The statute says that economic loss arising from a sale of goods that is due to damage to tangible property other than the goods sold may be recovered in tort as well as in contract, but economic loss arising from a sale of goods between parties who are each merchants in goods of the kind is not recoverable in tort. A part of the statute specifies that the law isn't to be interpreted to bar tort causes of action based upon fraud or fraudulent or intentional misrepresentation or limit remedies for those actions.

Prof. Dan Kleinberger from the William Mitchell School of Law spoke in favor of revision of the statute. He said the possibilities include leaving the law as it is, and just clarifying the language; changing the scope of the law; or changing fundamental policy decisions. He cited the example of a buyer purchasing a heater which malfunctions and burns down a barn. "There are not many remedies, as a buyer," he said. "The barn burning down is consequential damage and is not covered."

Prof. Linda Rusch, Hamline Law School, said that no matter what is done, the current statute is so confusing it has the possibilities of creating all kinds of litigation. She said the statute is hard to understand on its own unless one knows the background of cases. She said there is

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also imprecision of what economic loss is. "What if there is personal injury suffered?" she asked. She said there is a conflict in cases between federal and state courts. Kleinberger added that the statute is in a tug of war between federal and state judges.

Beth Kadoun, representing the Minnesota Business Partnership, said she believes the statute needs to be rewritten in its entirety to avoid future litigation. She said her association is putting together a revised draft of the statute.

Attorney Tom Marshall, Minnesota Defense Lawyers, said the economic loss doctrine does not deal with personal injury. It refers to the sale of goods, especially where damage occurs to other property. He said those who work with economic loss understand it, but others don't understand what is going on.

Marcus Marsh, Minnesota Association of Farm Mutual Insurance Companies, Inc., said the association pushed to get the statute passed. "If you do nothing with the statute, it's okay with us," he said. He said his organization has some concern with the Minnesota Business Partnership redraft, but will be happy to discuss issues in detail. "We feel the statute as a general statement has served the public well," he said.

Ranum suggested the law professors do a critique of the current redraft proposed by the businesses. Rep. Steve Smith (R-Mound) said he sees a need to proceed, and asked to see the proposed redraft as soon as possible.

Utility customer privacy heard

Sen. Sheila Kiscaden (R-Rochester) presented a bill providing data privacy for certain public utility customers to the Judiciary Subcommittee on Data Privacy and Information Policy Weds., Feb. 17. The subcommittee is chaired by Sen. Don Betzold (DFL-Fridley).

Kiscaden said the bill, S.F. 212, classifies data on customers of municipal utilities as private or nonpublic data. She offered an author's amendment specifying the data could be released to law enforcement agencies that need access to the data in connection with an investigation, or to schools that need the data to compile pupil census data. The amendment was adopted.

Kiscaden said she proposed the bill because she has received complaints from constituents regarding information about

them being passed on to telemarketers. She referred to a customer of Rochester Public Utilities who moved to Minnesota from Iowa and specified he did not want his name or address given out. He soon began receiving telemarketing calls, and he learned the telemarketers had gotten his name and phone number from the utility company.

Mary Tomkins, customer services manager for Rochester Public Utilities, said she is responsible for handing out names. She said she receives weekly complaints from customers. She stated that about 15 businesses request customer information monthly, and she is required to give it out. "We would like the opportunity to get the customer's permission before we give the information out," she said.

Andrew Brewer, government relations director, said Rochester Public Utilities has been the brunt of nasty letters to the editor for releasing information the company is required to release. He said insurance agents, telemarketers and realtors obtain information they can't get anywhere else. "Rochester Utilities has to turn over unpublished phone numbers," he said, "and I'm concerned the situation will get worse."

Speaking against the bill was Mark Anfinson, attorney for the Minnesota Newspaper Association. "If the government collects data, it's public," he said. He added that there is no evidence stalkers get their information from data bases. He said customer data has been public for years and years, and that a few complaints about telemarketers should not change the law so easily. He cited a Pioneer Press article that was written about possible contaminated water in the homes of daycare providers. He said the information on the story was gathered from a data base of a public utility. "This bill will end this type of story," he said. He added that newspaper reporters also use data obtained from public utilities to verify a person being written about is indeed the correct person.

Kiscaden offered an amendment on behalf of the Metropolitan Council that allows the Council access to customer data for purposes of population and household estimates and rate equity studies, but withdrew the amendment. At Kiscaden's request, the bill was laid over.

Anne Barry, chair of the Information Policy Task Force, provided members

with a task force report. The report's recommendations included providing more education and assistance to government entities in order to effectively deal with the proper disposition of government records, and limiting the authority of local government bodies to make decisions about disseminations of not public government data. Barry said it is important that the public has access to information it needs, at the same time recognizing some information needs to be kept private.

Betzold presented a bill, S.F. 653, that codifies a temporary data classification of the Department of Administration relating to sites where the Pollution Control Agency is studying the cause of malformation in frogs. The data would be nonpublic until the agency determines that it will not investigate or has completed its investigation at a particular site. Betzold said the concern in making the sites public is that people may visit them and collect frogs. He said the information will be released to the public at a later date. The subcommittee approved the language in the bill but the measure was laid over to become the omnibus bill.

Betzold also sponsored S.F. 552, a bill that requires the Revisor of Statutes to reorganize the Government Data Practices Act to create a structure that provides users with quick access to laws within the act and locates references to laws outside of the act. The bill also amends the Data Practices Act to require responsible authorities in government entities to prepare an annual list that identifies all statutes governing that entity for which data are collected or used.

Tom Deans, legal counsel for the School Board Association, expressed concern that every small school district would be required to send an annual report. Members amended the bill to limit the reporting to state agencies. The bill was approved and referred to the full Judiciary Committee.

S.F. 654, authored by Betzold, contains a provision authorizing the dissemination of private personnel data to the Department of Economic Security for purposes of processing claims for unemployment benefits. A portion of the bill clarifies the classification of data obtained from the inspection of financial records of a school in connection with an inspection by the

Higher Education Services Office. Another provision of the bill authorizes the sharing of social security numbers and federal identification numbers maintained by a county or city assessor with the county auditor or treasurer of the same county for the purpose of assisting the Commissioner of Revenue in the preparation of microdata samples.

Members moved the language in the bill be incorporated in the omnibus bill, S.F. 653. The motion was adopted.

K-12 Education Budget Division

High school league discussed

The K-12 Education Budget Division met Tues., Feb. 16, to discuss two bills that propose changes in the State High School League. The committee is chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

Sen. Don Betzold (DFL-Fridley) authored S.F. 390, which proposes several changes in the league statute. Betzold told members the bill was drafted as the result of the last audit of the league and makes the changes recommended by the auditor. One of the proposed changes provides that the four year terms of board members begin on August 1 and end on July 31, said Betzold. The change allows the terms to be more aligned with the school year, he said. The proposal also prohibits full-time state employees, school district employees, and any full-time employees of other political subdivisions of the state from receiving per diem.

Another provision of the bill requires the Revisor of Statutes to recodify the league eligibility rules, Betzold said. Jackie Rofholt, member, State High School League Board, said that recodification has been discussed for many years. The rules are difficult to understand and there is a need to eliminate the vagueness of the rules, she said.

Bob Meeks, Minnesota School Board Association, told members that as a member of the league, he thinks the changes are unnecessary. He said that any cost incurred by the league due to the proposed changes would ultimately be passed on to the local districts.

Sen. Martha Robertson (R-Minnetonka) suggested that both bills relating to the State High School League

be discussed at the same time. The second bill proposing changes to the league, S.F. 771, is sponsored by Sen. David Knutson (R-Burnsville). Knutson said that although both bills are a result of the audit report, the auditor did not recommend any major changes at this time. The auditor recommends more input from the Dept. of Children, Families and Learning on league rules and that the role of the ombudsperson be clearly defined, said Knutson.

State High School League Board President Dwight Lundeen spoke in favor of S.F. 771. He said that the board supports the bill and that proposed changes will correct the concerns listed by the auditor.

Pogemiller moved that sections of S.F. 390 and S.F. 377 relating to board terms and purchasing guidelines be recommended for inclusion in the K-12 omnibus bill. In addition, Pogemiller moved that sections in S.F. 390 relating to dues and events revenue, examination of league activities by the Dept. of Children, Families and Learning, recodification, and transition of the board terms be recommended for inclusion in the K-12 omnibus bill. The motion was adopted.

Betzold also offered S.F. 435, a bill creating an equalized discretionary aid and levy for deferred maintenance purposes. Betzold said the bill allows a school district to qualify for discretionary revenue if the district does not qualify for the alternative facilities program and the average age of the district's facilities is 30 years or more. Betzold said some districts are at the bonding limit and have been unable to keep up with the maintenance on aging buildings. The bill was laid over for further discussion.

A bill extending the levy for retired employee benefits is offered by Sen. Jerry Janezich (DFL-Chisholm). The bill, S.F. 570, continues the levy to pay for health insurance or unreimbursed medical expenses for licensed and nonlicensed employees who have terminated services in the employing district and withdrawn from active teaching or other active service. Janezich said the statute has been in place since 1991 and affects over 100 school districts in the state. Ron Dicklich, representing the Hibbing School District, told members that the school districts are saddled with the cost of the benefits and that cost keeps rising.

If they levy authority is not extended, the districts will have to replace the funds with general operating funds, said Dicklich. The bill was laid over for further consideration.

Local and Metropolitan Government

Two bills forwarded

The Local and Metropolitan Government Committee approved two bills Weds., Feb. 17. The committee is chaired by Sen. Jim Vickerman (DFL-Tracy).

S.F. 9, authored by Sen. Don Betzold (DFL-Fridley) authorizes the city of Spring Lake Park to abolish its police civil service commission by a unanimous vote of the city council. Betzold said the current law permits the abolition of a city police civil service commission only by a petition signed by 25 percent of the legal voters of the city voting in the last municipal general election, and approved by the voters at a municipal election. He said that civil service commissions were created in the 1920's and 1930's to help address workers' rights issues and over the years the establishment of unions and associations has lessened the need for civil service commissions. He said he had heard no opposition to the bill.

David Toth, chief of police in Spring Lake Park, said the commission causes an extra layer of government forcing the police chief to jump through unnecessary hoops. "They have done nothing but put their stamp of approval on my recommendations," Toth said. He said the city's three person commission currently only has one member because of a lack of interest.

Sen. Linda Higgins (DFL-Mpls.) offered an amendment that would give all cities the option proposed for Spring Lake Park. The amendment was adopted.

The bill as amended, was approved and forwarded to the Senate floor.

S.F. 465, authored by Sen. Sandra Pappas (DFL-St. Paul), allows county recorders to require a reasonable minimum deposit based upon anticipated monthly charges of a depositor. Pappas said the bill allows the county recorder to retain money for anticipated charges, not just actual unpaid items, insuring the county would be paid and providing a

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level of protection on taxpayers' money.

Dorothy McClung, director of Property Records and Revenue in Ramsey County, said the bill addresses an issue in which Ramsey County established a policy of requiring a minimum deposit from customers, mostly title and mortgage companies, who had accounts with the county. She said the State Auditor's Office said the county had no authority to establish the minimum amount.

The bill was approved and recommended for the Consent Calendar.

Property Taxes and Local Government Budget Division

LGA formulas discussed

The philosophy and history of formulas used to determine the amount of local government aid (LGA), money given by the state to municipalities for essential services, was discussed at the Tues., Feb. 16, meeting of the Property Taxes and Local Government Budget Division.

Rich Gardner, from the Property Tax Division of the Dept. of Revenue, gave a brief history of the evolution of the current formula used to determine the amount of LGA given to each municipality in Minnesota. Gardner said that for years 1976-77, important changes were made in the LGA system so that the amount of LGA was based on a "three factor formula" of population, mill rate and sales tax ratio. In addition, Gardner said, the minimum aid amount was set at the amount of money received the previous year. As a result, many cities and towns manipulated their mill rate to significantly increase the amount of LGA received.

The current multi-factor fiscal aid formula was first used 1994, said Gardner. He said that in addition to the minimum, a maximum aid increase limit was also established. Gardner emphasized that dramatic increases resulting from the three factor formula along with the minimum aid provision are responsible for many of the inequities in the current allocations. Gardner added that under the current system, "dramatic changes in LGA don't happen."

Sen. Steve Kelley (DFL-Hopkins) asked which cities do well and which "get bit" by the current system. Gardner replied that cities with high percentages of commercial property or cities with

high populations tend to do better, but those cities do "bump up against the maximum" aid increases.

League of Minnesota Cities representative Gary Carlson said that the current LGA formula is more rational in that it is based on statistical needs rather than previous formulas that based the amounts on the spending habits of municipalities. Carlson explained the rationale for the state LGA system as a means of tax base equalization so that cities can provide essential services regardless of their tax base. He said that if a high service urban area relied only on its property taxes to fund the services, that would act as an incentive for people and businesses to locate outside the boundaries to escape the taxes. Carlson said that the LGA system also helps to prevent overburdening a city. For example, he said, many people work in downtown Minneapolis and create a higher demand for services such as police and fire protection and traffic control. Because many of those same people live outside Minneapolis, they don't pay property taxes to the city to pay for those services, Carlson said.

Kelley said that the current system doesn't explain the minimum aid levels, especially for cities with declining populations. He added that the minimum aid level needs to be addressed by LGA reform. Carlson said that the minimum aid was "hotly debated" in 1993 when the current system was enacted, but said that the minimum was set permanently at the amount of 1993 aid rather than the "rolling minimum" of each previous year's aid. Carlson added that currently 15 percent of LGA is distributed according to the formula and 85 percent according to the minimum, but formulaic distribution is being phased in with each passing year.

Roger Peterson, speaking for the Association of Metropolitan Municipalities, said that the LGA formula needs to be adjusted because it hasn't kept up with needs. Division Chair Sandra Pappas (DFL-St. Paul) asked why the LGA formula's implicit price deflator (IPD), an automatic inflation adjustment, was inadequate. Peterson said that the IPD doesn't reflect increased personnel costs mandated through pay equity, data privacy and other laws.

Later the panel heard S.F. 126, sponsored by Sen. Paula Hanson (DFL-Ham Lake). The bill specifies criteria for

cities to increase their aid base to \$300,000 for 2000 and subsequent years. According to the Dept. of Revenue, the city of St. Francis is the only city that meets the criteria. St. Francis City Planner Steve Bjork distributed a document showing that while St. Francis will receive \$61,556 in 1999 LGA, other similarly populated cities will receive between \$284,000 and \$519,000. Sen. Gen Olson (R-Minnetrista) asked how much of the city's land is tax exempt. Bjork said that because of school facilities and parks, between 30 and 40 percent of the urbanized section of the city is not subject to property taxes.

Elizabeth Blakesly, Minnesota Association of Small Cities, said that when making adjustments to the aid formula, it's difficult to use a "cookie cutter" approach for cities with populations of less than 5,000. She said that the LGA needs of small cities "are all over the board," and some cities receive nothing. The panel took no formal action on the bill.

Rules and Administration

Joint Rules okayed

The Rules and Administration Subcommittee on Permanent and Joint Rules met Thurs., Feb. 11, and okayed the Joint Rules governing the Senate and House of Representatives. Sen. Ember Reichgott Junge (DFL-New Hope) outlined the changes from the Temporary Joint Rules that have been in effect for the last several years.

The proposed Joint Rules are changed throughout to be more gender neutral, Junge said. In addition, the proposed rules specify that the deadlines under which both Senate and House policy committees, budget divisions and finance committees operate be set in a concurrent resolution rather than spelled out in the Joint Rules.

In addition, Junge said several changes were made governing conference committees. The proposed rules specify that a conference committee report may not appropriate a larger sum of money than the larger of the bill or the amendments that were referred to the conference committee unless the additional sum is approved in writing by the Speaker of the House and the Majority Leader of the Senate. Also, the proposed rules specify that a conference committee may not

delegate rulemaking to a department or agency or exempt a department or agency from rulemaking unless the delegation or exemption was included in either the bill or the amendment that was referred to the conference committee. In addition, the proposed Joint Rules say that a conference committee report may not create a new commission, council, task force, board, or other body to which a member of the Legislature may be appointed unless the body was created in either the bill or the amendment that was referred to conference. Finally, the rules specify that a conference committee may not meet between the hours of midnight and 7 a.m., unless a committee votes by a two-thirds margin to extend the meeting to one hour past midnight.

The new Joint Rules also make changes regarding the enrollment of bills, memorials and joint resolutions upon passage by both bodies. Further, the rules specify that a joint resolution applying to the Congress of the United States to call a convention for proposing or ratifying amendments to the constitution or proposing an amendment to the Minnesota constitution or prescribing the compensation of judges shall not be presented to the governor for approval.

Finally, the proposed Joint Rules make changes in the process for the election of regents to the University of Minnesota Board of Regents. The proposed rules specify that if there is more than one at-large seat to be filled, all candidates nominated for an at-large seat are candidates for any of the at-large seats. In addition, under the proposed rules, each Legislator may cast one vote for each seat to be filled, but no more than one vote for a candidate. If there is more than one candidate who receives a majority of the votes cast, the candidate receiving the highest number of votes must be declared elected and in case of a tie for the highest number of votes, the votes must be cast again, according to the proposed rules.

Members of the panel recommended that the Joint Rules be adopted and forwarded the motion to the full Rules and Administration Committee.

The subcommittee also approved the concurrent resolution adopting deadlines for the 1999 regular session. The first deadline, Friday, Mar. 19, is for committees to act favorably on bills in the house of origin. The second deadline, Weds.,

Mar. 31, is for committees to act favorably on bills, or companions of bills, that met the first deadline in the other body. The deadline for committees to act favorably on omnibus appropriation bills is Fri., Apr. 16.

Joint Rules advance

The full Rules and Administration Committee, chaired by Sen. Roger D. Moe (DFL-Erskine) met Mon., Feb. 15, to consider the permanent Joint Rules. The permanent Joint Rules govern the House of Representatives and the Senate.

Sen. Ember Reichgott Junge (DFL-New Hope), chair of the subcommittee charged with developing the rules, outlined the changes from previous years. One of the major changes is that the deadlines for committee action are removed from the Joint Rules and are, instead, put in a joint concurrent resolution.

Junge said that other major changes include alterations in the rules governing conference committees. The proposed rules specify that a conference committee report may not appropriate a larger sum of money than the larger of the bill or the amendments that were referred to the conference committee unless the additional sum is approved in writing by the Speaker of the House and the Majority Leader of the Senate. Also, the proposed rules specify that a conference committee may not delegate rulemaking to a department or agency or exempt a department or agency from rulemaking unless the delegation or exemption was included in either the bill or the amendment that was referred to the conference committee. In addition, the proposed Joint Rules say that a conference committee report may not create a new commission, council, task force, board, or other body to which a member of the Legislature may be appointed unless the body was created in either the bill or the amendment that was referred to conference. Finally, the rules specify that a conference committee may not meet between the hours of midnight and 7 a.m., unless a committee votes by a two-thirds margin to extend the meeting to one hour past midnight.

In addition, the proposed rules also clarify the procedures for electing members to the University of Minnesota Board of Regents. The proposed rules specify that if there is more than one at-

large seat to be filled, all candidates nominated for an at-large seat are candidates for any of the at-large seats. In addition, under the proposed rules, each Legislator may cast one vote for each seat to be filled, but no more than one vote for a candidate. If there is more than one candidate who receives a majority of the votes cast, the candidate receiving the highest number of votes must be declared elected and in case of a tie for the highest number of votes, the votes must be cast again, according to the proposed rules.

Discussion of the proposal centered primarily on two areas—conference committees and the regent election process. Sen. Dean Johnson (R-Willmar) and Sen. Charles Berg (IND-Chokio) both questioned the process of having congressional caucuses put names in nomination for the University of Board of Regents if the nominations are non-binding. Junge said that with the advent of the Regent Candidate Selection Board process, the congressional caucuses function on a more informal level, now, to recommend candidates. Sen. Gen Olson (R-Minnetrista) said the language concerning the situation in which more than one at-large seat is to be filled was unclear in the proposed rules.

Sen. Lawrence Pogemiller (DFL-Mpls.) and Sen. Gary Laidig (R-Stillwater) raised questions about the portion of the Joint Rules prohibiting a conference committee from appropriating a larger sum of money than is contained in either the House or Senate version of a bill. Pogemiller offered an amendment to delete language requiring that the Speaker of the House and the Majority Leader to authorize in writing any additional spending by a conference committee. Junge said that the proposed rule simply put into the rules the current practice. However, Pogemiller said that the additional requirement could lead to delays at a critical time in conference negotiations. The amendment was adopted.

Committee members voted to recommend that the full Senate adopt the proposed permanent Joint Rules. In addition, the panel also approved the resolution setting forth the committee deadlines for this year. Under the resolution, Mar. 19 is the first committee deadline and Mar. 31 is the second committee deadline.

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Senate Rules discussed

The permanent Rules of the Senate were the topic of discussion at a Tues., Feb. 16, meeting of the Rules and Administration Subcommittee on Permanent and Joint Rules. The panel, chaired by Sen. Ember Reichgott Junge (DFL-New Hope) reviewed a proposal, brought forward by Sen. Don Betzold (DFL-Fridley), which recodifies the Senate's rules.

Betzold said he undertook the recodification because he found that when he was trying to look for a particular rule it was difficult to find in the previous format. "We tried to group common rules together and place them in more logical sequence," he said. Betzold also emphasized that the recodification and subsequent renumbering made no substantive changes in the Rules.

Sen. Allan Spear (DFL-Mpls.) and Sen. Roger Moe (DFL-Erskine) both spoke in favor of adopting the recodification as a starting place for any other changes in the Rules that may be brought forward. Spear said that it was particularly important to get the recodification in place before the next election cycle so that new members in 2001 will be able to learn the new rules.

The panel reviewed each section of the proposal and made some minor grammatical changes. However, members took no formal action on the proposal as a whole, in order to allow other members an opportunity to review the recodification. In addition, Junge said it was necessary to check with staff to ensure that no technical problems will arise from the recodification and renumbering of the Rules.

Appointments okayed

The Rules and Administration Subcommittee on Committees met Tues., Feb. 16, in order to make Senate appointments to a variety of legislative commissions. The panel, chaired by Sen. Roger D. Moe (DFL-Erskine), completed the appointment process with little debate.

Sen. Dave Johnson (DFL-Bloomington) and Sen. Arlene Lesewski (R-Marshall) were reappointed to the Advantage Minnesota, Inc., Board of Directors. Sen. Steven Novak (DFL-New Brighton) was appointed and Sen. Linda Runbeck (R-Circle Pines) was reappointed to the Advisory Council on Workers' Compensation. Sen. Lawrence

Pogemiller (DFL-Mpls.) was reappointed to the Education Commission of the States. Sen. John Hottinger (DFL-Mankato), Sen. James Metzen (DFL-South St. Paul) and Sen. Roy Terwilliger (R-Edina) were all reappointed to the Government Innovation and Cooperation Board. Sen. Cal Larson (R-Fergus Falls) and Sen. David Ten Eyck (DFL-East Gull Lake) were reappointed and Sen. Becky Lourey (DFL-Kerrick) was appointed to the Indian Affairs Council.

Sen. Steve Kelley (DFL-Hopkins), Sen. Tracy Beckman (DFL-Bricelyn), Sen. Dennis Frederickson (R-New Ulm), Sen. Janet Johnson (DFL-Forest Lake), Sen. Sheila Kiscaden (R-Rochester), Sen. David Knutson (R-Burnsville), Novak, Sen. Gen Olson (R-Minnetrista), Pogemiller, Sen. Leonard Price (DFL-Woodbury), Sen. Jane Ranum (DFL-Mpls.), Sen. Martha Robertson (R-Minnetonka) and Sen. LeRoy Stumpf (DFL-Thief River Falls) were all reappointed to the Information Technology Ad Hoc Committee.

Sen. Steve Kelley was appointed to the Intergovernmental Information Systems Advisory Council. Sen. Linda Higgins (DFL-Mpls.), Sen. Randy Kelly (DFL-St. Paul) and Sen. Dave Kleis (R-St. Cloud) were all reappointed to the Joint Subcommittee on Claims. Novak was reappointed Labor Interpretive Center Board of Directors. Sen. William Bellanger (R-Bloomington), Sen. Ember Reichgott Junge (DFL-New Hope), Kiscaden, Knutson, Sen. Keith Langseth (DFL-Glyndon), Metzen, Sen. Deanna Wiener (DFL-Eagan), Sen. Thomas Neuville (R-Northfield), Sen. Claire Robling (R-Prior Lake) were all reappointed and Sen. Dave Johnson was appointed to the Legislative Audit Commission. Sen. Linda Berglin (DFL-Mpls.), Lourey, Sen. Pat Piper (DFL-Austin) and Robling were all reappointed and Sen. Leo Foley was appointed to the Legislative Commission on the Economic Status of Women.

Sen. Don Betzold (DFL-Fridley), Sen. Dean Johnson (R-Willmar), Sen. Steven Morse (DFL-Dakota), Pogemiller, Stumpf and Terwilliger were all reappointed to the Legislative Commission on Pensions and Retirement. Belanger, Hottinger, Sen. Dick Day (R-Owatonna), Junge, Moe and Sen. Allan Spear (DFL-Mpls.) were all reappointed to the Legislative Coordinating Commission. Stumpf was

reappointed to the Midwestern Higher Education Commission. Sen. Jane Krentz (DFL-May Township), Sen. Gary Laidig (R-Stillwater), Morse, Sen. Steve Murphy (DFL-Red Wing) and Price were all reappointed to the Minnesota-Wisconsin Boundary Area Advisory Committee.

Sen. Carol Flynn (DFL-Mpls.), Kiscaden, Sen. Linda Scheid (DFL-Brooklyn Park), and Sen. Dan Stevens (R-Mora) were reappointed and Sen. Steve Kelley was appointed to the Legislative Coordinating Commission Subcommittee on Employee Relations. Moe and Sen. Edward Oliver (R-Deephaven) were reappointed to the World Trade Center Board of Directors. Stumpf, Larson and Krentz were reappointed to the Minnesota Amateur Sports Commission.

State Government Finance

Budget Overview

Members of the Human Resources, State Government and Education Finance Committees, chaired by Sen. Linda Berglin (DFL-Mpls.), Sen. Richard Cohen (DFL-St. Paul) and Sen. Keith Langseth (DFL-Glyndon), met jointly Thurs., Feb. 11, to hear an overview of Governor Ventura's 2000-01 budget.

Pam Wheelock, the state's commissioner of finance, said the governor is seeking to accomplish six goals through the budget. She said he is trying to provide tax relief, ensure the best public education, invest the tobacco lawsuit funds wisely, continuously reform state government, use technology to improve services to citizens and make limited investments to improve Minnesota communities.

In the area of tax relief, Wheelock said two-thirds of the available new dollars are returned to Minnesota taxpayers in the budget. She said that includes a \$1.087 billion tax rebate this year and \$1.372 billion in additional tax cuts in the next two years. Business tax relief and simplification, she said, will also provide \$260 million in one time savings. Wheelock also reported that 70 percent of the new spending in the budget is allocated for education. She said \$150 million is to be used for K-3 class size reduction, \$97 million for a special education increase and \$24 million to redirect small grants and aids. The per

pupil formula, she said, will increase at a rate of 2.5 percent each year. Wheelock said the \$1.3 billion one time tobacco settlement will be split into four areas. She said \$600 million is slated for the Minnesota Families Foundation, \$350 million for the Health Professional Education and Medical Research Endowment, \$260 million for the Public Health Endowment and \$100 million for the Medical Education and Research Costs Endowment. In the area of government reform, Wheelock said the governor had a too limited amount of time to propose any sweeping changes to the system. In the current budget, she said, many programs are restructured or reorganized, but evaluations for specific budget reductions will be continual. Wheelock stated \$85 million in new funds is budgeted for state agencies to use technology to improve services to citizens. She said \$10 million is also apportioned for the University of Minnesota and the state university system for technological initiatives. Finally, Wheelock said limited investments are allocated to improve Minnesota communities. She said \$16 million is to preserve and create affordable housing, and money is also earmarked for light rail and transit, worker training, senior drug benefits, increased wages for health care providers and environmental and natural resource programs.

Also testifying was Tom Stinson, state economist with the Minnesota Department of Finance. Stinson discussed the November economic forecast for the state, and said the revenue forecast for the current biennium has increased by \$1.264 billion. He said this is due to stronger than anticipated U.S. economic growth, record realizations of capital gains and the tobacco fund settlement. In addition, he said, state expenditures are now forecast to be \$262 million below the end of session estimates. Stinson also said the income tax forecast for the 2000-01 biennium has increased by \$686 million. This is due, he said, to an increase in wages, a growth in capital gains taxes as well as various technical adjustments. Stinson said the revenue forecast for the 2001-01 biennium from sales taxes has increased by \$149 million and \$58 million for motor vehicle taxes. He also said the forecast revenue for corporate taxes has decreased by \$244 million.

Dan Laufenberg, an economist with American Express Financial, discussed the economic future of the nation, and said he is convinced the U.S. economy has the potential to grow fast for another two years. He said the growth is possible even as various world markets struggle because the U.S. is not as dependent on world economies as was once thought. As examples, he examined the impact on America of the recent economic crises in Asia and Russia, and discussed the economic impact in the U.S. of the potential economic crisis in Brazil. Laufenberg said the recent economic crisis in Asia did not too negatively impact the U.S. because we buy many more products from Asia than we sell. He said while the downturn in the Asian economy meant not as many American products were sold in Asia, it allowed Americans to purchase Asian made products at cheaper rates. That purchasing power, Laufenberg said, more than offset any deficit in trade. Laufenberg also said the economic decline in Russia did not greatly affect the U.S. economy simply because the U.S. does not do too much business with Russia. As far as the potential economic crisis in South America, Laufenberg said that would also not harm the U.S. economy too much because the South American countries and the United States are not major trade partners. In fact, he said, as our second largest trading partner, Mexico is far more dependent on the U.S. than is any country in South America, and as long as those trading ties with Mexico remain stable, any regression in the South American economy will be negated. Laufenberg said the only thing that could kill U.S. economic expansion may be higher inflation.

Committee on Taxes

Redefining farm machinery

A bill expanding the definition of farm machinery was heard by the Committee on Taxes Subcommittee on Income and Sales Tax, Thurs., Feb. 11. The subcommittee was chaired by Sen. Steve Murphy (DFL-Red Wing).

S.F. 573, sponsored by Sen. Leonard Price (DFL-Woodbury), expands the definition of farm machinery in the sales tax law to include machinery and equipment used in the production of flowering or ornamental plants, including

nursery stock. The current law has the sales tax rate of farm machinery declining from two to one percent beginning on July 1, 1999, with the machinery being exempt from sales tax beginning July 1, 2000. Equipment used in producing flowering or ornamental plants is not covered under the definition of farm machinery.

Tim Powers, a nursery owner in Denmark Township, and Denny McNamara, a nursery owner in Vermilion Township, spoke in favor of the bill. Powers said that nursery owners are considered to be farmers in federal crop programs, in applying for farm credit, and in paying farm production taxes, but are not considered to be farmers when purchasing production equipment. He said expanding the definition could save his business between \$40,000-\$50,000 every year.

No action was taken on the bill.

Subchapter S bill heard

The Committee on Taxes Subcommittee on Income and Sales Tax met Weds., Feb. 17, to discuss a bill allowing banks to be treated as Subchapter S corporations for state income tax purposes if they make the election to be S corporations for federal purposes. The subcommittee is chaired by Sen. Steve Murphy (DFL-Red Wing).

Sen. Sam Solon (DFL-Duluth), author of S.F. 238, said in 1996 Congress amended the Internal Revenue Code permitting the election of Subchapter S status for banks and other small businesses. Solon said Subchapter S allows businesses to be treated as a partnership for tax purposes, and that under a Subchapter S election, the income of the business is directly taxed to its shareholders, whether distributed or not. He said in 1997 the Minnesota Legislature chose to allow businesses other than banks to conform with the 1996 changes. He said owners of banks file taxes as C corporations and are subject to both corporate and income taxes.

Doug Lewis, owner of the North Shore Bank of Commerce in Duluth, said banks such as his are no different than other family owned, closely held businesses. He said his bank has been in the family for three generations and the lack of conformity of the Minnesota law with the IRS code was unfair. "We're not asking for special treatment, just the same

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treatment as other small businesses,” Lewis said. He said that with the consolidation in the banking industry, Subchapter S status would help smaller community banks compete with larger banks. He said it was important to allow for choice in the marketplace.

Jack Mansun, from the Dept. of Revenue, said the department estimated the fiscal impact of the bill to be a loss of revenue to the state of \$9.8 million in 2000 and \$12.3 million in 2001. He said the department was continuing to research the impact of the bill and that the estimated amount probably would decrease.

Neil Fruechte, from the Roundbank of Waseca, said approximately 147 Minnesota banks have elected Subchapter S status. He said changes made in the 1998 Session to not tax a portion of the dividends, along with other changes on the taxation of interest income, will diminish the revenue impact.

No action was taken on the bill.

S.F. 54, sponsored by Sen. Cal Larson (R-Fergus Falls), modifies the credit against income tax for the cost of long term care insurance policy premiums. Larson said the credit is equal to 25 percent of the premiums paid, increasing the maximum credit allowed to single taxpayers from \$100 to \$500, and \$200 to \$1,000 for married couples.

Bob Held, from the Dept. of Human Services, said the state will see an unprecedented growth in its elderly population by the year 2030. He said it was important to the state to continue to look for ways to allow people to take care of themselves in health care issues. He said the state of Minnesota is currently looking at allowing its employees to purchase long term care insurance.

Sen. Arlene Lesewski (R-Marshall), said she supported the bill because, although it may cost the state money up-front, the long term savings would be substantial.

Larson said the bill encourages more people to purchase long term care insurance.

The committee next heard from the authors of several bills exempting local units of government from sales tax. Sen. Warren Limmer (R-Maple Grove), author of S.F. 264, said he had tried to pass legislation on the issue for the last four years. He said in 1992 the state addressed deficits in the budget by

charging sales tax to local government. He said the solution was meant to be a temporary revenue stream. “The bill simply repeals a temporary condition,” he said, “I believe local governments can make their own decisions. They have to be accountable to the same public we do,” Limmer said.

Sen. Charles Wiger (DFL-North St. Paul), author of S.F. 222, said Minnesota was one of seven states to impose sales tax on its local units of government. “In 1992 a dark storm cloud came over the state and special legislation was needed to address a shortfall. Times have changed and we should now change the law,” Wiger said.

Sen. Dan Stevens (R-Mora), author of S.F. 330, said charging local units of government sales tax didn’t make sense. “This is bad public policy. This is double taxation,” he said.

Sen. William Belanger (R-Bloomington) asked if local units of government would pass on their increased revenues back to their taxpayers if the exemption was allowed. Rose Arnold, president of the Association of Minnesota Counties said she couldn’t guarantee reductions in property taxes because counties struggle to maintain services with their current budgets. “I can guarantee the increases in property taxes will surely be less,” she said.

Sen. Lawrence Pogemiller (DFL-Mpls.) said there were many issues involved with sales tax exemptions addressed by the bills. He said local government often has to bid against the private sector on projects and requiring sales tax levels the playing field. “We ought not get carried away that this is some sort of injustice,” he said.

No action was taken on any of the bills.

Murphy offered S.F. 65, exempting television commercials and property used or consumed in production of television commercials from sales tax. “This may not seem like a huge issue- and it doesn’t cost a lot of money, but these commercials bring in economic growth to the state,” Murphy said.

Randy Adamsick, executive director of the Minnesota Film Board, said Minnesota’s advertising agencies were among the world’s largest agencies. He said 90 percent of the time the agencies went outside the state to shoot the commercials and are willing to pay travel

costs because other states have exemptions similar to those proposed in the bill. Adamsick said a Dept. of Trade and Economic Development study shows if the industry could reduce the 90 percent of commercials from advertising agencies shot outside the state down to 80 percent, the estimated economic impact of \$1 million dollars of the bill would be eliminated.

The committee also heard S.F. 382, authored by Sen. Linda Scheid (DFL-Brooklyn Park), the Dept. of Revenue’s technical bill; and S.F. 449, authored by Murphy, the Dept. of Revenue bill making policy changes to certain taxes and tax administrative provisions. Both bills were approved and forwarded to the Committee on Taxes.

Transportation Budget Division

State roads budget reviewed

A budget overview of the Department of Transportation (MnDOT) continued at the Transportation Budget Division meeting Thurs., Feb. 11. The meeting was chaired by Sen. Janet Johnson (DFL-North Branch).

Andrew Terry, director of the Office of Electronic Communications, said the governor recommends an additional \$3.244 million for an 800 megahertz regional backbone system supplement. Terry said MnDOT was assigned by the Legislature to own, operate and maintain the regional backbone system for a nine county region wide public safety radio system infrastructure. He said the system is intended to improve communications coverage and performance for public safety and local government agencies. “We knew we would need additional funding for a backup system, but we didn’t ask for it until we evaluated the technology and knew what we needed,” Terry said. “Now we know what we need.”

The funding is for a second zone controller, three new sites, radiating cable to the Capitol complex and additional regional repeater sites. In addition, the governor recommends the Metropolitan Radio Board bonding authority be increased to cover its share of costs to complete the 800 megahertz backbone system.

Julie Skallman, director of the Office

of State Aid, said the program provides overall policy direction, assures training and educational opportunities, measures performance and approves construction plans and project funding requests of the statewide transportation system. According to Skallman, the 1998 Legislature combined the trunk highway, the county and the municipal turn back accounts into a flexible account. The new account manages the turn backs. The commissioner of transportation determines the percentage of the flexible account that will be used for county, municipal and trunk highway turn backs. Skallman also said that the Legislative Commission on Minnesota Resources has provided \$100,000 in FY 2000 as the state share to design and construct interpretive kiosks and entrance signs along the Minnesota River Valley Scenic Byway. Skallman said the Federal Transportation Equity Act (TEA-21) provides funding for road and bridge construction and transportation enhancement projects. She said about one-third of the \$34 million provided by the Legislature last year for bridge projects has been spent on construction so far. She said projects vary from small township structures to large bridge projects, all over the state.

The General Support program was reported on by Barbara Sundquist, director of the Finance and Administration Division. She said the program provides strategic leadership, policy direction, central services and structure to the operation divisions of MnDOT. Sundquist said two budget activities compose the program—general management and general services. Sundquist said the governor recommends a biennial increase in funding of \$5 million for information technology development and \$130,000 for an additional pilot for the air transportation activity.

Paul Jensen, buildings engineer, said the governor is recommending \$8.251 million for the biennium for ongoing operational building projects. The projects include chemical storage buildings, unheated storage buildings, design consultants, land acquisition, asbestos removal and site surveys.

Metro Division Engineer Richard Stehr said that MnDOT plans to create a regional transportation management center (RTMC) that will be a state-of-the-art operations center to provide regional transportation management. He

said the new center will be attached to the existing structure at the Water's Edge site in Roseville, and the northeast corner of the interchange between Highway 36 and Snelling Ave. Stehr said the new facility is needed to meet the growth demands in the existing freeway management system. Funding sources for the project include \$7.1 million from state funds for FY 2000 and 2001 and \$16.4 million from federal funds for FY 2001.

Col. Anne Beers, chief of the Minnesota State Patrol, said budget recommendations in the State Patrol include additional security for the governor, replacement of communication infrastructure, annual hiring of trooper candidates, funding of recruit training and purchase of a helicopter.

Transportation

Seat belt bill debated

Sen. Leo Foley (DFL-Anoka) proposed a bill at the meeting of the Transportation Committee Tues., Feb. 16, making failure to use seat belts a primary offense. The committee, chaired by Sen. Carol Flynn (DFL-Mpls.), also heard from Sen. Steve Murphy (DFL-Red Wing) on S.F. 375, a bill appropriating money for port development assistance.

S.F. 434 increases the fine for seat belt violation from \$25 to not more than \$200; makes seat belt violation a primary offense; and allows the Department of Public Safety to record a seat belt violation on a person's driving record.

Foley said the number of accidents and traffic deaths are reduced in states that make a seat belt violation a primary offense. "If everyone wore a seat belt, we could be saving a considerable number of people," he said.

Mike Langer, chair of the Minnesota Safety Belt Coalition, spoke in support of the bill. He said the single act of buckling a seat belt doubles a person's chances of surviving a crash.

Major Gene Halverson of the State Patrol said that in his 28 years as a law enforcement officer, the biggest frustration he has come across is an accident victim in a car that is not badly damaged. The victim has died as a result of being thrown from the car. "There is absolutely no reason the person should be killed," he said. "This is one bill that clearly will save some lives if you pass it."

Sen. Keith Langseth (DFL-Glyndon)

said he has always supported the bill, but he was concerned it might not pass with the \$200 fine. Foley replied that the bill is identical to the one he had last year. Sen. Claire Robling (R-Prior Lake) said she wondered what kind of educational programs might encourage compliance. Langer said seat belt use remains steady but does not increase that much with education. "We need an enforcement component," he said.

Sen. Jerry Janezich (R-Chisholm) said he believed the bill is one that people don't like. Langseth said a constituent said he would not vote for him anymore because he supports the seat belt law. "If it's your vote or saving a hundred lives a year, I'll go with the 100 lives," Langseth said.

Sen. Dick Day (R-Owatonna) said Minnesota has more laws for more things than other states. "We just can't regulate everything," he said. Sen. Dean Johnson (R-Willmar) said the groups of law officers and medical organizations supporting the seat belt priority law indicate the groups do not want to see accident victims injured or killed by not using seat belts. He said he does not like the high fine or the violation being reported on a driver's record, but he is leaning toward support of the bill.

No formal action was taken on the bill at Foley's request. He said he wanted to get more support for the measure.

S.F. 375 appropriates \$4 million from the general fund to the commissioner of transportation for the fiscal biennium ending June 30, 2001, to be disbursed for purposes of the port development assistance program.

Ray Skelton, Seaway Port Authority of Duluth, said several needed projects were completed or nearing completion, including installation of sprinkler systems, repair of leaky roofs and loading dock improvements.

Flynn said taxpayer dollars for port authority projects rarely bring in what is expected. She said the projects do not increase the number of jobs or bring a living wage to workers in some instances, and as a result the Legislature will look carefully at funding such projects. Skelton said the Port Authority welcomes that scrutiny. Murphy said the overall economic impact has to be looked at.

Laurie Louder, representing the St. Paul Port Authority, said the Port

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Authority ships 12 million tons per year and provides over 200 jobs directly. She said farmers save 15 cents per bushel by shipping on the river.

The bill was recommended to pass and referred to the Transportation Budget Division.

Northwest Airlines report

The Transportation Committee, chaired by Sen. Carol Flynn (DFL-Mpls.), met Weds., Feb. 17, and heard a report from Northwest Airlines. Ben Hirst, senior vice president of Corporate Affairs at Northwest, spoke on the impact of the state loan, which was made in 1994, on air commerce in Minnesota.

Hirst said the loan provided funds for Northwest to construct two economic development projects in Northeastern Minnesota, an aircraft maintenance facility in Duluth and a reservation center in Chisholm. As part of the loan process, Northwest made commitments to the state and the communities which participated in the transaction.

The total amount of state and local financing in the 1994 agreement was \$371.7 million. The maintenance facility in Duluth was built with \$47 million from Minnesota, Duluth and St. Louis County. The Iron Range Resources and Rehabilitation Board (IRRRB) loaned \$9.7 million to construct the reservation center in Chisholm. A \$45 million loan from the Minnesota Airport Commission (MAC) construction fund provided a reserve fund, and MAC also provided a fully secured \$270 million loan.

Hirst said Northwest has repaid the \$45 million loan in full. The airline is repaying the \$47 million through lease payments. The \$9.7 million loan will be forgiven when Northwest maintains 100 jobs over the original goal covenant, and the \$270 million loan will be paid, with interest, by 2020.

According to Hirst, one of the commitments Northwest made was to hire 854 employees at the sites by the year 2000. The airline has hired 976 employees and will hire its 1,000th employee by this year. Currently Northwest employs 560 workers in Chisholm and 416 in Duluth. Northwest also agreed to maintain employment levels at its Minnesota operations at 17,883, the level which existed in 1994. Hirst said today Northwest employs more than 20,000 workers in Minnesota. The airline maintains its

headquarters in the Twin Cities and keeps Minneapolis-St. Paul International Airport as a major hub. Hirst added that Northwest committed to take certain noise abatement steps, and the airline is in compliance with all noise abatement requirements in the agreement.

Sen. Dean Johnson (R-Willmar) said he is pleased with Northwest's success but did have some concerns about the airline's labor relations and pension plans for flight attendants. Hirst said "I think our greatest asset is our people." He said Northwest is eager to negotiate with flight attendants, but negotiating in the legal arena is sometimes difficult.

Regarding a question on airline fares, Hirst said prices in Minneapolis are not higher than airline prices elsewhere. He said walk-on fares may be higher, but 70 percent of the tickets sold in Minneapolis are sold at a discount.

Floor action

Bills gain final passage

In addition to debating the bill repealing the snow mobile stud ban, Senators also granted final passage to several bills at the Mon., Feb. 15, floor session. S.F. 121, authored by Sen. David Ten Eyck (DFL-East Gull Lake), repeals the requirement that licensees of health-related boards receive continuing education in infection control. S.F. 185, carried by Sen. Don Samuelson (DFL-Brainerd), eliminates three additional days of education instruction. S.F. 86, sponsored by Sen. Lawrence Pogemiller (DFL-Mpls.), makes technical changes to statutes relating to education. S.F. 27, also carried by Samuelson, provides for lifetime crossbow permits for persons with permanent physical disabilities. S.F. 98, authored by Sen. David Knutson (R-Burnsville), grants prosecutors discretion not to disclose a victim's or witness's date of birth.

MnSCU Board members okayed

Members devoted the Thurs., Feb. 18, floor session to processing bills on General Orders and considering appointments to the Minnesota State Colleges and Universities Board of Directors.

Sen. LeRoy Stumpf (DFL-Thief River Falls) reviewed the appointments of W. Andrew Boss, Kathleen Caffey, Mary Choate, Daniel G. Coborn and Michael Nesdahl to the board. Senators con-

firmed the appointments on a voice vote.

Several bills were given preliminary passage on General Orders. S.F. 73, carried by Sen. Steve Murphy (DFL-Red Wing), modifies the financial eligibility criteria for the consumer support program and requires the maximum use of federal funds for the program. S.F. 174, authored by Sen. Jane Ranum (DFL-Mpls.), requires certain persons committed as mentally ill and dangerous to the public to register as predatory sex offenders and be subject to the community notification law. S.F. 76, carried by Sen. Leo Foley (DFL-Anoka), eliminates the requirement to hold DWI-related vehicle forfeiture proceeding at the same time as the implied consent hearing. S.F. 255, carried by Ranum, makes it a crime to interfere with an emergency call. S.F. 99, authored by Sen. David Knutson (R-Burnsville), requires offenders convicted for failure to appear after release to pay costs incurred by the prosecuting authority or governmental agency due to the failure to appear. S.F. 117, also carried by Knutson, limits the time period during which a defendant may challenge a restitution request. S.F. 301, authored by Sen. Becky Lourey (DFL-Kerrick), modifies the suggested health care directive form. S.F. 97, carried by Sen. Dean Johnson (R-Willmar), exempts hydroponic greenhouses from the corporate farm law. S.F. 424, authored by Sen. Jim Vickerman (DFL-Tracy), authorizes the commissioner of agriculture to allow the distribution of nonregistered pesticides for certain uses outside the state.

Members also debated a final bill on General Orders. S.F. 533, authored by Sen. Ellen Anderson (DFL-St. Paul), specifies that the prosecution may reply in rebuttal to the closing argument of the defense and that the defense may then reply in surrebuttal to the prosecution's rebuttal in criminal cases. Sen. Randy Kelly (DFL-St. Paul) moved that the bill be sent back to the Crime Prevention Committee for additional scrutiny. However, members were unable to vote on the motion because of the need to recess to meet in Joint Convention with the House of Representatives in order to elect members to the University of Minnesota Board of Regents.

The snowmobile stud ban repeal bill, H.F. 6, sponsored by Stumpf, was also granted final passage on a vote of 61-1.

Preview

Monday, February 22

Environment and Agriculture Budget Division

Chair: Sen. Steven Morse

8 a.m. Room 123 Capitol

Agenda: Science Museum budget overview; Department of Natural Resources budget overview.

The Senate is in Session at 10 a.m.

Election Laws Committee

Chair: Sen. John Marty

12 noon Room 112 Capitol

Agenda: S.F. 516-Scheid: Updating voter records. The committee is currently considering amendments to S.F. 516 that incorporates the contents of S.F. 47, campaign finance, reporting, and gift ban provisions.

Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

12 noon Room 107 Capitol

Agenda: S.F. 59-Stevens: Conveyance of tax-forfeited land in Sherburne County. S.F. 209-Ten Eyck: Authorizing private sale of certain tax-forfeited land that borders water in Hubbard County. S.F. 252-Larson: Public sale of tax-forfeited land that borders water in Douglas County. S.F. 267-Oliver: Conveyance of tax-forfeited land that borders water in Hennepin County. S.F. 290-Piper: Public sale of tax-forfeited land that borders water in Mower County. S.F. 322-Scheid: Conveyance of tax forfeited land that borders public water in Hennepin County. S.F. 327-Ten Eyck: Exchange and private sale of tax forfeited land in Cass County. S.F. 350-Day: Authorizing land conveyances in connection with transfer of state land in Steele County. S.F. 388-Novak: Conveyance of tax-forfeited land in Ramsey County. S.F. 402-Hanson: Public sale of tax-forfeited land in Anoka County. S.F. 421-Lessard: Public sale of tax-forfeited land in Itasca County. S.F. 437-Ten Eyck: Private sale of tax-forfeited land in Hubbard County. S.F. 459-Fischbach: Public sale of tax-forfeited land in

Stearns County. S.F. 523-Morse: Private sale of surplus state land in Houston County. S.F. 626-Murphy: Private sale of tax-forfeited land that borders water in Wabasha County.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: S.F. 420-Hottinger: Enacting the Uniform Correction or Clarification of Defamation Act. SF 283-Betzold: Clarifying the standards and procedures for civil commitment.

Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: S.F. 441-Spear: Bad check penalty increases, diversion program. S.F. 443-Marty: Reporting by health care professionals of alcohol involvement in traffic accidents. S.F. 464-Kelly, R.C.: Delay of drug classification of Carisoprodol.

Local and Metropolitan Government Committee

Chair: Sen. Jim Vickerman

2 p.m. Room 107 Capitol

Agenda: S.F. 312-Dille: Authorizing cities to establish a sidewalk utility. S.F. 461-Fischbach: Limiting amount of money local governments may spend on historical work. S.F. 517-Vickerman: Allowing towns to reimburse an officer or employee for legal fees incurred defending criminal charges in certain cases. S.F. 579-Vickerman: Authorizing ambulance service purchasing co-ops.

Tuesday, February 23

Higher Education Budget Division

Chair: Sen. LeRoy Stumpf

8 a.m. Room 107 Capitol

Agenda: Continuation of budget presentation by MnSCU.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: Governor's budget recommendations.

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8:30 a.m. Room 15 Capitol

Agenda: "Context, Concepts & Challenges of Working Together For Community Change," Arthur Himmelman, nationally recognized consultant.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: S. F. 288-Foley: Elimination of the waiting list for home and community-based waived services for persons with mental retardation. S.F. 675-Berglin: Expanding medical assistance eligibility for employed persons with disabilities. S.F. 542-Berglin: Increasing the income standard for Medical Assistance.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: S.F. 540-Berglin: Authorizing use of enterprise zone incentive grants for certain purposes by Minneapolis and St. Paul.

Transportation Committee

Chair: Sen. Carol Flynn

12 noon Room 112 Capitol

Agenda: Report from MN Department of Public Safety on "Registration and Insurance of Motor Vehicles."

Governmental Operations and Veterans Committee

Chair: Sen. James Metzen

12 noon Room 15 Capitol

Agenda: S.F. 247- Robling: Allowing a subtraction for military pay for taxation purposes. S.F. 587- Lesewski: Creating a subtraction for military pensions for taxation purposes. S.F. 473- Murphy: Appropriating money for roof repair and betterment on buildings 1, 2, and 4 of the Minnesota Veterans Home in Hastings and for the installation of an elevator in building. S.F. 8- Betzold: Providing that certain income earned for service in the armed forces is exempt from taxation. S.F. 404- Runbeck: Providing for city

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administration of the dangerous dog registration system in Anoka county. S.F. 157- Cohen: Providing standards for state assistance to capital improvement projects of political subdivisions.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

2 p.m. Room 125 Capitol

Agenda: Budget overview: Department of Employee Relations.

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

2 p.m. Room 107 Capitol

Agenda: S.F. 665-Beckman: Establishing a program to develop cooperatively owned livestock processing plants. S.F. 712-Vickerman: Prohibiting importation of certain agricultural products and food treated with unapproved chemicals. S.F. 605-Scheevel: Agricultural tax relief. S.F. 586-Lesewski: Agricultural tax relief.

Crime Prevention and Judiciary Budget Division

Chair: Sen. Randy Kelly

4 p.m. Room 112 Capitol

Agenda: Department of Corrections budget overview.

Environment and Agriculture Budget Division

Chair: Sen. Steven Morse

4 p.m. Room 107 Capitol

Agenda: S.F. 328-Stumpf: Mar-Kit landfill grant; Continuation of DNR budget overview.

Property Taxes and Local Government Budget Division

Chair: Sen. Sandra Pappas

4 p.m. Room 123 Capitol

Agenda: S.F. 386-Stumpf: Extending relative homestead treatment to property occupied by the niece or nephew of owner. S.F.77-Murphy: Levy limit adjustment for certain payments in lieu of tax-Goodhue County. S.F.67-Murphy: Property tax paid to representatives of deceased claimants. S.F.61-Samuelson:

Assessment of certain platted property. S.F.342-Runbeck: Making property tax rebate permanent for senior citizens. S.F.357-Lourey: Making property tax rebate permanent. S.F.381-Pappas: Mortgage registry and deed taxes-technical change.

Tax Conference Committee

Chairs: Sen. Douglas Johnson and Rep. Ron Abrams

4 p.m. Room 15 Capitol

Agenda: H.F. 1 - Tax rebate.

Wednesday, February 24

Higher Education Budget Division

Chair: Sen. LeRoy Stumpf

8 a.m. Room 107 Capitol

Agenda: Budget presentation by University of Minnesota.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: Governor's budget recommendations. SF 852-Janezich: School breakfast and lunch aid.

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8:30 a.m. Room 15 Capitol

Agenda: "Developing Child Care Capacity"

Transportation Committee

Chair: Sen. Carol Flynn

10 a.m. Room 112 Capitol

Agenda: S.F. 394-Kleis: Motor vehicle registration forms; S.F. 460-Fischbach: Disability license plates; S.F. 660-Betzold: Identification cards for persons with mental illness.

Joint Judiciary and Governmental Operations Committee

Chairs: Sen. Jane Ranum and Sen. Jim Metzen

11 a.m. Room 15 Capitol

Agenda: Discussion of Supreme Court decision regarding the role of the administrative law process in child support matters (the Holmberg case).

Environment and Agriculture Budget Division

Chair: Sen. Steven Morse

12 noon Room 107 Capitol

Agenda: Ray Anderson, chair & CEO of Interface, Inc., the world's largest producer of commercial floor coverings, and co-chair of the President's Council on Sustainable Development, will speak about business and sustainable development issues.

Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: S.F. 198-Kelly, R.C.: Order of final argument in criminal trials. S.F. 551-Junge: Domestic violence penalties and procedures.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

2 p.m. Room 125 Capitol

Agenda: Budget overview: Public Radio, Minnesota Public Radio, Public Television.

Local and Metropolitan Government Committee

Chair: Sen. Jim Vickerman

2 p.m. Room 107 Capitol

Agenda: To be announced.

Thursday, February 25

The Senate is in Session at 8:30 a.m.

Health and Family Security Budget Division

Chair: Sen. Don Samuelson

10 a.m. Room 15 Capitol

Agenda: S.F.144-Robling: Civil commitment parental consent for Chemical Dependency treatment. Budget overview - Department of Health.

Children, Families & Learning Subcommittee on Teacher Preparation

Chairs: Sen. Sandra Pappas and Sen.

Deanna Wiener

10 a.m. Room 107 Capitol

Agenda: Discussion of preparation of subcommittee bills.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: S.F. 545- Johnson, D.H.

Establishing standards for employment support programs for persons with mental illness.

Transportation Committee

Chair: Sen. Carol Flynn

12 noon Room 112 Capitol

Agenda: S.F. 512-Johnson, J.B.: Major Transportation Projects Commission; S.F. 663-Krentz: 25 mph speed limit in school zones; S.F. 695-Johnson, J.B.: Pro-rated license fees at transfer; S.F. 765-Johnson, D.E.: Loading and unloading school buses.

Rules and Administration Subcommittees on Permanent and Joint Rules and Ethical Conduct

Chair: Sen. Ember Reichgott Junge

12 noon Room 107

Agenda: Presentation by Alan Rosenthal, Eagleton Institute of Politics, Rutgers University, regarding conflict of interest and other legislative ethics issues.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

12 noon Room 125 Capitol

Agenda: Budget overview: State Treasurer, Department of Military Affairs, Secretary of State.

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

2 p.m. Room 107 Capitol

Agenda: S.F. 720-Stumpf: Permitting the hunting of farmed cervidae on licensed shooting preserves. S.F. 763-Vickerman: Permitting the hunting of farmed cervidae on licensed shooting preserves. S.F. 451-Vickerman: Regulating security interests in agricultural crops.

Commerce Committee

Chair: Sen. Sam Solon

2 p.m. Room 112 Capitol

Agenda: Continuation of S.F. 148-

Oliver: Providing protection for structured settlements. S.F. 583-Novak: Requiring fire protection notification in contracts for sale of newly constructed dwellings.

Economic Development Budget Division

Chair: Sen. Tracy Beckman

2 p.m. Room 123 Capitol

Agenda: To be announced.

Health and Family Security Budget Division

Chair: Sen. Don Samuelson

4 p.m. Room 112 Capitol

Agenda: Continuation of budget overview, Department of Health.

Transportation Budget Division

Chair: Sen. Janet Johnson

4 p.m. Room 107 Capitol

Agenda: Budget overviews.

Friday, February 26

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: Budget recommendations.

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8:30 a.m. Room 15 Capitol

Agenda: Developing culturally appropriate child care.

Joint Health and Family Security and Governmental Operations and Veterans Subcommittee on Occupational Licensure

Co-Chairs: Sen. Deanna Wiener and Sen. Sheila Kiscaden

10 a.m. Room 15 Capitol

Agenda: Office of the Legislative Auditor report on Occupational Regulation. Public Testimony on the report. Review of committee process.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: To be announced.

Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

12 noon Room 107 Capitol

Agenda: S.F. 365-Novak: Petrofund reimbursement reductions. S.F. 594-Stevens: Disposition of emergency deer feeding funds. H.F. 137-Johnson, J.B.: Exempting certain collector watercraft from licensing requirements.

Judiciary Subcommittee on Data Privacy and Information Policy

Chair: Sen. Don Betzold

12 noon Room 15 Capitol

Agenda: S.F. 212-Kiscaden: Providing data privacy for certain public utility customers. S.F. 654-Betzold: Classifying data, etc., Sections 1 and 5 only. S.F. 652-Betzold: Office of Information Policy.

Crime Prevention and Judiciary Budget Division

Chair: Sen. Randy Kelly

2 p.m. Room 15 Capitol

Agenda: Department of Corrections budget review.

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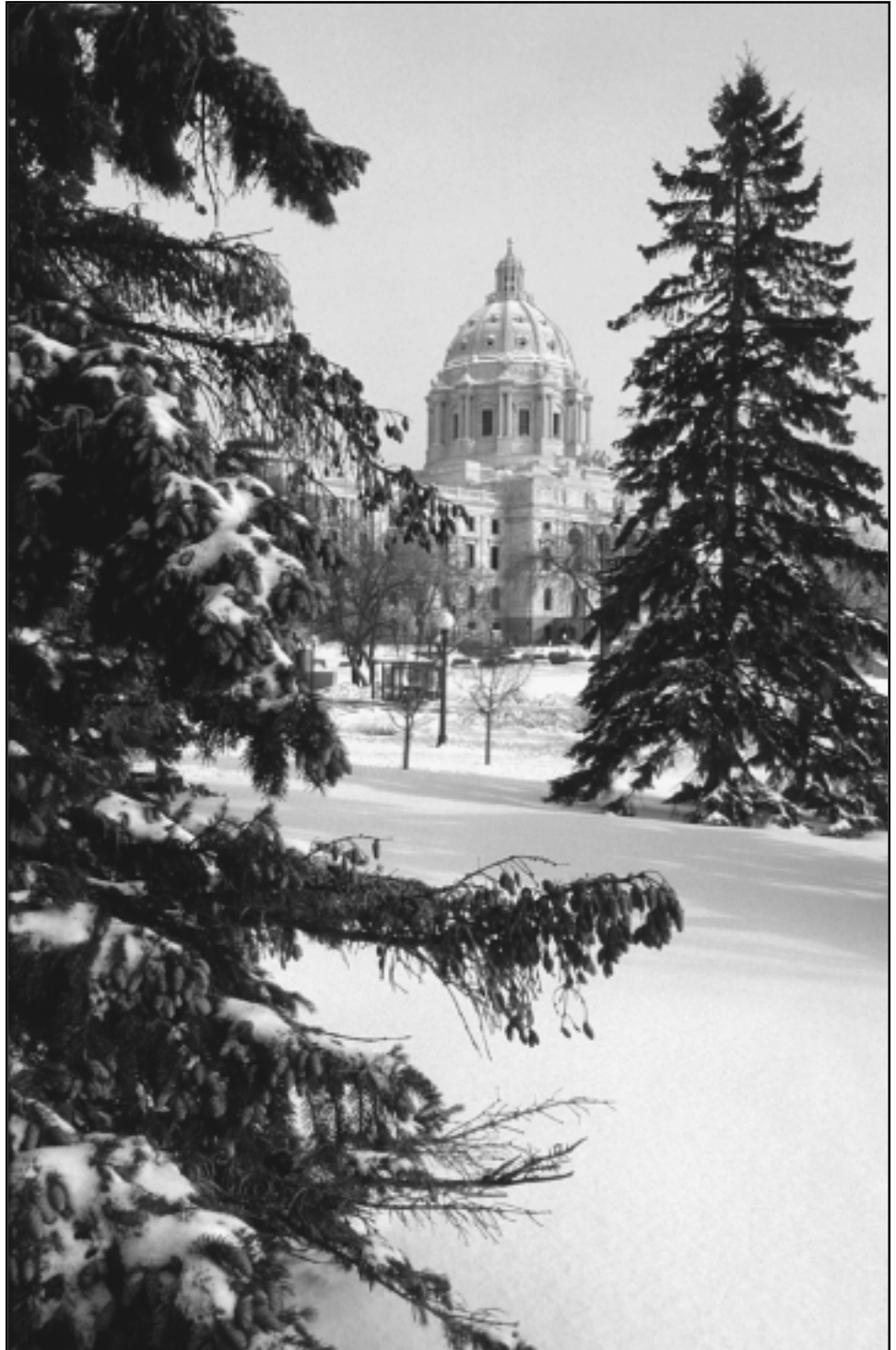
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A fresh blanket of snow covers the Capitol grounds after a late winter snowfall.

Photo by David J. Oakes



February 26, 1999

Senate Highlights

Residency bill okayed

The Mon., Feb. 22, floor session was dominated by a debate over a bill repealing the requirement that local government employees live in the city or county for which they work.

The measure, H.F. 133, sponsored by Sen. Steven Novak (DFL-New Brighton), sparked considerable discussion. Novak said the bill responds to a question of individual rights—of the right of an individual to live in whatever community they choose. Sen. Allan Spear (DFL-Mpls.) arguing against the measure said, “There is no constitutional right to work for the city—if someone chooses to work for the city it is not unreasonable to have the city want the person to live in the community.” He continued, “I have been disturbed by the arguments of the proponents of this bill that it is somehow a burden to live in the city of Minneapolis. There is nothing burdensome about living in the city.”

Sen. Sandra Pappas (DFL-St. Paul) offered an amendment to allow cities to continue residency requirements for appointees. Novak argued that the amendment still ran counter to the bill in that it limited individual rights. The amendment failed. Sen. Randy Kelly

(DFL-St. Paul) offered an amendment that allows the city of St. Paul to impose residency requirements for appointees. The amendment also failed.

A final amendment was offered by Sen. Linda Berglin (DFL-Mpls.). The amendment specified that residency requirements must be authorized by voters in the city or county seeking the residency requirement. Sen. Lawrence Pogemiller (DFL-Mpls.) argued in favor of the amendment and said that the issue was one of local control and that allowing the voters to decide the issue provided the most local control. Novak, however, countered that the issue is really whether or not government can dictate where people live. “The amendment should also be rejected because the very people most affected by the vote would be unable to vote,” he concluded. The amendment failed on a 20-41 roll call vote.

The measure gained preliminary passage on a 44-18 roll call vote.

In other action, members granted final passage to several bills on the Senate Calendar. S.F. 174, carried by Sen. Jane Ranum (DFL-Mpls.), requires certain persons committed as mentally ill and dangerous to the public to register as predatory sex offender and to be subject

to the community notification law. S.F. 76, authored by Sen. Leo Foley (DFL-Anoka), eliminates the requirement to hold DWI-related vehicle forfeiture proceedings at the same time as implied consent hearings. S.F. 255, sponsored by Ranum, provides that interference with an emergency call is a crime. S.F. 99, authored by Sen. David Knutson (R-Burnsville), requires offenders convicted for failure to appear after release to pay the costs incurred by the prosecuting authority or governmental agency due to the failure to appear.

S.F. 117, also sponsored by Knutson, limits the time period during which a defendant may challenge a restitution request. S.F. 301, carried by Sen. Becky Lourey (DFL-Kerrick), modifies the suggested health care directive form. S.F. 97, sponsored by Sen. Dean Johnson (R-Willmar), exempts hydroponic greenhouses from the corporate farm law. S.F. 424, authored by Sen. Jim Vickerman (DFL-Tracy), authorizes the commissioner of agriculture to allow the distribution of nonregistered pesticides for certain uses outside the state.

S.F. 194, carried by Berglin, was given preliminary passage on General Orders. The bill eliminates the application deadline for essential community provider status.

Rebate debated

The Tax Conference Committee met Tues., Feb. 23 to discuss the differences between the House income tax rebate and the Senate sales tax rebate. Sen. Douglas Johnson (DFL-Tower) and Rep. Ron Abrams (R-Minnetonka) chaired the committee.

Johnson said more Minnesotans in every Legislative district receive more money under the Senate plan. According to information presented by Senate Analyst Keith Carlson, 1,455,089 Minnesotans receive a higher rebate in the Senate plan as opposed to the House plan in which 728,726 Minnesotans receive a higher rebate. Carlson said Dept. of Revenue data shows that over 72 percent of Minnesotans earn less than \$50,000 and of those taxpayers, the Senate plan gives back over 51 percent of the amount available for rebate while the House plan gives back 34.8 percent.

Abrams said the numbers were not a fair comparison since the information did

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not include the property tax portion of the House proposal. Johnson said that part of the proposal was not included in the comparison since the appropriation generated from converting \$400 million of capital projects from general fund cash financing to general obligation bonding, was voted down on the House floor by a 66-67 vote on Jan. 28. Noting that the Legislature needs to approve the cash to bond proposal by a three fifths vote, Johnson said according to newly adopted Joint Rules, the conference committee is not allowed to consider the appropriation in the tax rebate bill. Abrams said the appropriation that would pay for the property tax portion of the House rebate would be worked out.

Rep. Tom Osthoff (DFL-St. Paul), urged the committee to begin to focus on the similarities of the two bills rather than only on the differences. "One of the things I observed in listening to the voters in this last election is that insider politics is something they are tired of," Osthoff said, "The people of the state would be well served if we got on to trying to put this bill together. Let's do the people's work."

Rep. Dan McElroy (R-Burnsville) said the House conference committee members had four concerns with the Senate plan. He said the inclusion of non-residents eligibility for a rebate in the Senate bill necessary to avoid possible federal taxation of the rebate, was unfair. He said because of the sales tax tables the Senate's proposal uses to determine the amount of a rebate, a Wisconsin resident who purchased a boat, or a cabin in Minnesota could be eligible for more money than a Minnesota resident. McElroy said another concern with the Senate bill is that the upper limit for married couples compared to the upper limit for a couple living together but not filing a joint return gives back more to single filers and thus is not fair to married couples. He said a family with four children and standard deductions gets back less than a family with two children and standard deductions in the Senate plan. The last concern McElroy said, was the timing of the rebate. He said under the Senate plan, rebate checks would be mailed out in September or October but in the House plan, the checks would be mailed out 60 days after the bill is approved.

Sen. John Hottinger (DFL-Mankato)

said there were similar problems with the House plan and the basis for the House proposal, that the surplus came from income taxes was flawed. "Less than 50 percent of the surplus came from income tax. Of the income tax, less than a third of the 40 some percent came from people who made more income than anticipated and that was spread across the board," Hottinger said. "The argument that on some sort of progressive scale people at the upper end paid this surplus is just not accurate."

Sen. William Belanger (R-Bloomington) said he agreed with Osthoff that the committee needed to refocus its debate. "The public is going to pick up the paper tomorrow morning and read that we spent two hours bickering. They're going to say, 'the governor was right, they just don't get it,'" Belanger said, "Rather than emphasize our differences we have to find areas we can both agree on. We have to come together and pass something together. To go this way, we're not going to be able to get anything done."

The Tax Conference Committee met again briefly Wed., Feb. 24. Belanger asked Matt Smith, commissioner of the Dept. of Revenue, if the department could process a rebate that combined both a sales tax and income tax rebate. Smith said he believed a formula could be arrived at blending elements of both proposals.

Additional judge bill heard

Members of the Judiciary Committee met Weds., Feb. 24, to consider a bill increasing the number of District Court Judges. The measure, S.F. 553, sponsored by Sen. Allan Spear (DFL-Mpls.), provides for an increase of 18 judge units. A "judge unit" is a judge, court reporter and law clerk, Spear said. Under the bill, four new judgeships and one transfer are for the First District; two judgeships reflecting past conversion of referee positions are for the Second District; four new judgeships and one referee conversion are for the Fourth District; one transfer position is taken from the Fifth District; three new judgeships are for the Seventh District; three new judgeships are for the Ninth District; and four new judgeships are for the Tenth District. Spear said the cost is \$267, 459 for the first year of the biennium and \$246,881 for the second year.

Sue Dosal, state court administrator, and Heidi Green, research and evaluation manager, State Court Administrator's Office, gave a presentation demonstrating the increased caseload for judges and the need for an increase in numbers. According to Green, the increasing juvenile and felony crime rates have placed increased burdens on the judicial system. In addition, Green said that legislative actions in recent years concerning child protection have also increased judicial caseloads.

The measure was referred to the Crime Prevention and Judiciary Budget Division under a motion specifying that the recommendation of the budget division be the recommendation of the full committee.

In other action, members also considered a bill, S.F. 346, authored by Committee Chair Jane Ranum (DFL-Mpls.). The bill expands the circumstances for relatives to obtain ex parte temporary custody of a child by including the sibling of a child who is already in the custody of the relative. Ranum said the bill expands upon legislation from 1996 that made it easier for grandparents to gain temporary custody of their grandchild when the child's parents had no contact with the child or refused or neglected to comply with the duties of the parent and child relationship or there was an immediate danger to the physical or emotional health of the child. Ranum said the original law and the bill are both designed to avoid having a full blown CHPS hearing and open the door to Family Court, rather than Child Protective Services. The committee took no formal action on the measure.

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Committee update

Agriculture and Rural Development

Three bills advance

Bills relating to industrial hemp, deer depredation payments, and the Farm Safety and Health Program were discussed at the Thurs., Feb. 18, meeting of the Agriculture and Rural Development Committee. The committee is chaired by Sen. Dallas Sams (DFL-Staples).

Sen. Roger D. Moe (DFL-Erskine) presented S.F. 122, a bill classifying industrial hemp as an agricultural crop subject to regulation and registration by the commissioner of agriculture. The bill also requires persons wanting to produce experimental or demonstration plots of industrial hemp to apply to the commissioner for registration. Moe said Minnesota and other midwestern states grew industrial hemp until it was outlawed. The crop is attractive as an alternative crop because it is an excellent rotation crop, requires little or no pesticides, and has a root structure that improves the quality of soil, according to a letter of support Moe distributed to members.

Sam Baxter, shop owner, Mall of America, brought samples of products made from hemp including jeans, shirts, shoes, and paper. Baxter told members hemp is an excellent fiber for use in making paper and that paper made from hemp is higher quality and lasts longer than regular paper.

The bill was recommended to pass and sent to the Senate floor. Two bills relating to agricultural crop damage caused by deer were presented by Sen. Kenric Scheevel (R-Preston). S.F. 791 allows landowners to take, without a license, one deer each year on land owned and occupied by the person where the deer is causing damage. The person must notify a Dept. of Natural Resources conservation officer within 24 hours of taking the deer. Scheevel said if a farmer is feeding the deer with his crops, then he should be able to harvest the deer without a license. He said that because of the proliferation of deer in the last few years, the deer have started to herd and cause a lot of crop damage.

Ed Boggess, Dept. of Natural Resources, said that shooting one deer won't do much good. He said that farmers are currently able to harvest a deer with a special permit issued by the department.

The second bill Scheevel proposed, S.F. 792, compensates crop owners for crop damage or destruction by deer. The bill adds deer to the elk depredation program to provide payments to farmers for agricultural crop damage caused by deer after Jan. 1, 1999. Sen. Jim Vickerman (DFL-Tracy) said that since the governor proposes cutting the DNR budget, the DNR isn't likely to institute new programs. Bogguss told members that presently the DNR pays for damage caused by elk and timberwolves but not deer. Bogguss suggested that paying for damage might remove the incentive to control the deer population.

S.F. 791 was laid on the table and S.F. 792 was recommended to pass and re-referred to the Environment and Natural Resources Committee.

Sen. Steve Dille (R-Dassel) offered S.F. 316, appropriating money to the commissioner of agriculture for a grant to the Farm Safety and Health Program of the University of Minnesota Extension Service. John Shutske, associate professor, University of Minnesota Dept. of Biosystems and Agricultural Engineering, said that in the last two years the program has decentralized. Shutske said there are now three staff members working to identify needs and health and safety issues for farm families in three areas of the state. He said research indicates that farming is one of the top 10 stress occupations. The grant will enable the program to continue to expand and address the health and safety needs of the farm families in the state.

The bill was recommended to pass and referred to the Environment and Agriculture Budget Division.

Tax relief bills advance

The Agriculture and Rural Development Committee, chaired by Sen. Dallas Sams (DFL-Staples), met Tues., Feb. 23, and took action on two farm tax relief bills.

S.F. 605, authored by Sen. Kenric Scheevel (R-Preston), exempts agricultural property, including buildings, except for the house, garage, and one acre of land, from a school district's debt service and referendum levies; allows farmers to carry back losses for five years; and allows farmers to average their income for state tax purposes.

S.F. 586, authored by Sen. Arlene Lesewski (R-Marshall), exempts agricul-

tural land, except for the value of the house, garage, and one acre of land, from the general education levy portion of the local property tax. Both bills were discussed at previous meetings, but Lesewski made the additional comment that while neither bill addresses all of the tax inequities, some relief will be provided. Both bills were recommended to pass and re-referred to the K-12 Education Budget Division.

Sen. Tracy Beckman (DFL-Bricelyn) presented S.F. 665, a bill establishing a program to develop cooperatively owned livestock processing plants. Beckman said the legislation helps people process and sell what they grow. He said a group in Dawson, Minnesota, has put a plan together to establish a processing plant. "I'd like for us to provide incentives for cooperatives to make the plan work," said Beckman.

Dennis Timmerman, Prairie Farmers Cooperative, said the group has spent a lot of time doing market research. He said the group feels that a smaller processing plant is necessary to ensure a future as small pork producers.

Brad Mittness, president, Ag Evolutions, Inc., told members his company worked with the co-op on a business plan. He said if the processing plant concentrates on value-added products, it could be a very profitable venture. Mittness said that with a plant this size, there would be less than a 1.5 percent market displacement. He said grocers are very interested in purchasing pork from a farm cooperative. "Consumers like the 'family farm' image and are willing to pay a higher amount for it," said Mittness.

Sen. Dean Johnson (R-Willmar) said that these are troubled times for farmers. While the money is a form of subsidy, it is also an investment, said Johnson. He said that there is a small amount of risk, but the bill is needed in order to address one of the bigger problems facing hog farmers today, which is a lack of processing plants. The bill was laid over for further discussion.

A bill prohibiting the importation of produce, livestock or other food products that are treated with chemicals not approved for use by the United States Dept. of Agriculture was offered by Sen. Jim Vickerman (DFL-Tracy). He said county officials in northern Minnesota counties are concerned about some of the products coming from Canada. Lesewski

said there is contention between the U.S. and Canada regarding Canada's noncompliance with trade agreement regulations. Vickerman said the United States Dept. of Agriculture is dealing with the problem and it might be wise to consider S.F. 712 after reviewing the forthcoming federal legislation. The bill was laid over for further discussion.

Children, Families and Learning

Teacher prep discussed

Teachers and representatives from teacher preparation institutions testified at the Thurs., Feb. 18, meeting of the Children, Families and Learning Subcommittee on Teacher Preparation. The subcommittee is co-chaired by Sen. Deanna Wiener (DFL-Eagan) and Sen. Sandra Pappas (DFL-St. Paul). The purpose of the subcommittee is to examine how teachers are being trained and what, if any, improvements need to be made.

Mike Miller, president, Minnesota Association of Colleges for Teacher Education (MACTE), said the teaching field in Minnesota is changing and teacher preparation institutions are trying to use all resources to improve teacher training. He said that MACTE recommends that members look at several aspects of teacher training including the high expectations in pre-service teacher programs; what is required of teachers in the initial period of classroom work; and re-licensure criteria.

College of St. Catherine Education Department Chair Linda Distad talked about a collaborative project between the College of St. Catherine and the Chaska Area School District. Distad said the reflective practice group project brought together a mentoring group consisting of district administrators, teachers, and a representative from higher education. Thousands of case studies were documented from the discussions held by the group, said Distad. Through the case studies, the group was able to track that various concerns of teachers appear at different times during a career, she said. The case study findings are compiled and shared with teachers and participating schools on an ongoing basis, said Distad.

Linda Baer, chancellor of academic affairs, MnSCU, told members that MnSCU is the largest provider of teacher

graduates in the state. She said that MnSCU is focusing on teacher retention issues, because 20 percent of teachers leave the field within the first five years. Sen. Dave Kleis (R-St. Cloud) asked why teachers leave the field that soon. Baer said there are several contributing factors including better salaries in the business community; inadequate support systems for new teachers; and the fact that children today come to school with a very diverse set of needs and it is hard for teachers to meet all of the needs.

"It is very important to help beginning teachers develop a life long plan for teaching," said JoAnne McKay. McKay, who is dean of the College of Education at St. Cloud State University, told members that the teaching program at SCSU would like to include a teacher help line; develop a beginning teacher conference; add more professional development sites; develop a substitute institute; and develop an urban teacher education partnership.

John Chomicz, a teacher in the Burnsville, Eagan, Savage School District, told members that he felt unprepared to be in the classroom when he started teaching. Chomicz said he had the knowledge, but lacked a grasp of the big picture. "I needed to understand how to take the knowledge and translate it into a workable lesson plan," he said. Chomicz said his most valuable experience when he first started teaching was having a long term teacher as a mentor. "It is important for the college student who is considering teaching to have much more practical classroom involvement early on. This way, people can really find out what teaching is all about and determine if that is the career for them," said Chomicz. He also recommended that mentorship programs be standard to help new teachers in the school districts. Finally, Chomicz recommended that students in the teacher training programs be taught to view college courses from a teacher perspective, learning how to integrate the knowledge into the classroom setting.

Crime Prevention

Concealed firearms debated

Representatives on both sides of the concealed carry firearms issue addressed the Joint Senate and House Crime Prevention Committees meeting Fri.,

Feb. 19. The meeting was chaired by Sen. Allan Spear (DFL-Mpls.) and Rep. Rich Stanek (R-Maple Grove).

John Lott, professor of economics and an Olin Fellow from the University of Chicago, said gun control advocates believe murders result from fits of rage. They think if a gun is kept out of a person's hands for a few days, the person will not be as likely to kill, Lott related. He said the ability of a person to protect himself or herself can deter murders. "It has been found that the safest course of action is to defend oneself with a gun," he said. He said studies have also found that women benefit the most from right to carry laws; he said they have been found to be 25 times more apt to be seriously injured if they are passive, rather than if they defend themselves with a firearm.

Minnesota currently has a "may issue" licensing system, sometimes known as a discretionary permit system. Legal authorities can grant a license to carry concealed firearms to citizens who establish a compelling need for doing so. A number of states have enacted "shall issue" licensing systems, or presumptive right-to-carry laws, which require authorities to provide a license to any applicant who meets specified criteria.

Sen. Thomas Neuville (R-Northfield) asked whether states with the concealed carry firearm law require training. Lott said all states have a one-time training requirement rule. He said the amount of training varies from three to eight hours. He said the longer the training requirement, the fewer people get permits.

Lott cited Florida as an example of a state with shall-carry licensing. He said out of 550,000 permits issued, 109 were revoked for a violation. He said that of that 109, 80 percent were revoked because the individual accidentally carried his or her gun into a restricted area. "Even police who opposed the concealed carry law have changed their minds after seeing no problems arise," Lott said. He said concerns have been expressed about a citizen using a gun in the heat of the moment, such as an argument over a traffic altercation. He said only one case of a gun being used by a licensed permit holder following a traffic accident has been recorded, and that was found to be a case of self defense. He said another concern that has not held true is that gun-carrying citizens pose a potential risk

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for police. "There has not been one case where a permit-holder killed a police officer, but in 45 cases, gun-carrying citizens have aided an officer," he said.

Rep. Wes Skoglund (DFL-Mpls.) recalled a case in Minnesota of a state trooper being killed by a person who had at one time held a permit to carry a firearm. He asked Lott how he knew no current permit-holder had been involved in a crime against a police officer. Lott said the information is public.

"On average, the violent crime rate decreases over time with the concealed carry firearms law," Lott said. He said murder and rape rates drop sharply. He said there are increases in larceny and auto theft. Lott said he believes this is because criminals revert to crime where they will not have as much contact with a citizen who may be armed. Lott said when a state adopts the concealed carry firearms law, there is an increase in murder and rape in neighboring states that do not have the law.

Lott was asked by Rep. Mary Jo McGuire (DFL-Falcon Heights) if his research accounted for other factors that may cause a reduction in crime. He said he accounted for as many factors as possible. "We'd have to find some variable in all these states that would be changing at the same time," he said. "That would be hard to explain."

Jens Ludwig, assistant professor of public policy at Georgetown University and expert affiliate at Johns Hopkins Center for Gun Policy and Research, said there is no credible evidence that crime is deterred by a concealed carry firearms law. He said evidence shows crime can go up or down with such a law. "Robbers are more likely to carry guns themselves if they think citizens are carrying," he said. "Also, robbers are increasingly nervous and more likely to shoot." Ludwig said he is concerned that Lott's research does not properly account for gangs, drug abuse and poverty. He said part or all of the effects on crime may not be due to gun-carry laws. "There's no convincing evidence these laws actually reduce crime," he said.

Bad check penalty discussed

Sen. Allan Spear (DFL-Mpls.) presented a bill on bad check penalty increases at the Crime Prevention Committee meeting Mon., Feb. 22. Spear, who chairs the meeting, offered

S.F. 443, which also proposes a diversion program for non-sufficient-fund (NSF) bad check writers.

"There are basically two kinds of bad check offenders," Spear said. "There is the person who occasionally write bad checks because of careless bookkeeping or living on the edge financially, and there is the person who knowingly writes bad checks, often for large amounts, as a form of theft." He said the bill creates consistency in financial transaction crimes and increases the amount of civil penalties for issuance of NSF checks. Currently NSF checks are considered misdemeanors or gross misdemeanors, depending on the amount. The bill adds felony penalties for the issuance of NSF checks. The bill also creates a pretrial diversion program for writers of dishonored checks and raises the service charge fee for a dishonored check to \$30.

Annette Henkel, president of the Minnesota Retail Merchants Association, said check fraud impacts all retailers, regardless of size. She said only 13 percent of fraudulent checks are recovered, and the number of bad checks has increased this year by 20 percent.

A concern about the fee charges by a bank on a bad check was raised by Sen. Randy Kelly (DFL-St. Paul). He said he has had several constituents who have complained to him about the high charges they have paid for inadvertently writing a bad check. He cited an individual who wrote four checks for less than \$25 that were returned, and the person was charged \$550 in fees. Kelly described a bank customer, 89, who wrote a check expecting her social security payment to cover it. The payment was delayed, and her check returned. Although this was the first time this had happened, Kelly said, the bank added charges. "I think we have become excessive in adding fees," Kelly said.

"It is a crime to write checks if you don't have the money in your account," said Judy Cook, representing Cook, Hill and Girard Associates.

Sen. Dave Kleis (R-St. Cloud) said that as a small business owner, he believed issuers of bad checks need to pay the consequences. "Some members might feel differently if they had received lots of bad checks in their business dealings," he said.

Jenny Engh of the Minnesota Bankers Association said the organization

supports the bill because check fraud has risen to \$1 billion annually. Kelly asked whether it is a common practice for a bank to process the highest check first if three are written, making all three checks overdrawn rather than just one. Engh said processing the highest check first is not a prevalent practice among banks. Sen. Dave Johnson (DFL-Bloomington) said that if a person writes a check with non-sufficient funds, it is not a crime. He added that the person of moderate income writing such checks gets hit the hardest. Those with bigger bank accounts may have programs in effect that cover the checks.

Mary Myer, an officer with the Woodbury Police Department, said she spends 100 percent of her time dealing with forgery cases. She said that forgery rings are common, with people forging checks as their income. She said law enforcement supports the bill because of the uniformity of penalties it provides.

Amendments to the bill included reinstating the original service fee of \$20 and specifying that the person who wrote the dishonored check is not liable for financial penalties if there is a pretrial diversion program and the person completed the program. Another amendment provides that if the payment for a pretrial diversion program results in economic hardship for the offender, the prosecutor may waive the fee. All amendments prevailed. The bill was recommended to pass and sent to the Senate floor.

Kelly presented S.F. 464, a bill that delays the drug classification of Carisoprodol. The bill delays the effective date for the Food and Drug Administration to determine whether the drug should be scheduled as a controlled substance. John Choi, attorney representing Carter-Wallace, Inc., said the drug is a muscle relaxant used to control back spasms. The bill was approved and was recommended for the Consent Calendar.

Final argument bill heard

A bill regarding order of final argument in criminal cases was brought before the Judiciary Committee at its meeting Weds., Feb. 24. The committee, chaired by Sen. Allan Spear (DFL-Mpls.), heard S.F. 198, authored by Sen. Randy Kelly (DFL-St. Paul). The bill specifies that the prosecution may reply in rebuttal to the closing argument of the defense.

Spear said a bill authored by Sen. Ellen

Anderson (DFL-St. Paul), currently on the Senate floor, addresses the same issue. Anderson's bill originally placed the decision on prosecution rebuttal with the Supreme Court. An amendment to Anderson's bill, by Sen. Thomas Neuville (R-Northfield), specifying that the prosecution be permitted to reply to the defense in rebuttal, and allowing the defense to reply in surrebuttal, was adopted. Spear said that if S.F. 198 was approved, the committee would have two bills which propose similar solutions on the floor at the same time.

"I think Sen. Neuville's amendment took a number of people by surprise," Kelly said. "I have been told the bill we recommended to pass has not been used in any other jurisdiction." Kelly said. He passed out a letter in support of S.F. 198 written by Daniel Mabley, chief judge of the 4th Judicial District in Hennepin County.

Neuville said he was sincere in offering his amendment as a compromise. He said he believed concerns about lengthening the process of the trial are ridiculous.

Sen. Warren Limmer (R-Maple Grove) said he does not believe the Legislature should get involved in the prosecution issue. He said there should be no concern about lengthening the time in court when the concern is about whether a person is found guilty of a crime. "I just think of the immense power of the state," Limmer said. "We can at least give the defendant the last word. We need to focus on the element of justice and the element of fairness."

Sen. David Ten Eyck (DFL-East Gull Lake) said he believed a compromise had been reached on the issue with the Neuville amendment, but he said he had been contacted by a witness who thought his testimony had been misunderstood. "I'm concerned, knowing what I know now, whether my vote was correctly placed," he said.

The bill was recommended to pass and sent to the Senate floor.

Sen. John Marty (DFL-Roseville) presented S.F. 443, a bill that allows health professionals to immediately report to law enforcement if there is evidence of ingestion of alcohol or a controlled substance by a patient who has been injured in a motor vehicle accident. The bill includes an immunity provision for those persons reporting in good faith and exercising due care.

Steve Simon, director of the Minnesota Criminal Justice System DWI Task Force, said research indicates persons who are DWI drivers and injured, but not prosecuted, have a high rate of re-offending. Marty said currently hospitals do not disclose information, and drivers who are drinking and being treated for injuries are seldom charged with DWI. He said the Minnesota Medical Association supports the bill, as long as the reporting is not mandatory. An author's amendment making the reporting voluntary was adopted. Also prevailing were amendments by Neuville specifying that the person being treated is an occupant of a motor vehicle and by Sen. Leo Foley (DFL-Anoka) specifying that reports be made to the proper police authorities. The bill was recommended to pass and re-referred to the Judiciary Committee.

A bill regarding domestic violence, authored by Sen. Ember Reichgott (DFL-New Hope) was presented. S.F. 551 makes changes to the domestic abuse order for protection statute. Susan Gaertner, Ramsey County Attorney, spoke on behalf of the bill. She said the bill specifies serving the order of protection with minimal delay. The bill provides that a person is guilty of a misdemeanor if the person knows of the domestic abuse no contact order and violates it. The measure amends the first-degree murder crime of causing the death of another while committing domestic abuse when the perpetrator has engaged in a past pattern of domestic abuse. Gaertner said this section of the bill arises out of a domestic abuse situation in which an eight-year-old child was killed in defense of her mother. The child was not the intended victim. The bill also amends the malicious punishment of a child crime. The bill was laid over.

Crime Prevention and Judiciary Budget Division

Corrections budget studied

The Department of Corrections (DOC) presented its Juvenile Services budget to the Crime Prevention and Judiciary Budget Division at a meeting Tues., Feb. 23. The division is chaired by Sen. Randy Kelly (DFL-St. Paul).

Debbie Eng, director of Juvenile Services, offered a 1998 evaluation report on the education system at the Red Wing

facility. The facility provides residential care for delinquent juvenile males from 87 counties. Kelly said he appreciated that DOC had an independent evaluation done, but he was concerned that the report is one of the most scathing and critical reports he has seen. He said the report is critical of staff, class grouping, building conditions, lack of technology and employment readiness.

Kelly said he visited Red Wing and did not see any posters or artwork on the walls or any recognition of achievement by the students. "No one had a book open. The environment was dead," he said. "This is likely to be the last school many of these boys attend," Kelly stated. "If we fail at educating these kids, we fail these kids."

Dennis Benson, DOC deputy commissioner, said he did not disagree with much of what was said. "We made the decision to share this report with you because we want everything out on the table," he said. He said the DOC knows work must be done on its educational program at Red Wing. "We want to look very closely at what is in the best interest of the kids," he said.

Sen. Warren Limmer (R-Maple Grove) asked why it took the DOC so long to identify the education problems. Benson said numerous changes have occurred in the past two years. A new superintendent was hired in October 1996. Sexual offenders were moved to Red Wing, a fence was placed around the facility, a chemical dependency program was started and staff changes were made. "The program is not where we want it to be, but it has improved greatly," he said.

Sen. Jane Ranum (DFL-Mpls.) said that other out-of-home placement situations may not provide any better education, but she wants Red Wing to be a model. Kelly said he wants to help the DOC. "We do have a plan of action," Eng said. "I think this report validated our concerns."

Eng said the Juvenile Services Division consists of Red Wing, Sauk Centre, Thistledeew Camp and Camp Ripley. She said the governor recommends the following changes for the agency's biennial budget: \$450,000 for statewide asset preservation and repair; \$700,000 for transition and aftercare services; \$280,000 for academic education and \$225,000 for vocational education at Red Wing; \$1.349 million for juvenile female

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programming at Sauk Centre; and \$3 million for population pressure relief at Red Wing.

Kelly said he did not understand why the state, rather than the counties, should be picking up the costs for aftercare. Eng said that prior to aftercare, the county parole officers were responsible for finding funding for placements of juveniles in the community and supervising the placements. Ranum said the chances of re-offending decrease with aftercare, and she is surprised the counties don't do more to provide aftercare.

Tom Adkins, a corrections professional, said resources for counties vary significantly around the state. He added that the DOC has been firm in its need for aftercare service, and has been willing to negotiate with the counties.

Benson said the funding requested for asset preservation is needed for roof and window repair and replacement, shower improvements and heating system improvements.

Eng said the money for population pressure relief at Red Wing is required to ensure the facility will not need to use double bunking. She said double bunking can place the agency in difficulty regarding licensing requirements.

Economic Development Budget Division

Community jobs discussed

A bill appropriating money for a grant to the St. Paul Urban League was heard by the Economic Development Budget Division, Thurs., Feb. 18. Sen. Tracy Beckman (DFL-Bricelyn) chairs the division.

S.F. 202, authored by Sen. Sandra Pappas (DFL-St. Paul), appropriates \$700,000 over the next biennium to the Dept. of Economic Security for the department to issue grants to the St. Paul Urban League's NeighborLINK program. NeighborLINK is a partnership between several St. Paul neighborhood based organizations. Pappas said the two year pilot project has been a successful job placement and retention program focusing its services on males from minority groups, a group not targeted for assistance by other programs. "The program helps break down barriers people have in getting jobs. Often times there are language barriers, cultural barriers, or

transportation barriers. This program helps teach job seeking skills, interview skills as well as cultural skills," Pappas said. John Stone, the NeighborLINK coordinator, said the program has helped 1,443 people obtain jobs, 830 of which are located in the core enterprise zone area of the city. Of those 830, approximately 80 percent are filled by people of color. He said the cost per placement averages to about \$398 per job, as compared to a nationwide average of \$1,800 per job of other employment services. "This is because we didn't create new agencies. We identified existing community based organizations to work with," he said. Stone said that 80 percent of NeighborLINK clients are non Minnesota Family Investment Program (MFIP) recipients and are either not eligible or have not sought assistance from the Jobs Training and Partnership Act (JTPA). He said federal funding of the program ended at the end of 1998. In addition to existing donations from the Dayton-Hudson Corporation and 3M, the program is seeking assistance from other foundations as well as from the state.

Yer Lee, a participant of the program, said NeighborLINK helped her find her current position as a job coordinator. She said she went to the Merrick Community Center, a partner in the program, originally for daycare services for her children. She discovered the program's job services and decided to apply for a position as an account clerk to work in the neighborhood rather than continuing the twenty-seven mile commute from her home in North St. Paul to Eden Prairie, where she worked as a clerk typist. She said as a person of color, her position as a job coordinator has worked out well because many times people who speak English as a second language are reluctant to seek help in finding jobs, because of the language differences. Lee said people are more comfortable talking to a person of the same color, who speaks the same language.

Xavier Escobedo, from the Eastside Job Bank, said Lee's story was one of hundreds of examples of the way the NeighborLINK program has worked. "She was able to get a job a couple of miles from her home at over \$10 per hour. Now she is helping the community," Escobedo said. He said funding of the program not only was the reason for his own job, it was also the reason he was

able to employ others in the community.

Sen. Ellen Anderson (DFL-St. Paul) said she supported Pappas' bill. "The clientele NeighborLINK serves really is a group whose needs are potentially not being met anywhere else," Anderson said. "The welfare dads, the single dads who do not have a good income, trying to get them into the workforce, getting them jobs makes a big difference."

Beckman said he too supported the program but cautioned that the governor's proposed \$50 million cuts to existing economic development programs meant difficult funding decisions need to be made. "I don't want to mislead anyone into thinking that we'll be able to fund this," he said. He said the bill would be one of many the committee considers further.

Election Laws

Ethics in government discussed

The Election Laws Committee met Mon. Feb. 22, to discuss S.F. 516, the bill that has become the vehicle for changes in the ethics in government statute. The committee is chaired by Sen. John Marty (DFL-Roseville).

Discussion continued on proposed amendments to S.F. 516, authored by Sen. Linda Scheid (DFL-Brooklyn Park). The bill provides for county auditors to update voter records when a confirmed change of address notice by the United States Postal Service is received. The committee considered an amendment, offered by Sen. Mark Ourada (R-Buffalo), that makes several changes to the ethics in government statute.

Marty offered an amendment to the Ourada amendment that deletes everything in the bill except the provision banning lobbyists from giving gifts to officials. Marty said that the other issues in the bill need to be looked at separately, as does the gift ban provision. The amendment was not adopted.

Marty offered another amendment relating to independent expenditures by principal campaign committees. The provision prohibits the principal campaign committee of a candidate from making independent expenditures in support of or in opposition to another candidate. The amendment was adopted.

An amendment, preventing candidates for governor or lieutenant governor from accepting a campaign contribution

during a 14 day period immediately following the adjournment of a regular session of the Legislature in either year of a biennium, was also offered by Marty. He said the provision prevents the governor from accepting a contribution during the signing and veto period after the Legislature has adjourned. The amendment was adopted.

The next two amendments offered by Marty relate to contributions to political committees or funds. The first amendment provides that a political committee or political fund must return to the contributor within 60 days after it was received any contribution of more than \$100 for which the committee or fund has not recorded the name, address, and employer, or occupation if self-employed, of the contributor. The amendment was adopted.

The second amendment specifies that if the amount of a campaign contribution is larger than the amount that may be accepted from an individual, a written notice of explanation must be provided. He said that by providing a written notice that the contribution is from more than one individual, a lot of confusion will be avoided. The amendment was not adopted.

Marty also offered an amendment expanding the statutory definition of lobbyist to include an individual attempting to influence the action of a Metropolitan governmental unit to apply or administer an adopted ordinance or land use plan. The amendment was adopted.

The last amendment offered by Marty expands the penalty for candidates exceeding expenditure limits. Currently, if a candidate who has agreed to spending limits exceeds the limits, the candidate is fined up to four times the amount that the expenditures exceeded the limit. The language in the amendment provides that the Campaign Finance and Public Disclosure Board may order the candidate to return all or part of the public subsidy received by the candidate. The amendment was not adopted.

Election laws discussed

The Election Laws Committee, chaired by Sen. John Marty (DFL-Roseville), met Weds., Feb. 24, to discuss bills relating to special elections.

Sen. Claire Robling (R-Prior Lake) presented S.F. 257, a bill permitting a special election to fill a vacancy in the

office of mayor or council member if the remainder of the term exceeds 90 days from the onset of the vacancy. Currently, if a vacancy occurs before the opening of filings for office in the first two years of a four-year term, the vacancy is filled by special election at the next regular city election. If it occurs after that date, the vacancy is filled by a vote of the city council or, in case of a tie in the council, by the mayor. S.F. 257 gives the council a choice of filling the vacancy by special election rather than by appointment.

Dale Oldenburg, member, Jordan City Council, said that council members were uncomfortable making a choice to fill the vacancy created when a council member was elected to another office. He said the council members felt the decision should be up to the people of Jordan. Jordan City Administrator Doug Sell said that in the Jordan case, more than two years remained on the term of the vacated council seat. He said it is not a big burden for a city like Jordan to hold a special election, and it causes the public to feel more comfortable with the process. Robling said the bill does not require a city to have a special election, but it gives the city the option. The bill was recommended to pass and sent to the Senate floor.

A bill requiring certain special primaries and elections to be conducted by mail was proposed by Sen. Linda Scheid (DFL-Brooklyn Park). The bill, S.F. 519, relates to elections to fill vacancies in Congress or the state Legislature. Scheid said the issue is really whether communities want to conduct elections by mail. The intent is to improve voter participation, she said. It's been tried, it is successful and the voters like it, said Scheid. She added that per voter, the cost of voting by mail is less than the cost of the traditional method of voting.

Marty asked why the time frame to conduct the special election was increased. Joe Manske, director of elections, Office of the Secretary of State, said the broader time frame allows candidates in the special election more time to campaign. He said the candidates in past elections requested the change.

The bill was recommended to pass and sent to the Senate floor.

Discussion resumed on S.F. 87, a bill changing disclosure requirements in the ethics in government statute. Chief

Author Marty told members the bill addresses the gaps that are in the disclosure law and allows the public to know what financial connections the Legislators have. He said the bill clears up some conflict of interest issues.

Sen. Ember Reichgott Junge (DFL-New Hope) told members that Alan Rosenthal, an expert in conflict of interest and legislative ethics issues, would be speaking at an upcoming Subcommittee on Permanent and Joint Rules and Ethical Conduct meeting. She requested that S.F. 87 be laid over for discussion until after members had a chance to hear Rosenthal tell what other state Legislatures are doing in the area of conflict of interest. Marty and members agreed to lay the bill over for further discussion.

Environment and Natural Resources

Emissions test repeal forwarded

A bill repealing emissions testing on automobiles in the state, was approved by the Environment and Natural Resources Committee, Fri., Feb. 19. The committee is chaired by Sen. Bob Lessard (DFL-Int'l. Falls).

S.F. 18, authored by Sen. James Metzen (DFL-South St. Paul), repeals the current law requiring cars that are over five years old pass an annual inspection of the level of carbon monoxide emitted from the vehicle. Metzen's bill is one of several introduced this Session that eliminate the testing requirement. It was the committee's second hearing on the issue.

Sen. Ember Reichgott Junge (DFL-New Hope), the author of the bill that established emissions testing eight years ago, said the original law was passed after she was approached by constituents concerned about the air quality at several busy metropolitan intersections. "There was a good reason the program was enacted," Junge said, "It has worked and it has cleaned up the air." She said the state has worked with the Environmental Protection Agency (EPA) over the years to ensure its air quality continues to meet agency standards. She said the State should continue working with the EPA to make sure it continues to receive highway funds and to maintain the ability to permit its own facilities. "We have to make sure the EPA is with us with whatever we do," Junge said.

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Eric Schulte, an owner of an automobile repair shop in Coon Rapids, said emissions testing has had a noticeable impact on the state's air quality. "I'm like a canary in a coal mine. I am working on these cars in closed doors and I breathe the fumes," he said, "Before emissions testing I could tell you how many cars ran in my shop by how many Tylenol I took at night. I always had a headache. After emissions testing it has improved. I don't go home with headaches anymore." Schulte said because he owns a car repair business, his testimony against the repeal of testing might appear self serving but that only four percent of his annual business comes from emissions testing related repairs. "The system seems to be almost flawless," he said, "People take better care of their cars. They don't tamper with the exhaust systems."

Leo Carrol, from Enviro Test, the company that has the state's emissions testing contract, said the success of the program could not be judged simply by the 600,000 cars that have failed the test and were either repaired or removed from the road. "A significant portion of drivers had their vehicle's exhaust system checked by a mechanic prior to the emissions test," he said, "A majority of those drivers had repairs made prior to the test to improve their chance of passing." Carrol said over 365,000 tons of carbon monoxide have been eliminated from the state's air since testing began and more than 25,000 tons of hydrocarbons, including cancer causing compounds, have also been eliminated.

Leo Raudys, director of the Minnesota Pollution Control Agency's Vehicle Inspection Program said the agency supported the bill. "We believe it's been a very successful program fixing what was a serious carbon monoxide problem," Raudys said, "We just don't think the vehicle testing program keeps pace with where the real problem is, that we're driving so many more miles on the road." Raudys said the governor's proposed budget establishes a clean fuels program and the agency believes that approach will be more effective in dealing with air pollution problems. He said automobiles are responsible for over half the air toxics and cancer causing air pollution in the State. "It might be comforting to think we're doing something by having our cars checked, but it is not a comprehensive solution to the problem. We need to

give people the option to purchase cleaner fuels," he said.

Tony Kwilas, from the Minnesota Chamber of Commerce, said the chamber is concerned that by eliminating the vehicle inspection program, higher fees will be required from businesses for air quality permit fees to make up for the \$750,000 the state will lose in emissions testing revenue. He said motor vehicles are the largest contributor of hydrocarbons in the state and the focus should be on lowering the amount of ozone in the air. "Motor vehicles are the largest source of pollution in the area. If this program is repealed, the entire burden of achieving pollution reductions would rest squarely on the shoulders of business. To do this is inequitable and bad public policy," Kwilas said.

Sen. Pat Pariseau (R-Farmington) offered an amendment setting the date for elimination of the testing program to Jan. 1, 2000, or when the EPA certifies the Twin Cities as an attainment area for carbon monoxide levels. The amendment also contains a provision for re-establishing the testing program should the Metro Area ever fall into noncompliance with the EPA levels for attainment. Pariseau said she has seen no documentation that the state was in jeopardy of losing its \$117 million in federal highway funds should the vehicle inspections program be eliminated. The amendment was adopted.

Sen. Linda Higgins (DFL-Mpls.) offered an amendment appropriating money to the MPCA for the retraining of the 150 workers who lose their jobs if the emissions testing program is eliminated. Sen. Dennis Frederickson (R-New Ulm) offered an amendment to the Higgins amendment changing the appropriation to the Dept. of Economic Security, where dislocated workers' funds usually are appropriated. Frederickson's amendment was adopted, and Higgins' amendment was also adopted.

The bill as amended was approved by an 8-6 vote and forwarded to the Environment and Agriculture Budget Division.

Land sale bills approved

A number of bills permitting the sale of tax forfeited lands in various counties of the state were approved by the Environment and Natural Resources Committee, Mon., Feb. 22. The committee is chaired

by Sen. Bob Lessard (DFL-Int'l. Falls).

The bills are S.F. 322 carried by Sen. Linda Scheid (DFL-Brooklyn Park) relating to conveyance of tax-forfeited land in Hennepin County; S.F. 59 carried by Sen. Dan Stevens (R-Mora) relating to conveyance of tax-forfeited land in Sherburne County; S.F. 252 carried by Sen. Cal Larson (R-Fergus Falls) relating to the public sale of tax-forfeited land in Douglas County; S.F. 267 carried by Sen. Edward Oliver (R-Deephaven) relating to the conveyance of tax-forfeited land in Hennepin County; S.F. 290 carried by Sen. Pat Piper (DFL-Austin) relating to the public sale of tax-forfeited land in Mower County; S.F. 350 carried by Sen. Dick Day (R-Owatonna) relating to land conveyances in connection with transfer of state land in Steele County; S.F. 388 carried by Sen. Steven Novak (DFL-New Brighton) relating to conveyance of tax-forfeited land in Ramsey County; S.F. 402 carried by Sen. Paula Hanson (DFL-Ham Lake) relating to the public sale of tax-forfeited land in Anoka County; S.F. 523 carried by Sen. Steven Morse (DFL-Dakota) relating to private sale of surplus state land in Houston County; S.F. 209 carried by Sen. David Ten Eyck (DFL-East Gull Lake) relating to the private sale of tax-forfeited land in Hubbard County; S.F. 327 carried by Ten Eyck relating to the exchange and private sale of tax-forfeited land in Cass County; and S.F. 437 carried by Ten Eyck relating to the private sale of tax-forfeited land in Hubbard County. All the bills were approved, inserted into S.F. 437, and advanced to the Senate floor.

Environment and Agriculture Budget Division

Budgets reviewed

The Environment and Agriculture Budget Division met Mon., Feb. 22, to hear a budget overview from the Science Museum of Minnesota, and the Dept. of Natural Resources (DNR). The division is chaired by Sen. Steven Morse (DFL-Dakota).

Dr. James Peterson, the president of the Science Museum, said the organization's mission is to enhance learning experiences in the changing world through science. "Our programs excite and engage life long learners," Peterson said. He said the Science

Museum's move into its new location on Kellogg Boulevard in St. Paul is proceeding as scheduled. The museum will operate in its current location until Labor day, will close for three months to allow for the move, and re-open in early December, Peterson said.

The Science Museum is requesting appropriations for two new projects in the next biennium: \$250,000 for a soils experiment center and soils demonstration plots, and \$350,000 for a sediment sources study. Peterson said the organization's base budget request of \$1.16 million for F.Y. 1999 is critical for the museum to continue its high quality, low cost, accessible educational programs. He said the Science Museum is also seeking \$2.5 to \$3 million from private sources for public relations and marketing to launch the new museum "with a bang," and \$2.4 to \$2.5 from private sources to fund building completion. He said the additional private funds will be used for new exhibits, information technology, training, new programs, and to publicize the museum's grand opening.

Allen Garber, the DNR's new commissioner, said he was in the process of establishing his management team. "I'm very open and very anxious to listen to you," Garber said, "I want to establish an atmosphere that is open and honest. My management team will be trustworthy, honest and honorable."

Sen. Charles Berg (IND-Chokio) said he was encouraged to hear the department's pledge to be more responsive. "I get calls every day from constituents who say they have been wronged by a decision made by the DNR," he said.

Peggy Adelman, the DNR's financial management director, said the department is aware of frustration that exists with some of its decision making. "Our challenge is to balance the desires of an individual with what benefits the whole," she said, "We work with the public to manage the state's diverse natural resources for a sustainable quality of life."

Adelman said the department's mission is to manage the state's public lands, parks, timber, waters, minerals, and wild animals for commercial and recreational use. She said the department faces increasing challenges to its mission with the state's population and economic growth, along with technological changes, such as jet skis, fish finders,

and off road vehicles, which put an increased demand on natural resources.

Bill Brice, the director of DNR's Minerals Resource Management Division, said the division is responsible in leasing state owned land for exploration and mining, and to generate revenue for state trust funds and local taxing districts. Brice said the state continues to lead the nation in the amount of iron ore produced, producing over 70 percent of the country's supply. He said that turmoil in the Japanese and Brazil markets have had a negative impact on Minnesota's iron industry.

DNR Waters budget reviewed

The Environment and Agriculture Budget Division, chaired by Sen. Steven Morse (DFL-Dakota), heard testimony on the budget request of the Waters Division of the Dept. of Natural Resources (DNR). Kent Lokkesmoe, division director, led members through a discussion of programs operated by the division. Lokkesmoe said the division will continue its review of emergency water conservation plans with a priority on areas with safe drinking water concerns. The division also plans to continue its safety inspection of 900 dams in the state. He said there are about 40 dams that are considered to be "high hazard" that receive annual inspections. Lokkesmoe added that the DNR will need \$1 million per year to address dam safety needs.

Technical ground and surface water monitoring and analysis is also conducted by the DNR Waters Division. Lokkesmoe said that with last year's appropriation, the department has greatly expanded its flood warning system. He said that water levels can be monitored and recorded through telemetry and the data can be distributed to downstream local governments via the internet. Local governments can monitor flood conditions and plan accordingly, Lokkesmoe said.

The division is continuing to develop watershed maps that ultimately will be available over the internet, Lokkesmoe said. Currently the division is adding county data to the maps, he said. Lokkesmoe stated that the Dept. of Trade and Economic Development, the agency that administers the fund to convert once-through groundwater cooling systems, has not received any applications for mediation grants, although the

conversion deadline is 2010. He said the once-through cooling system fees that fund the program will continue to decline. He added that consumption of groundwater since the program began in 1989 has been cut from 11 to 5 billion gallons.

The division's initiative is to continue flood hazard mitigation work in the Red River Valley, Lokkesmoe said. The state's appropriation is used to leverage federal money he said. Among the activities funded by the appropriation are revisions to water management plans, construction of impoundments and levies, and river channel redirection. He said that smaller projects will be worked on this coming year and the more controversial projects will be worked on later.

Earlier, the division heard testimony on S.F. 328, a bill appropriating money to the Mar-Kit Landfill Joint Powers Board for a waste processing facility. Sen. LeRoy Stumpf (DFL-Thief River Falls), sponsor of the measure, said the facility is a joint venture of Kittson, Marshall, Roseau, Lake of the Woods and Koochiching Counties. He said that the board received a grant from the Office of Environmental Assistance to build the facility, but the funding was inadequate to complete the project. Stumpf said that grants of that type require a 50/50 match and the board is raising that amount of money from processing fees. He said that the board is planning to go ahead with the project and then will ask for a grant for half of the cost to complete the project.

The division took no formal action on the measure, but decided to include the grant in their omnibus budget bill with a local funding match requirement.

Ecology and business discussed

Sustainable development, high profits, and good economics are mutually supportive of each other, the CEO of a leading manufacturing company told the Environment and Agriculture Budget Division, Wed., Feb. 24. Sen. Steven Morse (DFL-Dakota) chaired the hearing.

"We are myopically focused on financial capital, yet we ignore human and natural capital," Ray Anderson of Interface Inc., said. The Atlanta based company is the world's largest producer of commercial floor coverings. Anderson said that in 1994 he was asked to give a

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speech about his company's environmental practices. "I sweated over what I would say. When it came to an environmental vision I couldn't think of anything beyond complying with the law," he said. It was then that Anderson read "The Ecology of Commerce" by Paul Hawken, a book he said that forever changed his life. He said reading Hawken's book, a stark look at how business practices are destroying the Earth's resources, was "like a spear in the chest." He said the book convinced him his company had to act upon what he believes is "the crisis of our times."

Anderson said Interface manufactures over 40 percent of the world's commercial carpet tiles, employs over 7,500 people, and has 33 manufacturing sites in seven countries. "By any conventional measure you would have to say Interface is successful, but not by every measure. We were terribly unsuccessful in one important area. We never gave one thought to what we were taking from the Earth," he said. He said the current environmental condition of the planet is disastrous. "We have polluted rivers, polluted and over-fished oceans, lakes dead from acid rain. We have forests that are dying, polluted crop fields, wetlands disappearing, aquifers depleted and farm lands that are toxicated. The ozone is stressed and in decline," Anderson said. "There have been some improvements. You can now see across the street in Pittsburgh, and the Cuyahoga River no longer catches on fire."

Sustainable industrial development, Anderson said, means not only taking as little as possible from the planet, but putting back more than what is taken. He said that in order to begin to achieve this goal, Interface began working on a seven-step process. He said the first step was achieving zero waste by developing an internal reduction effort on eliminating product costs that don't add customer value. Next was eliminating emissions that have negative or toxic effects on the environment, and developing renewable energy sources by focusing on sustainable sources such as solar power instead of nonrenewable sources such as carbon based fuels. He said the plan also includes "closing the loop" meaning redesigning products and processes for recycling, and using technology to increase the flow of information while reducing the distance people had to

travel. Anderson said the final steps of the process were creating a community that understands the value of natural systems and the human impact on them or "doing well by doing good," and focusing on delivery of value rather than on the delivery of material.

He said the company's use of the processes has led to improvements. He said in 1994 for every dollar of revenue earned, Interface consumed 1.59 lbs. of natural resources, while in 1998 a dollar of revenue was equal to .94 lbs. of natural resources used. He said Interface continues to explore environmental programs such as leasing carpet to its customers so the company better controls recycling. The company is also currently looking to develop a fabric that is more recyclable than the nylon used in most carpets, Anderson said.

Morse asked Anderson what role government could play in sustainable development. "Government has two roles, that of the carrot and that of the stick," Anderson said. He said that by ending government subsidies to businesses, incentives would be created to encourage businesses to seek ways to maximize their profits in other ways. He said Interface has increased its profits from securing business, despite submitting higher bids, with companies in support of sustainable development practices. "Government also has to continue its regulatory efforts to businesses that just don't get it. Creating a floor below which businesses are not allowed to operate," he said.

Anderson said while government has a key role in the process to better the environment, the business community is at the forefront of what must be accomplished. "The business industry must lead in pioneering the next industrial revolution. The first one is just not working," he said, "We have to learn to see the economy as a wholly earned subsidiary of the environment."

Family and Early Childhood Education Budget Division

Child care budget overview

During the regular meeting of the Family and Early Childhood Education Budget Division, Fri., Feb. 19, Committee Chair Pat Piper (DFL-Austin) invited those in attendance into her office for an

informal discussion regarding child care budgetary issues.

Deb Bednarz, executive budget officer within the Minnesota Department of Finance, discussed Gov. Ventura's 2000-01 budget proposals for the Basic Sliding Fee program. Bednarz said the level of spending in the budget for the child care program remains the same, but the mix of federal and state dollars used to fund the program is changed. She said in the budget the governor finances the program with \$30 million of federal Temporary Assistance to Needy Families (TANF) funds and \$20.751 million in state funds in both fiscal year 2000 and 2001. The TANF funds were not used for child care in the previous biennium. However, she said, the state is scheduled to fund the entire program—a yearly total of \$50.751 million—in both fiscal years 2002 and 2003. She said TANF dollars are also used in the governor's budget in other areas the committee oversees. Bednarz said the governor uses the TANF dollars to ensure that the federal money allocated to Minnesota is spent in Minnesota.

Sen. Arlene Lesewski (R-Marshall) inquired as to how certain budget recommendations and decisions were made. In response, Barb Yates, deputy commissioner of the Minnesota Department of Children, Families and Learning (CFL), said the department based many of their recommendations for the budget on the governor's three basic budget principles. The governor, Yates said, was guided in his budget making decisions by a desire to be fiscally conservative, do the right things and do them well and provide incentives for desirable behavior.

Other discussions revolved around the governor's willingness to change the budget to fund more child care programs in the future. Sen. Claire Robling (R-Prior Lake) said she would not be surprised if the governor made some changes regarding child care as he received more information. Bednarz said that no supplementary budget is expected after the February forecast, but she did not rule out further changes or recommendations at other times. Piper said she routinely sends various reports detailing the results of recent early childhood brain research to the governor's office, and that Senators and CFL staff must continue to provide the governor with similar information.

Collaboration concepts discussed

Nationally recognized consultant Arthur Himmelman spoke to the members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), Tues., Feb. 23, regarding the challenges organizations face when collaborating for positive change.

Himmelman, formerly a senior fellow at the University of Minnesota's Humphrey Institute of Public Affairs, has consulted for such agencies as the California Association of non-profits, the City of Philadelphia Department of Public Health, the Florida Association of Non-Profit Organizations, the New York City Department of Health and United Way of America. He said collaboration has become necessary because the view Americans have of the public sector has changed. It has become trendy, he said, to attack government for being too bureaucratic and for simply not working, and it has also become trendy to vilify people—such as welfare recipients—who benefit from the public sector. As a result, he said, people increasingly desire less involvement from the government in their lives, and services that a government agency could provide must be accomplished through private ventures instead.

Himmelman said collaborative efforts can be classified as either betterment or empowerment initiatives. Betterment programs, he said, begin within public, private, or non-profit institutions outside of a community and are brought into a community. He said under the betterment model, experts get together to discuss an issue, then organize an effort to do something about it to better a community. Himmelman said the administration of betterment programs is controlled by the institutions or experts, and input from the people being served by the program is limited to certain advisory roles. According to Himmelman, these types of enterprises tend not to produce long term ownership in communities or to significantly increase the control that residents of a community have over their own destinies. Most collaboratives, he reported, fall into the betterment category.

Empowerment collaboratives, Himmelman said, begin within a community and are brought to public, private or non-profit institutions. He said commu-

nity members or organizations who begin these initiatives mobilize themselves and invite others to collaborate with them. The empowerment collaboratives, he said, encourage community participation and do not rely solely on information provided by experts who have studied the problem at hand. According to Himmelman, empowerment initiatives are more likely to produce long term ownership of the purpose of the collaborative and enhance the capacity of the residents of a community to control their own destinies. Himmelman said more empowerment models are needed.

Himmelman said the collaboration process is complicated. He said groups and individuals who work together must overcome territorial barriers—a problem which he suggested pooled funding would alleviate—and decide who makes the decisions regarding the best and most efficient ways people are served. He said collaborative efforts must not be eliminated too soon, because they must be given a chance to succeed on a long term basis. A collaborative must be given time to connect with a community, he said, because if a problem isn't solved in the present, it will have to be solved some time in the future. Collaborative representatives also must, Himmelman said, listen to the people they are trying to serve and move beyond the problem stating phase to one of problem solving. Himmelman also said much more information is needed regarding collaborative projects to discover what changes should be made to better serve a given community and to make better policy decisions. A lot is at stake, he said, and the progress and results of collaborative initiatives must be measured in order to correlate positive policy decisions with positive collaborative results.

Child care capacity discussed

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Wed., Feb. 24, to hear an overview of child care capacity in the state.

Zoe Nicholie, supervisor of Child Care Development in the Minnesota Department of Children, Families and Learning, reported that the number of licensed family child care homes in the state is declining. She said in June of 1997, there were 15,743 such homes operating in the state, but by December of 1998 the

number had dropped to 14,868 and was expected to fall to 14,678 by June of 1999. At the same time, Nicholie said, the number of spaces available for children in the licensed facilities also fell. She said in June of 1997, 157,430 spaces were available, but by December of 1998 the total number of slots had dropped to 148,680, and was expected to fall to 146,780 by June of 1999. Nicholie said the loss of so many child care providers can be explained through economic factors. She said the recent cuts in the federal child care food program have made it difficult for providers to break even, and a strong economy has also made child care work less appealing. She said because it is possible to obtain employment with regular eight hour days—as opposed to working ten or eleven hours or working nontraditional hours—more providers are choosing to end their services to begin different careers. Nicholie said the decline of child care in Minnesota is a disturbing trend, adding that there is no reason to think the trend will not continue. It will, she said, be a problem that needs to be constantly addressed.

Emmett Carson, president and CEO of the Minneapolis Foundation, spoke regarding the foundation's Building Better Futures (BBF) initiative. He said BBF—in its third year of existence—is a \$10 million, twenty year commitment to seven Minneapolis neighborhoods with child poverty rates of 70 percent or higher to improve life in the neighborhoods for children and families. Through BBF, Carson said, the foundation has contracted with the Institute on Race and Poverty at the University of Minnesota to identify indicators of a healthy neighborhood in each of the seven neighborhoods studied. Carson said one of the indicators of health is child care access, and he displayed several maps designed by the institute of the Whittier neighborhood of South Minneapolis to show how the day care needs of that community are being met. The maps highlighted the relation between the location of day care facilities in the neighborhood to the concentration of poverty, as well as the location of female headed families with children under eighteen, households receiving public assistance, business burglaries, household burglaries and assaults. Carson said the results show that not only are there few

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day care facilities near the concentration of the highest poverty in the neighborhood, but many facilities are also located in or near areas of high crime. This means, he said, the location of and access to the day care facilities is a key problem. Carson also said the problem must be rectified, because day care is extremely important to low income families. He said if the families can't obtain child care, they can't work, so child care is a necessary prerequisite in helping low income families become self-sufficient.

Laurie Possin, subsidy director with the Greater Minneapolis Day Care Association, spoke briefly regarding some measures that could be taken to increase the number of child care providers in the state. She said the education of parents seeking child care should be promoted so they know how to best meet their most important needs. She also said better tax credits should be granted for those who provide child care services.

Governmental Operations and Veterans

Military pay bills heard

Three bills relating to the way military pay and pensions are taxed were heard in the Governmental Operations and Veterans Committee meeting Tues., Feb. 23. Sen. James Metzen (DFL-South St. Paul) chairs the committee.

Sen. Clair Robling (R-Prior Lake) offered S.F. 247, a bill exempting 11/12 of active duty military pay from inclusion as federal taxable income on Minnesota income tax forms. Robling said that Minnesota is one of only a few states that fully taxes the income of active duty military personnel. She said that a lot of military personnel from Minnesota who are stationed outside of the state choose as their state of residency one of the states that either offers a tax break on military pay or doesn't tax military pay at all.

Robling said providing the exemption in Minnesota will encourage military personnel from Minnesota who are stationed elsewhere to keep Minnesota as their state of residence. She said most military personnel from Minnesota come here during any leave they get, so they contribute to the economy of the state while they are here. Anna Redford, whose son is in the military, said her son

comes back to Minnesota for 2 to 4 weeks each year. Redford said her son feels that he will change his state of residency to avoid the high taxes on his income. He said he'd rather pay the out-of-state fee to hunt and fish when he visits than to pay the income taxes, said Redford.

The second bill relating to military pay was S.F. 587, offered by Sen. Arlene Lesewski (R-Marshall). The bill exempts the first \$10,000 of military pension or other government retirement pay from inclusion as federal taxable income on Minnesota income tax forms. Lesewski said that in light of what other states do for veterans, Minnesota needs to make some changes.

The final bill relating to the way military pay is taxed was offered by Sen. Don Betzold (DFL-Fridley). The bill, S.F. 8, exempts the first \$5,000 of active duty military pay from inclusion as federal taxable income on Minnesota income tax forms. Betzold said the exemption benefits low ranking military personnel who have a lower income but are stationed in an area where the cost of living is higher.

All three bills were recommended to pass and re-referred to the Committee on Taxes.

Sen. Steve Murphy (DFL-Red Wing) presented S.F. 473, a bill appropriating money and authorizing bond sales for repairs at the Minnesota Veterans Home in Hastings. Murphy told members that the Dakota County Receiving Center contracts for use of space that is not being used by the veterans home. He said that the upkeep on the buildings is more than the county or the veterans home can afford. In addition, Murphy said the roof needs to be repaired soon. Metzen said the requested appropriation is something that probably fits into the emergency bonding bill. No formal action was taken on the bill.

A bill making cities in Anoka County responsible for registering dangerous dogs in accordance with state law was offered by Sen. Linda Runbeck (R-Circle Pines). The bill, S.F. 404, shifts the responsibility of registering dangerous dogs from the county to the city, said Runbeck. It makes more sense for a city to deal with the registration rather than the county, since it is a local issue.

The bill was recommended to pass and re-referred to the Local and Metropolitan Government Committee.

Governmental Operations Budget Division

DOER programs discussed

The Tues., Feb. 23, meeting of the Governmental Operations Budget Division, chaired by Sen. Leonard Price (DFL-Woodbury), was devoted primarily to a discussion of the Dept. of Employee Relations (DOER) process of becoming a self-insurer, rather than purchasing insurance in the market place, for health care for state employees. Legislative Analyst Pat McCormack, Senate Counsel & Research, detailed the changes in the market place that have prompted the department to move toward becoming a self-insurer. In addition, McCormack discussed the rationale for the department's budget request for the initiative to complete the process of becoming a self-insurer.

Currently, the three of the six medical plans in the State Employee Group Insurance Program are self-insured. The department has requested \$20 million to provide funding to self-insure the remaining three. According to McCormack, \$9 million is for rate stabilization and is needed to smooth the transition to a self-insurance model. The additional \$11 million is for a contingency fund to protect against a catastrophic financial occurrence. The department maintains that state law requires non-profit health service corporations to maintain a contingency fund and the \$11 million, combined with the existing contingency fund, provides more than 50 percent of the amount required. According to the department, the remaining reserve would be built through a surcharge on the premium over a period of years and would be absorbed by the various state agencies. McCormack said that a key issue is oversight of the initiative and that the budget division would have to assume that role.

Kathy Burek, DOER assistant commissioner, responded that McCormack had succinctly summarized the issues. She added that the department is unsure about regulation—whether it would be federal or state. Burek also pledged to work with all parties on the issue.

Burek also explained another funding item the governor is requesting. According to Burek, the governor recommends a

one time appropriation of \$310,000 to implement an optional, participant-paid, long-term care insurance program to be available to state employees, retirees and their respective family members. In addition, the program is also to be available to other public employer groups.

Commissioner Karen Carpenter also outlined three additional funding requests. The first, \$315,000 for the biennium, is for implementing a new job classification structure developed as a result of the Human Resource Re-engineering project. The project seeks to reduce the current 2200 job classifications to a more manageable number.

Carpenter said the funding is for temporary additional staff, software licenses, hardware, training and communications.

The second request of \$100,000 per year is to begin a new internship program. Carpenter said the governor sees the internship program as an investment in the state's future workforce.

The final item, Carpenter said, is the implementation of a technology project adding an insurance benefit component to the state's payroll system in connection with the payroll system upgrade project in the Dept. of Finance.

Public broadcasting overview

Representatives from public television and radio discussed budget needs at the Weds., Feb. 24, meeting of the Governmental Operations Budget Division. The division is chaired by Sen. Leonard Price (DFL-Woodbury).

Allen Harmon, general manager, WDSE-Duluth, said public television, or non-commercial television, knits the communities of the state together. When public television offered Sesame Street 30 years ago, it was a new learning experience, said Harmon. Now, there is a broad range of educational programming offered on public television, from early childhood to teacher development courses, he said. "Public TV serves the needs of all Minnesota learners in one way or another.

PBS viewers are more likely to read non-school books, are more likely to have dinner together, to watch TV with their family as well as to sit and talk together than non-PBS viewers, according to a report distributed to members.

Among public television stations across the nation, KTCA stands out because of

a commitment to serving local community needs, said Jim Pagliarini, president and chief executive officer, KTCA Twin Cities. He said KTCA is also known for the outstanding national programs produced, such as Newton's Apple. Pagliarini said the state should support public television because Public TV is a public resource and a tool to educate. He said that public television in Minnesota reaches more people than most other state funded programs.

Public television is an equalizer of access, since more homes have televisions than telephones, said Pagliarini. He said more than 4.5 million residents of the state can access public television and that is more coverage than all of the commercial television networks combined. Minnesotans do not need cable service to receive the public television signal, he said.

Minnesota Public Radio Vice President of Public Affairs William Haddeland said that some of the programs on MPR have a national audience, such as A Prairie Home Companion, and St. Paul Sunday Morning. He said the MPR network serves as a unifying force throughout Minnesota and MPR has a long term goal of providing all areas of the state with access to quality non-commercial programming and in-depth news and information.

Paul Krause, Paul Krause Associates, told members that public radio produces high quality programming. He said there is much value in what the public radio stations do, not just in Minnesota, but across the nation. Krause presented a report prepared by his organization that measures the economic impact, social and promotional value of public radio in Minnesota. He said the analysis demonstrates that public radio is a significant industry and asset to the state. It creates jobs, provides income and generates revenue for state and local governments, said Krause.

Health and Family Security

Tobacco settlement bill discussed

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Fri., Feb 19, to continue their discussion of S.F. 253, a bill relating to the use of the tobacco settlement funds.

Carried by Sen. Roger D. Moe (DFL-

Ersine), S.F. 253 establishes three endowment funds--the medical and research endowment fund, the children's endowment fund and the tobacco endowment fund--which are to be created through a portion of the payments made to the state from the recent tobacco settlement. The funds from the settlement are to be paid between the time period of Jan. 2000 and 2003. According to Moe, by the year 2003, payments from the settlement will provide \$353 million for the medical education and research endowment fund, \$301 million for the children's endowment fund and \$655 million for the tobacco prevention endowment fund. The endowments are part of a long term plan designed to help prevent the next generation of children from becoming addicted to smoking, Moe said.

Sen. Sheila Kiscaden (R-Rochester) offered an amendment that distinguishes medical education from medical research in the section of the bill that refers to the medical and research endowment fund. The amendment, she said, forms a separate section specifically for medical research, and allows individuals or organizations to use state funds for research purposes. Designed to support researchers in the state, she said the amendment promotes innovation and provides leverage for researchers to receive federal funding. She said it also satisfies some concerns raised at a previous committee meeting by representatives from the American Heart Association, who stated a greater emphasis on medical research is needed in the bill. Moe agreed to the addition of the amendment, and it was approved by the members.

Kiscaden also offered an amendment that appropriates \$5 million in fiscal year 2001 from the medical education and research endowment fund to the commissioner of Health for distribution for medical education. Moe also supported the amendment and it was approved by the members. S.F. 253 was again laid over and will be discussed at a future meeting.

Pam Wheelock, commissioner of finance in the Minnesota Department of Finance, discussed Gov. Ventura's tobacco settlement proposal. Although not yet in bill form, Wheelock said the governor proposes establishing four endowment funds -- the self-sufficiency

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endowment, the health education and medical research endowment, the public health endowment and the medical education and research costs (MERC) endowment—with the \$1.3 billion one time tobacco settlement. She said each endowment has specific goals: the self-sufficiency endowment to help individuals and families in their efforts to reduce their dependency on government programs such as the Minnesota Family Investment Program (MFIP); the health education and medical research endowment to support education and training programs at the Academic Health Center of the University of Minnesota; and the public health endowment to help local public health initiatives address the health needs in their community. Also, she said, the MERC endowment will support teaching hospitals and clinics around the state and ensure that critical medical research continues to take place. According to Wheelock, payments from the settlement will provide \$600 million to the self-sufficiency endowment, \$350 million to the health education endowment, \$260 million to the public health endowment and \$100 million to the MERC endowment.

Sen. Martha Robertson (R-Minnetonka) questioned the lack of a specific tobacco prevention effort in the governor's proposal. Wheelock said local health organizations may use funds from the public health endowment for tobacco prevention campaigns. However, Sen. Linda Berglin (DFL-Mpls.) asked how small local groups can compete with the millions of dollars tobacco companies spend in Minnesota each year to advertise their product. Wheelock said local foundations would generally know how to better prevent tobacco use in their community than would the state.

Sen. Ember Reichgott Junge (DFL-New Hope) presented S.F. 757, another bill relating to the tobacco settlement. Claiming tri-partisan support, Junge said the bill requests that the United States Congress support legislation to prohibit the federal government from claiming or recouping any funds received by the state from the tobacco settlement. The action is necessary, Junge said, because the federal government has the legal right to collect any state settlement funds related to Medicaid. She said it is also necessary because the budget recently proposed by President Clinton calls for the collection

of \$19 billion in recoupment funds from various states in the next biennium—\$490 million of which could possibly come from Minnesota's tobacco settlement. Junge said the state did not receive any assistance from the federal government in its lawsuit against the tobacco industry, and should not be required to yield any of the funds received to the federal government. S.F. 757 was approved and sent to the Senate floor.

Waiting list bill discussed

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Tues., Feb. 23, to discuss three bills relating to health care.

Sen. Leo Foley (DFL-Anoka) carried S.F. 288, a bill that establishes a state policy to reduce or eliminate the waiting list for waiver services for persons with mental retardation by June 30, 2003. The bill requires counties to partner with other counties for the joint development and delivery of waiver services, and requires the commissioner of human services to seek a federal waiver to enable waiver services funding to be paid directly to recipients in order to purchase their own care. The bill also appropriates money for waiver services, family support grants and other purposes. According to Foley, 4,700 people in the state are currently waiting for waived medical assistance services. He said the bill provides hope for those people by seeking additional funding for needed programs, establishing incentives for counties to work together to maintain efficient services, giving families more input regarding the care of a family member and ensuring accountability for the management of waived programs.

Marian Brandt, director of Sibley County Social Services, testified in support of the bill. By providing incentives for counties to work together, Brandt said, S.F. 288 helps streamline services to make them available to all who need them. She said the bill also provides leverage to receive additional federal funding.

One of several others who also testified in support of S.F. 288 was 87 year old Minneapolis resident Anna Kelly. Kelly testified on behalf of her 56 year old son, who, she said, is developmentally disabled due to a birth injury and to a case of cerebral polio he suffered at the

age of 2. She said Michael currently lives with her, but because of her own medical problems it is becoming increasingly difficult to meet his needs. She said she is his only source of support—since he is waiting for waived services— and fears what may happen to him when she can no longer provide that support. Kelly said the passage of S.F. 288 would allow Michael to move off of the waiting list and receive the care he needs. There was no discussion in opposition to the bill, and it was approved and sent to the Health and Family Security Budget Division.

Sen. Linda Berglin (DFL-Mpls.) offered S.F. 675, a bill that expands the Medical Assistance (MA) eligibility for employed persons with disabilities. According to the language of the bill, persons will qualify for Medical Assistance if they are eligible for the supplemental security income (SSI) program, except for income or assets, and their assets do not exceed \$20,000 (excluding retirement accounts, medical savings accounts and all assets excluded under SSI). Also, any spousal income or assets are disregarded when determining eligibility. Berglin said the bill serves those who don't fit into the current qualifications for medical assistance due to various technicalities.

Hutchinson resident Kelly Ratchke was one of several people who spoke in support of the bill. Ratchke said she was a math teacher before an accident left her a quadriplegic, and even though she now uses a wheelchair, she wants to begin teaching again. However, she said, if she obtains employment she will no longer be eligible for Medical Assistance under current law. She said she wants to work, but it is not worth it to lose her benefits. Others told similar stories of either not being able to accept employment or even a promotion because under current law, their benefits would be taken away. There was no discussion in opposition to S.F. 675, and it was approved and sent to the Health and Family Security Budget Division.

Berglin also carried S.F. 542, a bill that increases the income standard for families and children, and for the aged, blind or disabled, for Medical Assistance and for General Assistance Medical Care (GAMC) eligibility. Under current law, low income individuals are allowed to receive medical assistance if the cost of medical care reduces their income below

a limit set by the state. S.F. 542 increases the limit to an amount equal to the percentage increase in the Consumer Price Index for urban consumers between July 1996 and April 1999.

Barbara Collins, representing the Legal Services Advocacy Project, testified in support of the bill. Collins reported that raising the income standard would help approximately 12,000 of the poorest and most vulnerable individuals in the state receive needed medical care, because the bill makes it possible for many to keep paying rent or buying food without foregoing their medicine or doctor's visits. S.F. 542 will help the 12,000 individuals remain in their communities, she said, instead of being placed in a nursing home at a much higher cost to the state. There was no testimony in opposition to the bill, and it was also approved and sent to the Health and Family Security Budget Division.

Health and Family Security Budget Division

Medical board budget reports

Members of the Health and Family Security Budget Division, chaired by Sen. Don Samuelson (DFL-Brainerd), met Thurs., Feb. 18, to hear reports from representatives of the state's medical boards regarding Gov. Ventura's 2000-01 budget.

Julie Vikmanis, executive director of the Board of Examiners for Nursing Home Administrators, spoke on behalf of the boards of chiropractic examiners, dentistry, dietetics and nutrition practice, nursing home administrators, optometry and veterinary medicine. She said she was doing so because no general fund increases were recommended in the budgets of any of those agencies. Vikmanis also briefly discussed the purposes of the medical boards. She said the job of each board is to protect the public, establish and enforce entry requirements into medical practice, set requirements for continual practice and administer disciplinary action for unsafe practices.

Robert Butler, executive director of the Board of Marriage and Family Therapy, said the board is in its 10th year of licensing mental health professionals. He said in the 2000-01 budget the board plans to add two new licensure categories—the Licensed Associate Marriage and

Family Therapist (LAMFT) and Licensed Marriage and Family Therapist Emeritus. To help implement the new categories—and to help support ongoing programs—Butler also said the fee structure will be modified.

Robert Leach, executive director of the Board of Medical Practice, said the governor has requested additional spending of \$561,000 for the development of a new computer system. Leach said the spending is necessary because the current system is totally inadequate. He said by upgrading the computer system, the board can respond quicker to client requests for information and complaints, provide more accurate and data, allow for future technological transitions, save money through better public information access and improve client and constituent communications.

Joyce Schowalter, executive director of the Board of Nursing, said the governor recommends a biennial increase of \$580,000 to the budget of the nursing board. Schowalter said the increase will be used to complete the development of a computerized licensure and discipline system, hire consultants to advise the board on complaints requiring specialized expertise and transfer the costs of a legal assistant to work directly at the board office rather than on the staff of the Attorney General. She explained a specialized consultant is necessary due to a rise in board related litigation during the past few years.

David Holmstrom, executive director of the Board of Pharmacy, said the purpose of the board is to register pharmacists and pharmacies, and also to inspect the facilities. He said the governor requests a biennial increase of \$24,000 for a severance payment and \$64,000 to fund the administrative services unit. He said the severance payment is for a retiring employee who has accrued \$24,000 in unused sick and vacation pay. Fees, he said, will be increased to cover the extra funding.

Juli Vangness, representing the Board of Podiatric Medicine, said the governor recommends an increase of \$14,000 for the biennium in the board's budget. She said the increase—\$7,000 each year—will be used to fund a new half-time position and to pay for the printing costs of renewal certificates and computer upgrading and maintenance.

Pauline Walker-Singleton, executive

director of the Board of Psychology, said the governor has recommended an increase of \$34,000 in fiscal years 1999, 2000 and 20001 to fund two part time positions and for a budget shortage due to position relocations. Walker-Singleton also said the governor has recommended a biennial increase of \$76,000–\$38,000 in 2000 and 20001—to fund a new position to monitor licensee compliance with board disciplinary orders and corrective action agreements. She said the extra funding can be covered in the existing fee structure.

Kate Zacher-Pate, acting executive director of the Board of Social Work, said the purpose of the board is to insure social workers in Minnesota meet the necessary requirements for licensure, obtain the continuing education necessary for licensure renewal and comply with the laws and rules the board is empowered to enforce. She said the governor recommends a biennial increase of \$70,000 in the board's budget to fund a position designed to assist in processing complaints and monitoring licensees under board disciplinary action. She said fees will be raised to accommodate the increase.

Higher Education Budget Division

MnSCU budget continues

A review of the Minnesota State Colleges and Universities (MnSCU) continued at the Higher Education Budget Division meeting Tues., Feb. 23. The meeting is chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls).

Morrie Anderson, chancellor of MnSCU, said the system had 230,000 students registered in for-credit classes last year, and 248,000 registered in non-credit classes. There were 36 new programs offered, and 30,000 students graduated.

An example of the technology provided by MnSCU was presented by Harry Pontiff, assistant vice chancellor of information technology. He said all MnSCU staff, students and faculty members have the opportunity to take on-line technology training. Over 250 courses are available by downloading a small program, according to Pontiff. He said an individual could become certified as a Microsoft engineer through some of

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the courses. The student or faculty member needs to dial into the program through a MnSCU computer, but does not need to be connected to a network to use the program. Pontiff said the program involves building an infrastructure in which basic technical literacy becomes a resource.

"I can see a company having one-third of its work force using this program to upgrade skills," Stumpf said. "We're in the process of trying to find a number of ways to upgrade our marketing of the program," Anderson said. He said MnSCU needs to market the on-line classes more strongly to high school level students.

Crystal Visneski, a student at Minneapolis Community and Technical College (MCTC), said as a single mother attending school, she is not looking for a hand-out but for flexibility. She expressed gratitude for the child care center on campus, and said she had benefited from the college career services center as well. Vasneski said the school counselors are an important part of the college system, and she said even more are needed. She also suggested evening hours for counselors and financial aid officers, since many students work and need assistance after work hours.

A look at economic development at Alexandria Technical College was provided by Kevin Kopischke, vice president for customized training. He said Alexandria Tech operates both independently and synergistically. "We offer re-entry types of skills and teach incumbent work force learners," he said. He said Alexandria Tech is a partner in a three-year project with 3M, offering credits through a manufacturing technology program.

Sen. Cal Larson (R-Fergus Falls) said Alexandria Tech is in his district, and he has seen tremendous cooperation among K-12, the technical college and the work force.

Thomas Horak, president of Normandale, said the school is involved with a number of partnerships with industries in the Bloomington area. He said the major difficulty is sufficient funding to pay faculty. "Our salaries aren't anywhere close to what the private sector is paying," Horak said. He said a number of staff members are retiring this year and the college is having difficulty filling current openings.

U of M budget reviewed

A presentation on the health education budget at the University of Minnesota was presented at the Higher Education Budget Division meeting Weds., Feb. 24. Sen. LeRoy Stumpf (DFL-Thief River Falls) chairs the division.

Mark Yudof, president of the U of M, said that the state infrastructure of the 20th century was built on roads, airports and bridges. He said that in the next century, it will be an intellectual capital. "Minnesota has and will live primarily by its wits," he said.

Yudof said the needs of the U of M for medical education include financing health professionals' education, enriching the undergraduate experience, delivering excellence through quality services and offering competitive compensation.

Sen. Sam Solon (DFL-Duluth) asked Yudof if the university ever catches up with salaries. He said 10 years from now he believes the university president will be at the Legislature talking of the need for competitive remuneration. Yudof said that with inflation, the U of M needs a 15 percent increase to compete with top universities. "I think Minnesota does a better job growing its own professors, rather than bringing them in from out of state," he said.

Frank Cerra, senior vice president of the Academic Health Center (AHC) at the U of M, said the center is requesting \$30 million to strengthen health professional education and \$7 million for community-based and population-based education and care. Cerra said money is needed to replace funds that formerly came from patient care revenue. He said physicians are seeing 20 percent more patients to generate the same revenue they did 10 years ago. Cerra said interdisciplinary and community-based education requires funding and cited the extra costs of community-based education, an aging population with more chronic illnesses, and a technology-enhanced education that will provide long-distance diagnosis and aftercare as adding to the need.

"Our revenues are decreasing and our costs are increasing," Cerra said. He said the state plays a major role in the solution, but even with state resources, the problem is not solved. He said partnerships among the state, counties, communities, insurance companies and the university system are needed. Cerra

said if a solution is not reached, Minnesota will have less health care access, smaller education programs, reduced research productivity and lose world-class clinical programs.

Jonathan Ravdin, chair of the Department of Medicine at U of M, said in the past three years the number of students studying internal medicine and entering practice in the community has increased. He noted, however, that in the Department of Medicine, 15 percent of the faculty is doing 30 percent more work. Ravdin said 10 percent of the faculty has left to practice in the community because of lack of time for research activity.

Cerra said the rising costs and decreasing revenues have risen from a silent crisis to a public crisis. He said the governor proposes four permit endowments funded by tobacco settlement proceeds; two are for health professional education. The governor proposes a \$350 million endowment to support the U of M health professional education and research. The governor's final proposal is for a \$100 million endowment for a Medical Education and Research Costs trust fund in the Department of Health for graduate health care professional education.

Sen. Steve Kelley (DFL-Hopkins) said he believes that regarding growing costs and less revenue, there has to be another option rather than a decline in quality of care. "There has to be an option where we can reduce costs and yet get better quality," he said.

Jobs, Energy and Community Development

Pay phone deregulation advances

A bill that supporters say will deregulate the market for public pay phones was approved at the Thurs., Feb. 18, meeting of the Jobs, Energy and Community Development Committee. The committee also began hearing a bill that includes the Indian Affairs Council in the decision-making process for the disposition of Native American burial sites.

Sen. Steve Kelley (DFL-Hopkins), sponsor of S.F. 685, the public pay phone deregulation bill, said that it lessens regulation by getting the state out of the business of regulating the siting of pay phones, and gives the Public Utilities Commission (PUC) authority to levy

administrative penalties for violations of law. He said that the bill arises from the issue of "interconnection" between local phone service providers and that competition has not come to local markets fast enough because there aren't enough internal incentives. Kelley added that the PUC still retains authority to protect the public interest under the bill.

Mike Bull, a legislative analyst with the PUC, spoke about the penalty provisions in the bill. He said that currently violations of law are referred to the Office of the Attorney General to initiate litigation which may result in civil penalties. He said that the current legal mechanism isn't good in a competitive environment and what the PUC needs is a "targeted tool" to address local phone issues more efficiently and effectively.

Sen. Randy Kelly (DFL-St. Paul) questioned a provision that sunsets the PUC's penalty authority in 5 years. Bull said that the governor wants to sunset all new authority so that its effectiveness must be reviewed before renewal.

Sen. Pat Pariseau (R-Farmington) noted that the bill removes pay phone siting authority from the state. She said that a gas station in her district used to have a pay phone but doesn't anymore. She said that attempts to get a phone re-installed in the store have been unsuccessful. Kelley replied that one aspect of deregulation the state will have to face is the loss of authority to require local service.

Sen. Linda Runbeck (R-Circle Pines) said that she was concerned that penalties could be levied against telephone companies without any warning. Kelley said that a fine could only be levied after a proceeding was initiated. He added that there is some nervousness about the PUC having administrative penalty authority while others think that the PUC should have even more authority than the bill grants. "This is the middle ground," Kelley said.

Steve Corneli, an attorney in the Office of the Attorney General, spoke in favor of the bill. He said that although the local telephone service market has gone through deregulation there is still little competition. He said that deregulation is not the same as competition and there is a need for regulations to nurture competition. Runbeck voiced concern that the administrative penalty provisions

would slow down competition. Corneli replied that a competitor that filed a complaint would either be allowed in the market or thrown out faster under the proposal.

Minnesota Telephone Association spokesman Jerry Knickerbocker spoke against the bill, saying that the PUC had failed to demonstrate a need for the administrative penalty authority. He said the PUC says the existing process is too slow, but no one says it doesn't work. Knickerbocker stated the authority to levy fines shouldn't be given to both the Office of the Attorney General and the PUC.

Kelley defended the penalty provisions. He said other state regulatory boards can assess penalties and the idea is nothing radical. He said the provision will help the PUC deal with issues as the local phone service market moves from a monopoly to a competitive environment. The committee adopted an amendment offered by Sen. Randy Kelly preventing *ex post facto* application of penalties to dockets pending at the time of enactment. The committee then approved the bill and sent it to the Senate floor.

The committee turned to the Indian burial site bill, S.F. 406, sponsored by Sen. Steve Murphy (DFL-Red Wing). The bill includes the Indian Affairs Council in deciding the disposition of Indian remains and removes Indian burial sites from the definition of state archaeological sites. Murphy said the bill addresses the authority issue in dealing with Native American remains. He said that he has carried a lot of cemetery legislation as a Senator. "We treat European-American remains much differently than Native American remains" Murphy said.

Dallas Ross, Chair of the Indian Affairs Council (IAC), said the bill is not about taking power away or stopping the construction of highways, but about the equal treatment of remains. He said that he wants to slow down the process by which Indian remains are "entombed in basements of universities throughout Minnesota." Ross said "I don't want remains considered to be archaeological objects and burial sites to be archaeological sites."

Former State Archaeologist Dr. Chrissy Cain said that the state archaeologist position was created in 1978 in the midst of crisis when the state needed to sell

several archaeological sites. She said the inclusion of the IAC in deciding disposition questions is a natural evolution of that law. Cain added that Indians need to be brought to the table at the beginning of the process. Sen. Steven Novak (DFL-New Brighton), chair of the committee, said that there seems to be a consensus to include the IAC in discussions of disposition. The question, he said, is on the scientific methods used to determining if a site is an Indian burial site.

Opposition to the bill was voiced by Gerald White, a tribal historic preservation officer with the Leech Lake band of Ojibway. White said the tribe is one of 15 in the nation with a federally chartered historic preservation office. He said that he is a strong supporter of Indian burial site protection, but is concerned that the bill could interfere with the tribe's ability to respond to historic and archaeological issues on the Leech Lake Reservation. White said the IAC has interfered with archaeological work in the past and he thought it would happen more often with passage of the bill.

Sen. Edward Oliver (R-Deephaven) asked if the bill arose out of the concern over the re-routing of Highway 55 in south Minneapolis. Murphy replied "No." The bill was laid over for further consideration at a later meeting.

Steel imports discussed

A bill to send a resolution to Washington, D.C., urging the president to study compliance with international trade agreements by several steel producing countries, and to impose a ban on steel imports from countries found violating those agreements was discussed at the Fri., Feb. 19, meeting of the Jobs, Energy and Community Development Committee.

Sen. Jerry Janezich (DFL-Chisholm), sponsor of the bill, S.F. 690, was accompanied by District 11 steelworkers political co-ordinator Stan Daniels. Daniels said the domestic steel industry became more efficient and competitive after the recession of the 1980s. However, because of the currency crises in Asia, steel producing countries can dump their steel in the U.S. Janezich said imported steel costs 40 percent of what domestically produced steel costs.

Considerable discussion was generated

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when Sen. Kenric Scheevel (R-Preston) moved to add "agricultural products" to the subject of the resolution. Scheevel said that 40 percent of the state's economy is based on agriculture. Sen. Dave Johnson (DFL-Bloomington) argued against the motion. Johnson said he supports the idea, but putting the two together dilutes the effect of the resolution. He said he would support a separate resolution for agricultural products. Sen. Janet Johnson (DFL-North Branch) also argued against the motion. She said that the resolution names several countries that are steel competitors. Dave Johnson added that those nations aren't necessarily ones that dump agricultural products into the domestic market. Scheevel withdrew his amendment, but pledged to introduce a bill for a resolution addressing the dumping of agricultural products. The bill was approved and advanced to the Senate floor.

Earlier, the panel heard S.F. 321, carried by Sen. Linda Scheid (DFL-Brooklyn Park). Scheid said that the bill, as introduced, enabled the city of Brooklyn Park to create a housing improvement area, but was broadened to statewide application upon the adoption by the panel of an amendment. She added that local economic development authorities are authorized to administer the housing improvement areas under the amendment.

Sen. Steve Kelley (DFL-Hopkins) said that the bill borrows from the long standing concept of special taxing districts, which allow improvements for commercial property. He said the housing improvement area worked extremely well when it was tried in Hopkins. Kelley said a developer didn't provide adequate funding to maintain a housing development in Hopkins. He said residents of the development petitioned the city to create the improvement area. Once created, Kelley said, the residents in the area paid taxes and then used the money for improvements or services. Scheid added that improvement in the value of the housing is readily apparent and immediate.

Sen. Warren Limmer (R-Maple Grove) said he was concerned that the improvement assessment might be a way to do an end-run around the levy limit. Scheid replied that although the assessment isn't subject to the levy limit, it only applies to a finite number of people who have

asked for it. The bill was approved as amended and forwarded to the Local and Metropolitan Government Committee.

The committee also approved S.F. 684, sponsored by Committee Chair Steven Novak (DFL-New Brighton). Novak said the bill is a Public Utilities Commission (PUC) bill that changes how the PUC does its work. Mike Bull, legislative liaison for the PUC, said the commission surveyed interest groups to find out how it could do its work better. Bull said that under the proposal, non-controversial issues will be acted on more quickly, and minor controversies can be dealt with in subcommittees of the commission. In the case of more controversial issues, the commission will designate a lead commissioner to work through the complexities, Bull said. Novak offered an amendment to establish a commission investigation fund. Novak said the fund is necessary for the transition period when utilities are moving from regulated to unregulated environments and the need was finite. Sen. Linda Runbeck (R-Circle Pines) asked what amount of money the PUC needed. Bull replied that the PUC will need about \$200,000. Novak added that the money will not come from the state general fund, but will be assessed against the utilities. The amendment was adopted and the bill was approved and forwarded to the Economic Development Budget Division.

The committee also heard S.F. 593, sponsored by Sen. Dave Kleis (R-St. Cloud). Kleis said the bill changes the recipient of a grant in last year's bonding bill from the city of St. Cloud to the St. Cloud Housing and Redevelopment Authority (HRA) for the construction of the Paramount Regional Arts Center. Kleis said the HRA is actually managing the grant for the facility. The committee approved the bill and recommended that it be placed on the Consent Calendar.

The committee was also scheduled to continue hearing the Indian burial mound bill, S.F. 406, sponsored by Sen. Steve Murphy (DFL-Red Wing). The committee adopted Murphy's motion to lay the bill on the table. Murphy invited all interested parties to talk with him so a compromise agreement could be reached before the committee hears the bill again.

Three bills forwarded

A resolution requesting the United States Trade Representative resolve

violations of international trade agreements and discriminatory practices by the province of Ontario that are injuring Minnesota tourism businesses, was heard by the Jobs, Energy and Community Development Committee, Tues., Feb. 23.

S.F. 638, authored by Sen. LeRoy Stumpf (DFL-Thief River Falls), resolves that the Minnesota Legislature requests the office of the United States Trade Representative take immediate and strong actions to address restrictions on Minnesota businesses, including a prompt commencement of a formal dispute settlement. Stumpf said the proposal would help solve an ongoing border problem between Minnesota and Ontario. "Over the years we have tolerated and complied with their restrictions," Stumpf said, "We have bent over backwards to meet their demands but they have just gotten more and more restrictive." He said the tourism industry in the area has been significantly hurt by the increasing restrictions, and that last year fishing in the area was cut in half. "Many resort owners have a huge investment and they are literally being driven out of business," Stumpf said.

Jim Southwick, an attorney representing Lake of the Woods/Angle Inlet Resort Owners, said last year the Ontario government imposed a rule requiring Minnesota anglers to stay in Canadian resorts if they wanted to keep the walleye caught while fishing in Ontario. He said another rule prohibits Minnesotans from bringing bait into Canada but allows Canadian bait shop owners to buy bait in Minnesota and bring it back to Canada to sell. "This is a blatant violation of trade agreements that countries must treat foreign businesses the same as their own businesses," Southwick said.

Southwick said Minnesota resort owners sent a petition signed by the entire Minnesota congressional delegation, and several state officials including Gov. Jesse Ventura, former Gov. Arne Carlson, Attorney General Mike Hatch, and former Attorney General Skip Humphrey, asking the United States Trade Representative to open an investigation to look into Canada's violations of the North American Free Trade Agreement (NAFTA). "Because this is a small economic dispute in a world full of disputes, it would be helpful for the Trade Representative to know what actions the Minnesota government might

take," Southwick said.

Sen. Dennis Frederickson (R-New Ulm) offered an amendment to the bill strengthening the language of the resolution resolving that the Trade Representative "should" take immediate and strong actions, to the State "urgently requesting" the Trade Representative take immediate and strong actions. The amendment was adopted.

The bill as amended was approved and forwarded to the Senate floor.

S.F. 794, sponsored by Sen. Dave Kleis (R-St. Cloud), requires an excavator to immediately notify 911 and the operator of an underground facility in the event of damage to the facility resulting in the escape of flammable, toxic, or corrosive gas or liquid. Kleis said the bill was a response to the explosion last fall in St. Cloud that killed four people. "In the St. Cloud situation, there was a delay of 25 minutes before 911 was called," Kleis said, "In that particular instance it didn't change anything, but this bill makes sure emergency personnel are contacted promptly."

Kleis said the bill amends existing law relating to the Gopher State One Call excavation notice system by requiring a facility operator to attempt to minimize the hazard until the arrival of the operator's personnel, or until emergency responders have arrived, and also that the 911 public safety answering point must maintain a response plan when notified of damage to an underground facility.

Tom Brace, the State's fire marshal, and the director of the Minnesota Dept. of Public Safety's Office of Pipeline Safety, said he supported the bill. "It's a small incremental change that will result in improved public safety," Brace said. Mike Stockstead, executive director of Minnesota Professional Firefighters Association, said the association was also in support of the bill. "It will give us an opportunity to have a resource we don't currently have-- an onsite contact with the most up to date information," he said.

The bill was approved and forwarded to the Senate floor.

Sen. Linda Berglin (DFL-Mpls.) offered S.F. 540, increasing the flexibility of the use of enterprise zone grants in the cities of Minneapolis, St. Paul, and South St. Paul. Berglin said the grants which are administered through the Dept. of Economic Security, are available to businesses located in enterprise zones to

create new jobs. She said the bill allows the commissioner of the department to authorize the use of grant funds for employer focused workforce development initiatives designed to promote the hiring and retention of city residents.

Iric Nathanson, from the Minneapolis Community Development Agency, said the bill helps fill gaps to the existing program. "This enables us to broaden the use of funds by customizing workforce plans to meet the needs of a company," he said.

The bill was approved and forwarded to the Senate floor.

Judiciary

Child custody jurisdiction heard

Sen. David Knutson (R-Burnsville) presented S.F. 129 to the Judiciary Subcommittee on Family Law at its meeting Fri., Feb. 19. The subcommittee, chaired by Sen. Leo Foley (DFL-Anoka), heard testimony on the bill, which Knutson said is designed to discourage interstate kidnaping by non-custodial parents.

Knutson said the bill enacts the Uniform Child Custody Jurisdiction and Enforcement Act (UCCJEA) from the National Conference of Commissioners on Uniform State Laws, replacing the current Uniform Child Custody Jurisdiction Act (UCCJA). He said the new act conforms the law to the federal Parental Kidnaping Prevention Act (PKPA) and resolves issues raised by conflicting case law among states interpreting the original acts. The bill also provides a process for interstate enforcement of custody and visitation orders. "This bill will provide uniformity of law when people move from state to state," Knutson said. The bill limits child custody jurisdiction to one state and provides enforcement provisions for child custody orders. Under the bill, any state that is not the home state of the child must defer to the home state, if there is one, in taking jurisdiction over a child custody dispute.

Judge Steven Aldrich of the Hennepin County District Court said the measure insures Minnesota keeps its place in the country as a leader in child custody laws. He said the bill will put all information in one place and provide a single source for authority. He said that currently decisions are often made on an emergency basis. "Judges and lawyers are more

prone to make mistakes when they are in an emergency situation," Aldrich said.

Stephen Arnott and Jerry Williams, attorneys, both spoke on behalf of the bill. Arnott said the bill benefits children by enhancing the definition of the home state. Williams said an enforcement mechanism of custody and visitation rights is included in the law.

Judge Harriet Lansing from the Minnesota Court of Appeals said the bill provides more clarity than Minnesota currently has on child jurisdiction laws. The bill was recommended to pass and sent to the full Judiciary Committee.

Sen. Linda Runbeck (R-Circle Pines) presented S.F. 368, a bill clarifying support withholding of income from certain independent contractors in the motor carrier industry. An author's delete-all amendment was adopted. James Hardman, special counsel for Dart Transit Company, a for-hire motor carrier, testified in support of the bill. He said the measure helps independent contractors meet their obligations by keeping them financially able to continue their business. Hardman said a contractor's income can fluctuate greatly based on business factors, and at times the business expenses exceed or substantially require the use of all income for the period. If all income at times goes to child support, Hardman said such a situation could result in the contractor going out of business; fleeing to a state where payments to independent contractors are not subject to child support orders; or going underground to avoid support orders.

Sen. Don Betzold (DFL-Fridley) said he was concerned the legislation might encourage drivers to put their money into bigger and better trucks. "Clearly there are people out there who don't want to pay child support," he said. "I think this may create a loophole."

Christa Anders from the Department of Human Services (DHS) said the agency sends out notices of income withholding to the payor of funds. She said if payments fall in arrears, at some point along the way, the computer kicks up that information until payments are made in full. S.F. 368 specifies that a payor of funds must withhold and transmit to the public authority up to, but no more than, 50 percent of the gross funds due to the independent contractor until current support obligations and

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arrears are fulfilled.

Betzold moved to delete the first portion of the bill, which relates to determination of income. The motion prevailed. Foley said more discussion and work with other subcommittee members is needed on the bill. No final action was taken on the bill.

Defamation bill offered

A bill enacting the Uniform Correction or Clarification of Defamation Act was presented at the Judiciary Committee meeting Mon., Feb. 22. Sen. John Hottinger (DFL-Mankato) presented S.F. 420 to the committee, chaired by Sen. Jane Ranum (DFL-Mpls.)

Hottinger said the bill deals with inadequacies in the present law on defamation. "The best remedy for defamation is correction, and under the current law correction is not required," he said. The bill establishes a process under which potential defamation plaintiffs must request a correction or clarification from the media before filing a lawsuit. If an appropriate correction or clarification is made, then the plaintiff is entitled to recover economic loss caused by the defamation, as mitigated by the correction or clarification, but would not be entitled to presumed or punitive damages.

The measure also specifies that if a request for correction or clarification is not made within 90 days after knowledge of the publication, the person would only be entitled to recover provable economic loss. A clarification or correction is considered timely if it is made within 45 days after receipt of a request for correction or clarification.

Judge Jack Davies, Uniform Laws Commission, said Minnesota currently has common law defamation. The Uniform Correction or Clarification of Defamation Act has been passed in North Dakota, and is being introduced in New York, New Mexico and Arizona this year.

Rob Reinhart of the Minnesota Employment Law Council, spoke in support of the bill. "This is a constructive move," he said. "Let's have the parties talk before lawsuits start."

Testifying in opposition to the bill, Judy Schermer of the Minnesota Trial Lawyers Association said regarding the current defamation law "If it's not broken, why are we trying to fix it?" She

said the defamation common law has been used for hundreds of years and although it is not perfect, she sees no reason to change it.

Hottinger said that financial damages do not restore a reputation, but admission of being wrong does. He said the legislation is designed to protect a person's reputation. "The person reports the correction within 90 days, and the publisher of the defamation has 45 days to respond," he said. Schermer said the legislation can force a woman who has been called a thief or sexually harassed to face the person who defamed her, and she said she believes that would cause discomfort. Davies said the woman could write a note and need have no face-to-face contact with the person she said defamed her reputation.

Hottinger said the correction would have to reach the same audience as the defamation did. "It's not enough to just say 'I'm sorry'," he stated. Davies said the bill does not solve all problems, but added that he believes a correction can make a person feel more whole.

The bill failed to gain approval.

Sen. Don Betzold (DFL-Fridley) offered S.F. 283, a bill that clarifies the standards and procedures for civil commitment. The bill provides that the court commit a patient who is mentally ill and dangerous to the least restrictive treatment program or alternative programs available, consistent with the patient's treatment needs and the requirements of public safety.

Betzold said the county attorney has met the burden of proof to establish a person is mentally ill and dangerous. He said the bill gives the patient a right to argue for something less restrictive than a security hospital.

Betzold offered an amendment clarifying the bill's language. The amendment states that the court must commit the patient to a secure treatment facility unless the patient establishes by clear and convincing evidence that a less restrictive treatment program is available that is consistent with the patient's treatment needs and the requirements of public safety. The amendment was adopted.

An additional amendment allows the review hearing to be waived or continued up to one year. The amendment further specifies that once a patient is admitted to a treatment facility pursuant to a commitment, treatment must begin

regardless of whether a review hearing will be held. The amendment was also adopted.

The bill was approved and re-referred to the Health and Family Security Committee.

Joint meeting held

A joint meeting of the Judiciary Committee and the Governmental Operations and Veterans Committee was held Weds., Feb. 24. The committees are chaired by Sen. Jane Ranum (DFL-Mpls.) and Sen. James Metzen (DFL-South St. Paul), respectively.

The committees met to discuss the Supreme Court decision regarding the role of the administrative law process in child support matters. Two members of Senate Counsel, Kathleen Pontius and George McCormick, presented an opinion on the Supreme Court decision. Pontius told members that the Minnesota Supreme Court held that the child support administrative process violates constitutional restraints on separation of powers under the Minnesota Constitution. The Supreme Court found that the administrative process infringes on the original jurisdiction of the District Court; the jurisdiction of the administrative law judges is not inferior to the District Court's jurisdiction; and the administrative law process allows nonattorney child support officers to engage in the practice of law.

The ruling of the Supreme Court is to be applied prospectively and the effect of the judgment is stayed until July 1, 1999, said Pontius. The delay was designed by the court to give the Legislature an opportunity to modify the system consistent with the decision.

Pontius said that most likely, any proposed solution that keeps the process in the executive branch would be declared unconstitutional by the Minnesota Supreme Court. The best option is to move the function into the judicial branch. She said that once a decision is made to establish an expedited process in the judicial branch, the process must be "family friendly" and allow parties to proceed without an attorney. The process must provide for efficient handling of cases consistent with due process and the time lines mandated by federal law, said Pontius. The process must be designed to maximize the capture of federal money that is available for paying

the salaries of judicial officers, she said.

McCormick said that in 1995, all Minnesota counties were required to use an Administrative Law Judge for child support issues. The Office of Administrative Hearings hears many other cases, but clearly the child support function belongs in the judicial branch, he said. Ranum said that the Office of Administrative Hearings has a reputation for handling child support cases cost efficiently and in a user friendly way, and it is important that the cases be handled in the same manner if the function moves to the judicial branch.

K-12 Education Budget Division

Special ed bill advances

The K-12 Education Budget Division met Fri., Feb. 19, to hear bills related to special education and the Child Guide Prevention Program. Sen. Lawrence Pogemiller (DFL-Mpls.) chairs the committee.

Sen. Martha Robertson (R-Minnetonka) presented S.F. 296, a bill modifying special education provisions. The bill is proposed as a result of a Legislative request that all state rules and regulations which exceed federal requirements of special education sunset effective July 1, 1999. S.F. 296 includes special education rules that have been modified or clarified rather than allowed to sunset.

Robertson reviewed the bill by section and action was taken only on the sections reviewed. The section of the bill providing for an impartial due process hearing was adopted and recommended for inclusion in the K-12 omnibus bill. The provision clarifies that parents, guardians, and the district must have an opportunity to obtain an impartial due process hearing for any matter relating to the identification, evaluation, or educational placement of the child, or the provision of a free and appropriate public education for the child.

The section of the bill clarifying the role of parent advisory councils for special education and the section on litigation and hearing costs were also recommended for inclusion in the K-12 omnibus bill. The administrative costs incurred by the district, including hearing officer fees, court reporter fees, mileage

costs, transcript costs, independent evaluations ordered by the hearing officer, and rental of hearing rooms are paid using state funds under the bill. Further the specifies cost of district attorney fees are not be paid with state funds.

In addition, sections on coordinating interagency services and special education in nonpublic schools were recommended for inclusion in the K-12 omnibus bill. The section on coordinating interagency services requires any state, county, or city government agency that is providing special education services under an interagency service agreement be subject to the same dispute resolution systems as local school districts. The section on special education in nonpublic schools provides that parties serving students attending a nonpublic school on a shared time basis shall have access to the due process hearing and complaint system as provided by federal law. If the due process hearing or complaint ruling determines that the nonpublic school or staff has impeded the public school district's provision of a free appropriate education the commissioner may withhold public funds available to the nonpublic school according to the bill.

The section of the bill relating to special education for children with a disability was discussed at length. The new language reduces the age in which a disabled child must be offered special education services from age 22 to age 21. Bob Brick, Coalition for Children with Disabilities said his organization does not support lowering the age limit. He said each case is unique and there are many reasons for continuing services until the disabled student is 22.

Other sections of the bill were laid over for further discussion. The sections of the bill which were recommended for inclusion in the K-12 omnibus bill were adopted and re-referred to the Governmental Operations and Veterans Committee.

Sen. Tracy Beckman (DFL-Bricelyn) presented S.F. 598, appropriating money to fund the Child Guide Prevention Program. Fairmont School Psychologist Marsha Dawson told members that the program is intended to help children who are getting low grades when they should be doing better in school. Dawson said there are existing programs for at risk

children and gifted children, but nothing for the learner who just needs more stimulation and encouragement. She said the program is the first of its kind in that it promotes assets and not just risk reduction. Sen. Paula Hanson (DFL-Ham Lake) moved that the bill be recommended for inclusion in the K-12 omnibus bill. The motion was adopted.

Special ed budget discussed

The K-12 Education Budget Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.) met Tues., Feb. 23, to discuss budget recommendations for special education.

Tom Melcher, Dept. of Children, Families and Learning, began reviewing the special education budget recommendations of the governor. The governor has proposed a \$97 million increase in funding for special education for the biennium. Melcher said that in order to increase special education funding, goals of the program need to be clarified. He listed three possible goals of reducing cross-subsidies from general education to special education for all districts; reducing disparities among districts in the size of cross-subsidies from general education to special education; and improving special education service such as by reducing case loads. The cross-subsidy in special education funding is a function of special education costs, special education categorical revenue, and general education revenue for special education students, said Melcher.

Melcher said one of the options for reducing cross-subsidy from the general education revenue is to increase the general education revenue for special education students. The increase could be accomplished by a general formula increase for all students or a target increase for special education students, said Melcher. A targeted increase would increase per pupil weighting for pre-school special education students, he said.

Another option for reducing the cross-subsidy is to increase special education regular categorical revenue, said Melcher. A final option for reducing the cross-subsidy is to increase special education excess cost categorical revenue, he said.

Sen. Jane Ranum (DFL-Mpls.) said she is convinced that special education costs are going to continue to explode if the problems are not addressed in the 0-3

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years of age period of brain development. Ranum said the numbers can be greatly reduced if parents and children receive early assistance.

Pogemiller asked if there is a high incidence of people moving to different school districts because of the level of service provided to special education students. Melcher said that it happens frequently, especially in cases where the child is severely disabled.

Tom Lombard, Dept. Children, Families and Learning, told members one reason for the increased special education expenditures is because of the increase in the number of high cost children. He said 5 or 10 years ago a lot of severely disabled children would not have lived long past birth. Because of the advances in medical science, however, the more severely disabled children are able to go to school, said Lombard.

Pogemiller said that the right thing to do is to eliminate the cross-subsidy, because it is unfairly burdening some school districts. He said the committee probably wouldn't do that, but will continue to work through the numbers to see what can be done.

Nutrition programs discussed

School breakfast and lunch programs were discussed at the K-12 Education Budget Division meeting Wed., Feb. 24. The division is chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

Mary Begalle, director of Food and Nutrition Service, Dept. of Children, Families and Learning, said that the school lunch program is available in all Minnesota public school districts and one third of the private schools. She said 88.6 million lunches were served last year and the program is growing at two million meals per year.

Begalle said that 77 percent of school buildings offer a breakfast program and over 14 million school breakfasts were served last year. The state requires breakfast programs in schools where 33 percent or more of students who participate in lunch qualify for free and reduced price meals, she said. School meals are funded by a combination of federal and state reimbursements, as well as student payments and local contributions, said Begalle.

The Fast Break to Learning school breakfast initiative proposed by the governor is similar to the targeted

breakfast program with the intent of ensuring that students start the day ready to learn and improving student performance, said Begalle. In the program, schools must agree to integrate breakfast into the school day and make breakfast available to all children by removing barriers such as social stigma, facilities barriers, and transportation, she said. The program requires a \$1 local school match for every \$3 of state aid, Begalle said. The local match must come from charging student households that don't qualify for free or reduced price meals, she said. The school determines the method for charging students but it must include a consideration of the household's ability to pay, said Begalle.

Sen. Jerry Janezich (DFL-Chisholm) presented S.F. 852, a bill modifying grants for school breakfast and the targeted breakfast program. Janezich said the grants fund the continuation of an existing program but at a higher rate. Polly Podpesker, food and nutrition director, Grand Rapids Public Schools, told members that food costs have increased since school meals are served with more breads, fruits and vegetables in order to meet the dietary guidelines for Americans. Podpesker said the cost to the schools has risen, but the grant subsidy has not. She said full priced student lunches pay for 54 percent of the costs, the federal government appropriation pays for 37 percent, the state grant pays for 3 percent, and the shortfall must be paid for from the school district's general operating fund.

Podpesker said that school breakfast programs have positive benefits including improved attendance; a decrease in visits to the school nurse; improved test scores; and a dramatic reduction in class discipline problems.

Minneapolis Public Schools Food Service Site Coordinator, Monika Marsh said that school lunches have changed over the years. She said that children are offered more choices in an attempt to get them to eat. In addition to preparing foods that are appealing to children, the food service personnel are faced with the challenge of preparing food for students with special diets, said Marsh. "We want to be part of every student's educational day by helping to make sure the children are ready to learn. A hungry mind needs to be educated and nourished," said Marsh.

Committee members asked for a cost comparison of existing and proposed school breakfast programs. The bill was laid over until the cost comparison is reviewed.

Local and Metropolitan Government

Sidewalk utility bill forwarded

A bill allowing cities to establish a sidewalk utility to collect charges for constructing, maintaining, and replacing public sidewalks was approved by the Local and Metropolitan Government Committee, Mon., Feb. 22. The committee is chaired by Sen. Jim Vickerman (DFL-Tracy).

S.F. 312, authored by Sen. Steve Dille (R-Dassel), allows cities to charge utility fees dedicated to sidewalk utility purposes. Dille said the idea originated from a situation in the city of Howard Lake. Christina Frankenfield, city administrator of Howard Lake, said the expansion of State Highway 12 into the city caused the need for repair or replacement of many of the city's sidewalks. She said in the past, the city's budget for sidewalk maintenance has often been reallocated to other areas of the budget to cover emergency costs. She said the city developed the idea to establish a sidewalk utility fund enabling the city to use a different funding source dedicated to addressing the issue. "Everyone benefits from the city sidewalks," Frankenfield said, "We think it is more equitable to have a flat rate that everyone pays, rather than raising property taxes which is always controversial." She said if the bill is passed, Howard Lake would charge all the city's utility payers two dollars per utility bill to deposit in the fund.

Nancy Larson, representing the Minnesota Association of Small Cities, spoke in favor of the bill. "We think it is important that cities have some ways to fund sidewalk issues," Larson said, "Cities often have a difficult time funding a variety of property related issues." Remi Stone, from the League of Minnesota Cities, said the league also supports the bill. "Howard Lake has proposed an innovative way to deal with a public infrastructure problem," Stone said, "We think creating a utility rather than raising property taxes is a reasonable way to deal with the issue."

Sen. Steve Kelley (DFL-Hopkins) said the bill establishes a user fee rather than increasing taxes which means the city does not have to hold a truth in taxation hearing if it should decide to increase the fee in the future. Sen. Claire Robling (R-Prior Lake) said she was concerned about allowing all cities across the state to establish a utility without setting any limits on the amount of charges that are established. Sen. Bob Lessard (DFL-Int'l. Falls) said it was a local control issue. "If the citizens don't like what the city council is doing, they can vote them out of office," Lessard said.

The bill was approved by a voice vote and forwarded to the Jobs, Energy and Community Development Committee.

S.F. 461, authored by Sen. Michelle Fischbach (R-Paynesville), removes the \$2,000 limit on contributions that second, third, and fourth class cities may expend to preserve historical data and material of the city. Fischbach said the limit was originally enacted in 1957 at \$500 per year and was raised to \$2,000 a year in 1977. She said the bill also authorizes a city, county, or town to appropriate money with no limit, to support facilities, programs, and services of public, private or not-for-profit senior centers.

Don Torbenson, from the Paynesville Senior Center said the city has been limited in its assistance for the senior center. "The city issued a challenge to us. They said 'we'll give you a square block of land to build the center.' So we raised a quarter of a million dollars through donations and built it with volunteer labor," Torbenson said, "We've been opened for ten years and have an operating budget of \$40,000. The city has been limited in the amount they can give to us."

The bill was approved and forwarded to the Senate floor.

Vickerman offered S.F. 517, allowing towns to reimburse an officer or employee the costs and attorney fees incurred in defending criminal charges arising out of actions taken during the reasonable and lawful performance of duties of the town officer or employee. He said the current law only allows for the reimbursement for city or county officers or employees and that the bill simply adds towns to the provision. The bill was approved and forwarded to the Crime Prevention Committee.

Vickerman also offered S.F. 579, a bill authorizing ambulance services to participate in shared services purchasing. Vickerman said the bill allows ambulance services the right to purchase supplies, equipment, and services jointly with other ambulance services without being subject to competitive bid laws. He said such a cooperative purchasing agreement is currently in place for hospitals.

O.J. Doyle, a consultant for the Emergency Medical Services, said the bill is a proactive response to changes in the Medicare reimbursement for ambulance services, scheduled to take effect in 2000. "The ambulance industry is in for some extraordinary tough times," Doyle said. He said the bill helps reduce the cost of running an operation, and greatly benefits small, rural providers. "We are in the business to address a critical public health need," he said. The bill was approved and forwarded to the Senate floor.

Assessment bill gains

A bill lengthening the time period for increasing the property tax on undeveloped land that is platted was approved at the Tues., Feb. 23, meeting of the Property Tax and Local Government Budget Division.

The bill, S.F. 61, sponsored by Sen. Don Samuelson (DFL-Brainerd), specifies that for land that is platted on or after Aug. 1, 1999, the difference between the value of the unplatted and platted land is added in equal installments over a period of ten years. Currently law specifies that the difference be added over a period of three years. Samuelson said the bill is designed to aid rural development. He said that currently, the practice of increasing the value in three years acts to hinder developers, particularly housing developers, because after a parcel is platted the developer may only be able to sell one lot, yet the value of all the other lots increases and become too expensive for further development. Officials from the city of Brainerd spoke for the bill. City Council President Lucy Nesheim said that the bill is important for future development. In addition, Nesheim said the bill would lessen the costs of providing infrastructure to new developments because economies of scale could be put in place if more lots in a development are sold. Division members approved the bill for inclusion in the division's omnibus

bill.

Members, chaired by Sen. Sandra Pappas (DFL-St. Paul), also approved a bill increasing the levy limit base of Goodhue County by \$422,323 for taxes levied in 1998. Chief author, Sen. Steve Murphy (DFL-Red Wing), said the bill, S.F. 77, is needed to offset the amount of a payment-in-lieu-of-taxes made by Northern States Power in 1997 and 1998 as a result of a settlement agreement for those two years. Current law does not allow the county to increase its levy to make up the loss. The measure was approved and advanced to the Local and Metropolitan Government Committee.

The division also heard, but took no action on, a second bill sponsored by Murphy. The measure, S.F. 67, provides that if a property taxpayer dies before receiving the property tax refund, the personal representative of the taxpayer's estate may file a claim for the refund. Current law limits the claims for the refund to the taxpayer's spouse or dependents.

Members also heard two proposals relating to property tax rebates. S.F. 343, authored by Sen. Linda Runbeck (R-Circle Pines), makes the property tax rebate permanent for senior citizens. S.F. 357, sponsored by Sen. Becky Lourey (DFL-Kerrick), makes the property tax rebate permanent for all property taxpayers. Lourey said that although she had not received a fiscal note from the department, it was estimated that her bill would cost approximately \$1 billion. No action was taken on either bill.

The panel also heard and approved a bill, authored by Pappas, that recodifies the portions of the statutes relating to mortgage registry taxes and deed taxes. The measure was approved and referred to the Local and Metropolitan Government Committee.

State Government Finance

Pseudorabies bill approved

The State Government Finance Committee met Thurs., Feb. 18, to consider extending the program for controlling pseudorabies. Sen. Richard Cohen (DFL-St. Paul) chairs the committee.

Sen. Paula Hanson (DFL-Ham Lake) offered S.F. 428, a bill appropriating \$1.5 million from the general fund to the Board of Animal Health for continued

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efforts to control pseudorabies in swine. The appropriation covers the cost of blood tests, laboratory fees, and vaccines and is available until June 30, 2000. In addition, the bill appropriates \$645,000 to the University of Minnesota for the Center for Farm Financial Management to provide financial management assistance to farmers.

An amendment, allowing veterinarians to be reimbursed at 40 cents per dose of vaccine was offered by Sen. Steve Dille (R-Dassel). Dille said the change in the bill is needed because the pseudorabies problem is urgent and there isn't time to go through red tape. The provision reimbursing veterinarians instead of producers is needed because veterinarians must administer the vaccine since it is a live virus vaccine. The amendment was adopted.

Dr. Tom Haggerty, a veterinarian with the Minnesota Board of Animal Health, told members that the situation is exploding. On Jan. 1 there were 144 quarantine sites and six weeks later on Feb. 16 there were 233 quarantine sites. He said the virus spreads most rapidly where there are dense populations of swine. The intervention plan calls for vaccinating the herds in areas surrounding the clusters of infected herds, he said. "We come to you because hog prices are so low that the producers are unable to pay for the vaccine," Haggerty said.

The bill was recommended to pass and sent to the Senate floor.

Transportation

Registration and insurance report

The Transportation Committee, chaired by Sen. Carol Flynn (DFL-Mpls.) met Tues., Feb. 23, and heard a report on registration and insurance. Charlie Weaver, commissioner of the Department of Public Safety, said 35,000 Minnesota vehicles are registered out of state. He said the average amount per vehicle works out to \$153, and the state is losing about \$6.8 million a year in registration and sales tax. He said this is especially happening in cities bordering other states.

Weaver said many checks are now coming in from people who are voluntarily paying their past registration fees. "We got one check for \$2,600," Weaver said. He said he believed the primary reason drivers of newer cars register their

cars in other states is to save money on registration and sales tax costs. He said drivers of older vehicles pay lower insurance rates and avoid emissions testing in other states. Weaver said 12 percent of vehicles in Minnesota are being driven without insurance.

Weaver said one way to reduce the number of drivers driving without insurance is to reinstate random sampling. He said another method is no pay-no play legislation. If a driver without liability insurance is involved in an accident, the driver cannot collect damages for pain and suffering.

Alice Gonzalo of Driver and Vehicle Services said random sampling had been done a few years ago in Minnesota, but less than one percent of drivers stopped were uninsured. "Because of budget cuts, we stopped doing it," she said. "Almost nothing was accomplished by it, as well." Weaver said the biggest problem in tracking down uninsured drivers is with technology. He said he would like to see troopers have the ability to check a computer in their patrol cars and know immediately if someone is insured.

Gonzalo said a study is currently being conducted on methods used by other states in dealing with data base information and tracking uninsured drivers. The results of the study will be out in August, and she recommends waiting until then before going ahead with any database operations.

Sen. Steve Murphy (DFL-Red Wing) said he believes something needs to be done to enable a trooper to pull a driver over, check the insurance, and write a ticket for \$200 if the driver is uninsured. Sen. Jerry Janeczich (R-Chisholm) said if the cost of running the driver through court costs more than the \$26 uninsured motorist fee insured drivers pay, he doesn't know if it is worthwhile.

Lt. Kent O'Grady of the State Patrol said he believed most people who are not registering their cars in Minnesota are not acting out of criminal intent, but are getting bad advice from friends or co-workers. "Most people are under the mistaken impression that if they own property in another state, they can license their car in another state," he said. He said there is no legal definition of the term "resident," but people are usually considered residents of the state where they vote, pay their income taxes and obtain their driver's license.

Auto registration bill heard

The Transportation Committee, chaired by Sen. Carol Flynn (DFL-Mpls.), met Weds., Feb. 24. Sen. Dave Kleis (R-St. Cloud) offered S.F. 394, a bill regarding registration responsibility when a car is sold. Kleis said that currently a buyer is required to re-register a vehicle he or she has purchased, but that often is not done. If the car is then involved in an accident or a number of parking tickets are collected, the seller is the one charged.

Kleis said the recommended procedure is for the buyer and seller to go together to register the car, but since so many transactions take place in the evenings or on weekends, offices are not open. "Often a car is sold to an out-of-state resident, also," Kleis said.

S.F. 394 requires a tear-off tab for the seller to complete with buyer information and send in to the Department of Public Safety within seven days. If the car is not re-registered by the buyer in 30 days, the license plates are revoked. "If the buyer knows the seller will notify the state in seven days, it serves as a deterrent," Kleis said.

He said most of the people he has talked to have said this is a major problem. Steve Simon of the University of Minnesota Law School and a researcher on DWI incidents in Minnesota, said cars driven by DWI offenders are often registered to someone else. He said DWI drivers also often do not re-register a car they purchase because their insurance costs would be astronomical. The car buyer may also avoid sales tax by not re-registering, according to Simon.

Lt. Tom Lucas of the Hennepin County Sheriff's Department said a buyer may often buy a cheap car and know he or she has 10 months of free driving if he or she doesn't get into a traffic altercation. "The driver parks wherever he wants to, knowing the parking tickets will not be in his name," he said. Bob Fletcher, Ramsey County sheriff, said many offenders use vehicles they have not registered in perpetrating a crime. He said if a car is involved in a burglary or hit-and-run and the original seller is called, the seller often has no recollection of who he sold the car to. "Our investigation is curtailed," he said.

Jack Wildes, Driver and Vehicle Services, said the Department of Public Safety does not oppose or support the

bill. He expressed concern about the added paperwork Driver and Vehicle Services would have to deal with if tabs were sent in by the sellers.

The bill was approved and referred to the Transportation Budget Division.

S.F. 460, a bill authored by Sen. Michelle Fischbach (R-Paynesville), was also heard. The bill allows an owner of one or more commercial vehicles, adapted for, and used exclusively by, physically disabled persons to obtain disability license plates without a physician's statement or proof of disability. Jim Truman of Wheel Chair-Get-Aways said his business rents vans to people who are sometimes from out of state and don't have a handicapped plate. He said people may want to take their grandmother out of a nursing home for the weekend, and the grandmother is in a wheelchair.

The bill was approved and recommended for the Consent Calendar.

Sen. Don Betzold (DFL-Fridley) presented a bill, S.F. 660, that changes the cost of an identification card for a person with serious and persistent mental illness. The bill reduces the cost of the card from \$12.50 to 50 cents.

Betzold said people suffering from serious mental illness often don't have a driver's license and require an I.D. card of some sort. He said if they are unemployed, the \$12.50 charge can be a burden.

The bill was approved and was referred to the Judiciary Committee.

Transportation Budget Division

Public Safety budget reviewed

An overview of the Department of Public Safety budget was given at the Transportation Budget Division meeting Thurs., Feb. 18. The meeting is chaired by Sen. Janet Johnson (DFL North Branch).

Katherine Burke Moore, director of Driver and Vehicle Services, said the governor is recommending a tax proposal to cap passenger vehicle re-registration taxes at \$75 annually effective Jan. 1, 2000. Burke Moore said the Department is requesting funding for an information technology project that enables citizens to renew their motor vehicle registration through the Internet with a credit or

debit card. "This is a service I have heard citizens asking for," Burke Moore stated. She added that this service is available for almost every type of purchasing except government services. The project is part of a larger collaborative effort with the Department of Transportation, Department of Natural Resources, the Treasurer's Office and, the Department of Administration to improve customer service.

Burke Moore said a critical issue is rising in the budget with the need for license plates. "We run out of money to purchase plates the first week in April," she said. She stated that an emergency appropriation is needed as soon as possible. The governor recommends \$48,000 in FY 2000 and \$415,000 in FY 2001 from the Highway User Tax Fund to increase the number of license plates and tabs manufactured. The governor also recommends a supplemental appropriation of \$629,000 in FY 1999 to cover projected volume increases. Production costs are expected to be offset by a 50 cent increase on the license plate fee.

Burke Moore said a new optical scanner is required for Driver and Vehicle Services. "Our scanner is so old that if it crashes, I will have to find people to enter 180,000 registrations per month manually," she said.

The governor is recommending \$1.095 million in FY 2000 and \$800,000 in FY 2001 in trunk highway fund monies to expand and improve driver testing services. Burke Moore related that this funding would provide for 18 additional driver license examining specialists, 16 automated testing machines, software that provides testing in several foreign languages, a computerized appointment scheduling system and maintenance costs. Burke Moore said 10 examiners are needed in the Metro Area and 8 throughout Greater Minnesota. She said the additional testing machines save on staff; one examiner can work with a number of people through using automated testing. Burke Moore said the addition of languages on the machines will accommodate the increased language diversity in Minnesota. She said knowledge of the English language is not a requirement to obtain a driver's license. The oral test is given in various languages, but the road test is given only in English, so a basic understanding of driving skills is needed.

Amy Vennewitz, Senate fiscal analyst,

spoke about attorney general costs being charged to the trunk highway fund for representation on behalf of the Department of Public Safety. She said the cases charged to the trunk highway fund are employment law matters, driver's license reinstatement petitions and driver's license revocations under the implied consent law. "The issue for the Transportation Budget Division to consider is whether the attorney general costs are for a trunk highway purpose and should appropriately be funded out of the trunk highway fund," Vennewitz said. "The revenues have exceeded expenses in the past, so it hasn't been a problem," she said. She indicated, however, that there will be a net loss to the trunk highway fund of approximately \$1.5 million in FY 2000 and \$2.6 million in FY 2001.

Kathryn Swanson, deputy director of the Traffic Safety Division, said the program goal is to reduce the number of traffic crashes, injuries and fatalities. She said that although in 1997 severe injuries were down almost 10 percent, during the first seven months of 1998 fatalities were up 12 percent over 1997. She said traffic crashes are the leading cause of death for people ages 1 to 34. She said the Traffic Safety Division wants to keep alcohol-related traffic deaths down and increase driver and front seat occupant seat belt use to 70 percent by calendar year 2000. She said since 1990, 820 people have been ejected from a vehicle in a crash. All were killed, and none were wearing seat belts. The governor is recommending a decrease of \$122,000 for the biennium to reflect the elimination of the Bicycle Safety Grant Program.

Floor action

Pseudorabies bill gains

A bill aimed at controlling pseudorabies in swine was one of a number of measures gaining preliminary passage at the Thurs., Feb. 25, Senate floor session.

The pseudorabies control bill, S.F. 428, extends the program for controlling the disease and provides reimbursement for veterinarians who purchased pseudorabies vaccine after Jan. 1, 1999. Sen. Paula Hanson (DFL-Ham Lake), chief author of the measure, said the bill appropriates \$1.5 million continued efforts to control pseudorabies in swine. The appropriation is to cover the cost of blood tests, laboratory fees, and vaccines, and is

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available until June 30, 2000. In addition, the bill contains an appropriation of \$645,000 to the U of M Center for Farm Financial Management to provide financial management assistance to farmers, Hanson said.

In other action, members granted preliminary approval to ten additional bills on General Orders. S.F. 297, authored by Sen. Martha Robertson (R-Minnetonka), modifies provisions relating to special education and details the rules relating to special education that must be repealed or amended. S.F. 50 carried by Sen. Steven Novak (DFL-New Brighton), abolishes the sunset provision repealing performance-based gas purchasing plans. S.F. 353, sponsored by Sen. David Knutson (R-Burnsville), makes changes in provisions relating to real property about certificates of title and the Common Interest Ownership Act. S.F. 370, sponsored by Sen. Charles Wiger (DFL-North St. Paul), provides Independent School District #622, North St. Paul-Maplewood-Oakdale, with alternative facilities bonding and levy program authority. S.F. 407, carried by Sen. Dean Johnson (R-Willmar), amends a grant to the McLeod West School District.

H.F. 214, sponsored by Sen. Dallas Sams (DFL-Staples), modifies volunteer ambulance attendant provisions. S.F. 9, authored by Sen. Don Betzold (DFL-Fridley), provides for the abolition of a police civil service commission by an unanimous vote of the city council. S.F. 685, sponsored by Sen. Steve Kelley (DFL-Hopkins), deregulates coin-operated or public pay telephones under state law and authorizes the Public Utilities Commission to assess administrative penalties for anticompetitive activities by telecommunication providers. S.F. 690, carried by Sen. Jerry Janezich (DFL-Chisholm), is a resolution requesting a ban on the importation of certain steel products. S.F. 757, authored by Sen. Ember Reichgott Junge (DFL-New Hope) is a resolution memorializing Congress to enact legislation to prohibit federal recoupment of the state tobacco settlement recoveries.

Members also granted final passage to the bill repealing the authority for local governments to impose residency requirements on their employees. H.F. 133, sponsored by Novak, was given final passage on a 41-15 roll call vote. Mem-

bers also granted final passage to S.F. 73, sponsored by Sen. Steve Murphy (DFL-Red Wing), modifying financial eligibility criteria for the consumer support program and S.F. 194, carried by Sen. Linda Berglin (DFL-Mpls.), eliminating the application deadline for essential community provider status. Two measures were given final passage on the Consent Calendar. S.F. 593, sponsored by Sen. Dave Kleis (R-St. Cloud), corrects the name of a grant recipient to that of the project owner. S.F. 465, carried by Sen. Sandra Pappas (DFL-St. Paul), permits county recorders to require minimum deposits in certain cases.

Finally, Senators confirmed the appointments of thousands of individuals as notaries public.

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Bemidji KAWK/KAWB - 11:30 a.m. Sundays (Beginning Feb. 3); Fargo KFME

6:30 a.m. - Saturdays; and Channel 6, the Metro Cable Network - 6:30 p.m. Mondays and 7:30 p.m. Wednesdays.

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Preview

Monday, March 1

The Senate is in Session at 10 a.m.

Election Laws Committee

Chair: Sen. John Marty

12 noon Room 112 Capitol

Agenda: S.F. 516-Scheid: Elections, campaign finance, reporting, and gift ban bill.

Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

12 noon Room 107 Capitol

Agenda: S.F. 609-Price: New landscape irrigation systems to have rain checks. S.F. 534-Johnson, D.J.: Superior National Forest land exchange. S.F. 626-Murphy: Private sale of tax-forfeited land in Wabasha County.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: S.F. 833-Junge: Regulating business corporations. S.F. 346-Ranum: Expanding provisions for relative ex parte temporary custody. S.F. 129-Knutson: Enacting the Uniform Child Custody Jurisdiction and Enforcement Act. S.F. 84-Cohen: Prohibiting the filing of fraudulent liens.

Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: S.F. 184-Ranum: Juvenile code and related laws recodification. S.F. 551-Junge: Domestic abuse and related crimes. S.F. 846-Ranum: Out-of-home placement of juveniles. S.F. 887-Cohen: Hate crimes.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

2 p.m. Room 123 Capitol

Agenda: Dept. of Finance budget.

Local and Metropolitan Government Committee

Chair: Sen. Jim Vickerman

2 p.m. Room 107 Capitol

Agenda: S.F. 416-Higgins: Minneapolis

skilled workers and apprentices deferred compensation plan participation. S.F. 556-Piper: Local government tort liability modifications. S.F. 615 - Higgins: Minneapolis Park and Recreation Board employee modifications. S.F. 851-Vickerman: Local government non-profit corporations sunset delay and task force establishment.

Environment and Agriculture Budget Division

Chair: Sen. Steven Morse

4 p.m. Room 107 Capitol

Agenda: Dept. of Agriculture budget overview.

Taxes Conference Committee

Chairs: Sen. Douglas Johnson and Rep. Ron Abrams

4 p.m. Room 15 Capitol

Agenda: H.F. 1: Tax rebate.

Health and Family Security Budget Division

Chair: Sen. Don Samuelson

4 p.m. Room 112 Capitol

Agenda: Budget overviews: Dept. of Health and Dept. of Human Services.

Health and Family Security Committee

Chair: Sen. John Hottinger

6 p.m. Room 123 Capitol

Agenda: S.F. 839-Sams: Rural hospital improvement grant program. S.F. 874-Berglin: Adolescent HIV and STD prevention grant program. S.F. 970-Kiscaden: Adult mental illness crisis housing. S.F. 360-Wiener: Minnesota Comprehensive Health Association funding. S.F. 481-Morse: Duties transfer to the Region 10 Quality Assurance Commission from DHS. S.F. 578-Lourey: Providing for review of ambulance services and first responders. S.F. 649-Morse: Modifying the definition of public water supply.

Tuesday, March 2

Environment and Agriculture Budget Division

Chair: Sen. Steven Morse

8 a.m. Room 123 Capitol

Agenda: Department of Agriculture

budget overview; S.F. 220-Lessard: DNR requirement to maintain a trained force of firefighters.

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8 a.m. Room 15 Capitol

Agenda: S.F. 821-Janezich: Child care assistance; modifying payment requirements; developing a prepaid payment system. S.F. 862-Robling: Child care licensing; removing date restriction on definitions. S.F. 127-Foley: Appropriating money for emergency services grant program and transitional housing program. S.F. 622-Kidcadon: Modifying requirements for certain English as a second language programs.

Higher Education Budget Division

Chair: Sen. LeRoy Stumpf

8 a.m. Room 107 Capitol

Agenda: Continuation of budget presentation by University of Minnesota.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: Governor's budget recommendation.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: S.F. 52-Samuelson: Patient Bill of Rights. S.F. 953-Samuelson: Patient protection. S.F. 944-Robertson: Medical Assistance reimbursement for special education. S.F. 967-Lourey: Modifying the Minnesota Utilization Review Act.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: S.F. 642-Scheid: Economic development authority establish an urban shopping district.

The Senate is in Session at 11:30 a.m.

Governor's State of the State Address is at 12 noon.

Preview

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

2 p.m. Room 107 Capitol

Agenda: S.F. 1124-Langseth: Changing the taxation of agricultural property; providing for homestead classification of agricultural property. S.F. 1072-Johnson, D.E.: Appropriating money for turkey respiratory disease research.

Commerce Committee

Chair: Sen. Sam Solon

2 p.m. Room 112 Capitol

Agenda: Confirmation of Commissioner of the Minnesota Department of Commerce, David Jennings. S.F. 727-Kelley, S.P.: Continuity of contracts affected by European currency. S.F. 820-Kelley, S.P.: Digital signature housekeeping bill.

Economic Development Budget Division

Chair: Sen. Tracy Beckman

2 p.m. Room 123 Capitol

Agenda: To be announced.

Committee on Taxes

Chair: Sen. Douglas Johnson

4 p.m. Room 15 Capitol

Agenda: S.F. 382-Scheid: Department technical bill; S.F. 381-Pappas: Mortgage registry and deed taxes.

Wednesday, March 3

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8 a.m. Room 15 Capitol

Agenda: S.F. 659-Junge: Family visitation centers. S.F. 812-Higgins: Establishing an adolescent parenting grant program. S.F. XXX-Stumpf: Establishing an adolescent parenting grant program. S.F. 733-Lourey: Chemical abuse prevention matching grants special revenue fund appropriation through a collaborative organizations.

Higher Education Budget Division

Chair: Sen. LeRoy Stumpf

8 a.m. Room 107 Capitol

Agenda: Completion of budget presentation by MnSCU.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: Governor's budget recommendations.

Governmental Operations and Veterans Committee

Chair: Sen. James Metzen

10 a.m. Room 15 Capitol

Agenda: To be announced.

Transportation Budget Division

Chair: Sen. Janet Johnson

10 a.m. Room 112 Capitol

Agenda: Metro Transit budget overview. Presentation by MN Public Transit Association. MN Safety Council budget overview.

Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

12 noon Room 107 Capitol

Agenda: Presentation of the Used Motor Oil and Filter Recycling report. S.F. XXX-Johnson, J.B.: Waste Management Act technical changes.

Election Laws Committee

Chair: Sen. John Marty

12 noon Room 112 Capitol

Agenda: S.F. 979-Kelley, S.P.: Internet voting study. S.F. 1064-Pogemiller: Reapportionment provisions. S.F. 87-Marty: Public right-to-know. S.F. 1036-Flynn: Training procedures for local election officials.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: S.F. 299-Kelley: Limiting the liability of the state and municipalities for certain claims involving Y2K. S.F. XXX-Limmer: Relating to Y2K liability for the state and municipalities.

Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: S.F. 486-Junge: Criminal background checks for firefighters. S.F. 769-Kelly, R.C.: Police pursuits of fleeing suspects model policy.

Economic Development Budget Division

Chair: Sen. Tracy Beckman

2 p.m. Room 123 Capitol

Agenda: To be announced.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

2 p.m. Room 125 Capitol

Agenda: Budget overview: Department of Revenue.

Local and Metropolitan Government Committee

Chair: Sen. Jim Vickerman

2 p.m. Room 107 Capitol

Agenda: S.F. 373-Vickerman: Regional planning appropriation. S.F. 616-Price: Washington County Housing and Redevelopment Authority commissioner term modification. S.F. 716-Hottinger: Mankato area growth management and planning study completion grant appropriation. S.F. 760-Belanger: County ordinance violations civil penalties. S.F. 891-Hottinger: Local government units snow and ice tort liability exemption clarification.

Health and Family Security Budget Division

Chair: Sen. Don Samuelson

4 p.m. Room 112 Capitol

Agenda: Budget overview: Department of Human Services.

Health and Family Security Committee

Chair: Sen. John Hottinger

6 p.m. Room 123 Capitol

Agenda: S.F. 483-Samuelson: Transferring TANF to child care block grant. S.F. 506-Lourey: Clarifying that minor parents must live with an adult in order to receive MFIP. S.F. 535-Lourey: Increasing the MFIP exit level to 140 percent of poverty. S.F. 543-Lourey: Modifying provisions of MFIP. S.F. 683-Berglin: Allowing post employment training for certain MFIP participants. S.F. 964-Berglin: Creating exceptions to the 60 month time limit. S.F. 965-Berglin: Making changes to the MFIP program. S.F. 966-Berglin: Changing MFIP sanctions. S.F. 1028-Berglin:

Modifying transitional care for TANF recipients. S.F. 1095-Berglin: General assistance special needs standards of assistance expansion.

Judiciary Subcommittee on Data Privacy and Information Policy

Chair: Sen. Don Betzold

7 p.m. Room 107 Capitol

Agenda: S.F. 660-Betzold: Reducing fee on ID card for mentally ill persons. S.F. 1039-Betzold: Publication of public access procedures. S.F. 1040-Betzold: Electronic access to data. S.F. XXX-Betzold: Department of Economic Security agency bill, Workforce Investment Act of 1998.

Thursday, March 4

The Senate is in Session at 8:30 a.m.

Health and Family Security Budget Division

Chair: Sen. Don Samuelson

10 a.m.. Room 15 Capitol

Agenda: Budget overview: Department of Human Services.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: S.F. 873-Berglin: Employment. S.F. 923-Pappas: Providing use for revenues derived from mortgage and deed tax. S.F. 337-Lourey: Dept. of Trade and Economic Development review planning for technology corridor.

Governmental Operations and Veterans Committee

Chair: Sen. James Metzen

12 noon Room 15 Capitol

Agenda: To be announced.

Transportation Committee

Chair: Sen. Carol Flynn

12 noon Room 112 Capitol

Agenda: S.F. 512-Johnson, J.B.: Major Transportation Projects Commission. S.F. 713-Marty: Prohibiting the erection of additional billboards near roads and highways.

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

2 p.m. Room 107 Capitol

Agenda: S.F. 836-Ourada: Changing food handlers license provisions for food processors or manufacturers operating only at the state fair or a county fair. S.F. 692-Dille: Exempting livestock production facilities from the ambient hydrogen sulfide standards on days manure is being removed from barns or manure storage facilities. S.F. 845-Dille: Making paratuberculosis (Johnes's disease) diagnosis nonpublic data.

Commerce Committee

Chair: Sen. Sam Solon

2 p.m. Room 112 Capitol

Agenda: S.F. XXX-Wiener: Omnibus insurance bill.

Property Taxes and Local Government Budget Division

Chair: Sen. Sandra Pappas

4 p.m. Room 15 Capitol

Agenda: S.F. 259-Johnson, D.J.: Changing distribution of property tax penalties and interest. S.F. 401-Ten Eyck: Proceeds of sales from tax forfeited land. S.F. 761-Lourey: Cemetery levy for Sawyer. S.F. 492-Moe: Advancing the date for sending notice of proposed property taxes. S.F. 767-Novak: Exempting electric utility property from property tax. S.F. 809-Runbeck: Changing the class rate for manufactured home parks. S.F. 976 -Novak: Changing the class rate for manufactured home parks.

Friday, March 5

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8 a.m. Room 15 Capitol

Agenda: S.F. 742-Higgins: Appropriating money for a lead hazard reduction project. S.F. 934-Berglin: Establishing a child care grant program for African immigrant and refugee families and their children; appropriating money. S.F. 1129-Berglin: Establishing prevention grants for American Indian youth; Appropriating money. S.F. 679-Piper:

Directing the commissioner of Children, Families and Learning to develop a plan for consolidating child care and early childhood education programs. S.F. 826-Piper: Making technical and conforming changes to child care assistance administration.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: Governor's budget recommendations.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: Public testimony on MFIP bills.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: S.F. 607-Hottinger: Corporate subsidies.

Environment and Agriculture Budget Division

Chair: Sen. Steven Morse

12 noon Room 107 Capitol

Agenda: S.F. 304-Price: PCA spill response on Mississippi River. Department of Agriculture budget overview.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: S.F. 278-Hottinger: Prohibiting certain contracting arrangements for freelance court reporting services. S.F. 552-Betzold: Requiring the Revisor of Statutes to reorganize and recodify the data practices law. S.F. 1094-Betzold: Changing provisions of the Uniform Probate Code.

Crime Prevention and Judiciary Budget Division

Chair: Sen. Randy Kelly

2 p.m. Room 15 Capitol

Agenda: To be announced.

Minnesota Senate 1999

Party	Phone	Name	Room	Dist.	Party	Phone	Name	Room	Dist.
DFL	296-5537	Anderson, Ellen R.	G-24 Cap.	66	DFL	6-5645	Marty, John	325 Cap.	54
DFL	6-5713	Beckman, Tracy L.	124B Cap.	26	DFL	6-4370	Metzen, James P.	303 Cap.	39
R	6-5975	Belanger, William V.	113 SOB	41	DFL	6-2577	Moe, Roger D.	208 Cap.	2
IND	6-5094	Berg, Charles A.	G-51 SOB	13	DFL	6-5649	Morse, Steven	G-24 Cap.	32
DFL	6-4261	Berglin, Linda	309 Cap.	61	DFL	6-4264	Murphy, Steve	301 Cap.	29
DFL	6-2556	Betzold, Don	306 Cap.	48	R	6-1279	Neuville, Thomas M.	123 SOB	25
DFL	6-5931	Cohen, Richard J.	317 Cap.	64	DFL	6-4334	Novak, Steven G.	322 Cap.	52
R	6-9457	Day, Dick	147 SOB	28	R	6-4837	Oliver, Edward C.	121 SOB	43
R	6-4131	Dille, Steve	103 SOB	20	R	6-1282	Olson, Gen	119 SOB	34
R	6-2084	Fischbach, Michelle L.	149 SOB	14	R	6-5981	Ourada, Mark	145 SOB	19
DFL	6-4274	Flynn, Carol	120 Cap.	62	DFL	6-1802	Pappas, Sandra L.	120 Cap.	65
DFL	6-4154	Foley, Leo T.	G-9 Cap.	49	R	6-5252	Pariseau, Pat	109 SOB	37
R	6-8138	Frederickson, Dennis R.	139 SOB	23	DFL	6-9248	Piper, Pat	G-9 Cap.	27
DFL	6-3219	Hanson, Paula E.	328 Cap.	50	DFL	6-7809	Pogemiller, Lawrence J.	235 Cap.	59
DFL	6-9246	Higgins, Linda I.	226 Cap.	58	DFL	7-8060	Price, Leonard R.	235 Cap.	57
DFL	6-6153	Hottinger, John C.	120 Cap.	24	DFL	7-8061	Ranum, Jane B.	306 Cap.	63
DFL	6-8017	Janezich, Jerry R.	328 Cap.	5	R	6-4314	Robertson, Martha R.	125 SOB	45
DFL	6-9261	Johnson, Dave	111 Cap.	40	R	6-4123	Robling, Claire A.	151 SOB	35
R	6-3826	Johnson, Dean E.	117 SOB	15	R	6-1253	Runbeck, Linda	107 SOB	53
DFL	6-8881	Johnson, Douglas J.	205 Cap.	6	DFL	7-8063	Sams, Dallas C.	328 Cap.	11
DFL	6-5419	Johnson, Janet B.	G-9 Cap.	18	DFL	6-4875	Samuelson, Don	124 Cap.	12
DFL	6-2889	Junge, Ember Reichgott	205 Cap.	46	R	6-3903	Scheevel, Kenric J.	129 SOB	31
DFL	7-8065	Kelley, Steve	321 Cap.	44	DFL	6-8869	Scheid, Linda	317 Cap.	47
DFL	6-5285	Kelly, Randy C.	323 Cap.	67	DFL	6-4188	Solon, Sam G.	303 Cap.	7
R	6-4848	Kiscaden, Sheila M.	135 SOB	30	DFL	6-4191	Spear, Allan H.	120 Cap.	60
R	6-6455	Kleis, Dave	143 SOB	16	R	6-8075	Stevens, Dan	105 SOB	17
R	6-4120	Knutson, David L.	133 SOB	36	DFL	6-8660	Stumpf, LeRoy A.	G-24 Cap.	1
DFL	6-7061	Krentz, Jane	235 Cap.	51	DFL	6-4913	Ten Eyck, David J.	G-24F Cap.	4
R	6-4351	Laidig, Gary W.	141 SOB	56	R	6-6238	Terwilliger, Roy	115 SOB	42
DFL	6-3205	Langseth, Keith	122 Cap.	9	DFL	6-5650	Vickerman, Jim	226 Cap.	22
R	6-5655	Larson, Cal	153 SOB	10	DFL	7-8073	Wiener, Deanna L.	303 Cap.	38
R	6-4125	Lesewski, Arlene J.	131 SOB	21	DFL	6-6820	Wiger, Charles W.	325 Cap.	55
DFL	6-4136	Lessard, Bob	111 Cap.	3	Capitol address: 75 Constitution Avenue				
R	6-2159	Limmer, Warren	127 SOB	33	State Office Building address: 100 Constitution Avenue				
DFL	6-0293	Lourey, Becky	G-9 Cap.	8	St. Paul, MN 55155				

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Senate Briefly

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*The Senate Chamber bustles with the activity of the Legislative Session.
Photo by David J. Oakes*



March 5, 1999

Senate Highlights

Closing argument order debated

Senators devoted most of the Thurs., Mar. 4, floor session to a debate on the order of closing arguments in criminal trials. The bill under discussion, S.F. 533, authored by Sen. Ellen Anderson (DFL-St. Paul), specifies that the prosecution may reply in rebuttal to the closing argument of the defense and that the defense may then reply in surrebuttal to the prosecution's rebuttal. Anderson said that the bill represents a true compromise on the issue of the order of closing arguments. Currently, Minnesota law allows the defense to make the closing argument in criminal trials.

Anderson said that the issue has been debated over the course of the last several sessions and that the bill provides a compromise between those who want to have the prosecution have the closing argument and those who want to maintain the current practice of having the defense make the closing argument.

Sen. Randy Kelly (DFL-St. Paul), argued against the measure saying that Minnesota would be unique in having a surrebuttal provision as outlined in the bill. He also said that Minnesota is the only state in the nation that allows the defense to have the last word in criminal

trials. Sen. William Belanger (R-Bloomington) agreed with Kelly and said that Minnesota is out of step with the rest of the nation.

Sen. Don Betzold (DFL-Fridley) argued for the bill and said that in criminal trials, the prosecution has the full power of the state behind them and that the defense often has little or no resources to counter that power. He urged members to approved the bill and to not "stack the deck" against the defense. Sen. Allan Spear (DFL-Mpls.) also spoke in favor of the measure. Spear said that having the defense make the last speech goes back to the early days of statehood and that it should not be reverse lightly. "I think Sen. Anderson has come up with a reasonable compromise," he said.

Kelly, however, countered that a bill he authored, also on General Orders, specifying that prosecutors have the final argument and not allowing for a defense surrebuttal, is a better solution to the order of debate issue.

Sen. David Knutson (R-Burnsville) also spoke against the measure. "This is about the victim; how the victim feels in that courtroom. The prosecution is not looking for more convictions with this bill. This bill is about justice for victims."

The bill failed to gain preliminary passage on a 19-38 roll call vote.

In other action, members gave final passage to four bills on the Calendar. H.F. 414, carried by Sen. Paula Hanson (DFL-Ham Lake), extends the program for control of pseudorabies in swine. H.F. 248, sponsored by Sen. David Ten Eyck (DFL-East Gull Lake), permits the location of a branch bank in the town of Crooked Lake. S.F. 794, authored by Sen. Dave Kleis (R-St. Cloud), modifies provisions of the one call excavation notice system to require immediate notification of the 911 system whenever life threatening damage occurs to an underground utility line. S.F. 441, authored by Spear, modifies the criminal penalties for bad check writing to provide more uniformity and creates a pretrial diversion program for writers of dishonored checks.

The Senate also granted final passage to two bills on the Consent Calendar. S.F. 914, carried by Sen. Steven Novak (DFL-New Brighton), revises the House committee chairs appointed to the Legislative Electric Energy Task Force to reflect reorganization of House committees. S.F. 460, sponsored by Sen. Michelle Fischbach (R-Paynesville), allows disability license plates to be issued without a physicians statement for commercial motor vehicles modified for exclusive use by disabled persons.

Two Senators resign

Two members of the Senate announced their resignations over the course of the week. Sen. Tracy Beckman (DFL-Bricelyn) resigned effective Fri., Feb. 26, in order to take a position as state director of the U.S. Farm Services Administration. The governor has scheduled Mar. 30 as the date for a special election for voters in Senate District 26 to fill Beckman's seat. Beckman chaired the Economic Development Budget Division. No successor chair has been decided as of press time.

Sen. Steven Morse (DFL-Dakota) announced he will leave the Senate Mar. 15 to take a position as deputy commissioner with the Dept. of Natural Resources. No special election has yet been scheduled to fill Morse's seat. Morse chaired the Environment and Agriculture Budget Division. A successor chair of the division is yet to be designated.

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Police pursuits discussed

Members of the Crime Prevention Committee, chaired by Sen. Allan Spear (DFL-Mpls.), met Wed., Mar. 3, to discuss a bill relating to police pursuits.

Carried by Sen. Randy Kelly (DFL-St. Paul), S.F. 769 requires the Peace Officer Standards and Training (POST) Board to adopt a state wide policy governing the conduct of police pursuits of fleeing suspects. The bill requires local law enforcement agencies to adopt local police pursuit policies in conformity with the state policy. The bill also requires all peace officers to receive training in conducting police pursuits in compliance with learning objectives developed by the POST board, and provides that prosecutions or convictions for fleeing an officer do not prevent punishment for other crimes committed while fleeing. Also, the bill creates programs for distributing tire deflator devices and driving simulators for use by state and local law enforcement agencies. Kelly said the bill improves on a ten year old policy and provides better police training to reduce or eliminate the occurrence of injuries sustained in police chases.

Dennis Delmont, a representative of the Minnesota Chiefs Association, testified in favor of the bill. He said the bill helps instill in all officers the skills to safely end pursuits by providing for high quality reporting and training.

Minnesota Police and Peace Officers Association representative Dennis Flaherty also spoke in support of the bill. He said the bill weaves together training, education and new technology to find out what can be done better in the area of police pursuits. He said the bill is a positive initiative for police officers in the state.

There was no testimony in direct opposition to the bill, but several in attendance raised concerns that the bill does not address many important issues. Former state Rep. Neil Haugerud, also a former county sheriff, said more input from citizens for police pursuit solutions should be solicited. He also said the bill does not solve the problems surrounding police pursuits, because instead of more training, a different type of training is necessary.

Sen. Ember Reichgott Junge (DFL-New Hope) said the bill does not address the issues revolving around the reporting of

chases. She said police pursuits have been under reported in the past, and there is nothing in the bill that dispenses penalties for not reporting.

Sen. Ellen Anderson (DFL-St. Paul), addressing an issue she said is not recognized in the bill, asked if the possibility of limiting police pursuits needs to be discussed. She said that, if the government is really concerned about public safety, perhaps some criteria should be established to prohibit chases under certain circumstances.

Responding to Anderson, Flaherty said limiting police pursuits is part of an ongoing discussion. However, he said, it is not possible for officers to know exactly who they are chasing and why the perpetrators are fleeing. He said terrible crimes will go unapprehended if the ability of an officer to pursue a suspect is limited.

Larry Podany, a representative from the Minnesota Sheriff's Association, also responded to Anderson's statements. Podany said most damages from chases occur when the perpetrators have committed a felony, so to eliminate chases for misdemeanor offenses would not eliminate much of the damages resulting from chases.

Kelly said that many times chases happen when young or new police officers are involved. He said the bill enables all officers to be better trained, so the decision to chase is made in a more thoughtful manner. The training proposed in the bill, he said, helps in the decision making process of not only the young officers, but of all officers.

Members adopted an amendment, offered by Junge, that sanctions police department heads for not reporting police pursuits. The bill was approved and referred to the Crime Prevention and Judiciary Budget Division.

State of the State address

The Senate met for a brief floor session Tues., Mar. 2, to process bills and committee reports before meeting in joint convention with the House of Representatives to hear Gov. Jesse Ventura's State of the State Address. The Senate also received notice that Sen. Tracy Beckman (DFL-Bricelyn) resigned his seat effective Feb. 26, 1999.

In his address, the governor outlined the priorities for his administration and

the principles of his budget. Some of the guiding principles Ventura said he used when he assembled the budget were to be fiscally prudent, do what's necessary, prevent future costs, live within a responsible budget, and refund any surplus at the end of the fiscal biennium. He challenged lawmakers to pass a sales tax rebate bill and then proceed to enact permanent income tax cuts. Ventura said he also wants to see all new programs have sunset dates so their effectiveness can be evaluated before renewal. To fund programs, the governor said he favors user fees over general taxes so that "users have a voice in the rates and program results."

In itemizing his administration's priorities, Ventura said that no one understands the current property tax system and it's not fair. He said that reforming property taxes is one of the highest priorities of his administration. Ventura said another administration goal "is to build the strongest public education system in the world," but he also stressed the importance parents play in a child's education. The governor said he intends to prepare Minnesota's economy for the future by developing and expanding export markets and attracting investments in Minnesota. Ventura said there is particular urgency in developing export markets for agricultural goods. The governor also pledged to make up to \$50 million in farm relief aid available through the next three years in addition to \$10 million already pledged for the current year. Other goals of the Ventura administration include a better transit system that uses light rail and commuter rail lines to curb urban sprawl. Ventura also proposed using tobacco settlement money as an endowment for four purposes: the Minnesota Family Foundation, support for local public health networks, education for health professionals, and medical research.

Ventura said that government should promote self-sufficiency. He said he wants to provoke citizen involvement in both government and service organizations. The governor urged listeners to invest in themselves and get involved. He concluded his speech by honoring five Minnesotans who have made differences in their environments through activism. "The future is much more in your hands than in mine — or this Legislature's," he said.

Committee update

Agriculture and Rural Development

Farmer lender mediation discussed

The future of the Farmer Lender Mediation Program was discussed at the Thurs., Feb. 25, meeting of the Agriculture and Rural Development Committee. Sen. Dallas Sams (DFL-Staples) chairs the committee.

Sen. LeRoy Stumpf (DFL-Thief River Falls) presented S.F. 708, a bill transferring the Farmer Lender Mediation Program from the University of Minnesota's Humphrey Institute to the University of Minnesota's Extension Service. The bill also repeals the sunset language, thereby making the program permanent. Stumpf said that almost the same conditions exist within agriculture that existed when the Farmer Lender Mediation Program was created. He said farmers go out of business for reasons beyond the control of the Legislature, but extending the mediation program is something the Legislature can do to aid farmers.

Kathy Magnum, Humphrey Institute, said there are always more cases per year than can be completed in the program. She said mediation brings together advisors to map a plan for exiting farmers when there is no way for the farmer to stay in business. The group looks at the tax and legal implications the farmer faces in exiting the industry, said Magnum. The mediator intervenes when negotiations between the farmer and lender break down, she said. Magnum called the program a constructive problem solving process and said that many cases can be resolved in 30 to 90 days.

Gerald Miller, University of Minnesota Extension Service, said the mediation program has been an effective vehicle for dispute resolution. He said the Extension Service is willing to assume the responsibility for the program again, and will look at partnering with other entities who have expertise in the field.

"The banking community does not support making the mediation process mandatory," said Jerry Schoenfeld, Independent Community Bankers. He said sometimes the program is used when the situation on a farm hasn't reached a crisis level. It is used as a delay tactic in some cases, and it separates farmers out from other groups regarding lending practices, he said. Another concern

about the program is that the intent was to keep lawyers out of the situation and that isn't happening, Schoenfeld said. He said the program should exist only when there is a crisis situation in the farming community, and there should be a triggering mechanism to implement the start up of the program. The bill was laid over for further discussion.

Sen. Jim Vickerman (DFL-Tracy) offered S.F. 451, a bill regulating security interests in agricultural crops. The bill eliminates the requirement of the legal description of the real estate concerned in security agreements when a security interest is taken in crops growing or to be grown. Vickerman said the bill does not change the way farmers and lenders do business, rather it reduces a lot of unnecessary paperwork.

David Hoelmer, Farm Credit Services, Mankato, said the members of FCS, a farmer cooperative, have asked that the filing process be simplified and that costs be reduced wherever possible. The proposal reduces costs by eliminating the paperwork, said Hoelmer.

Minnesota Farmers Union representative Andy Steensma said the requirement does not need to be changed. He said that by keeping the full legal description, all concerned parties are clear about what part of the property is secured.

No formal action was taken on the bill.

Bills advance

"The farm situation is no longer serious, it's at a crisis level. We want to try and provide long term property tax relief for farmers," said Sen. Dallas Sams (DFL-Staples) at the Tues., Mar. 2, meeting of the Agriculture and Rural Development Committee. The committee, chaired by Sams, heard bills on agriculture property tax and turkey respiratory disease research.

Sen. Keith Langseth (DFL-Glyndon) presented S.F. 1124, a bill reducing taxation of agricultural property by changing the value of nonhomestead agricultural property and deleting certain homestead limitations. Langseth said the bill allows homestead classification for each shareholder or partner of a family farm corporation or family farm partnership living on the farm. Currently, additional families are limited to homestead classification on the residence and one acre of land, he said. The bill also

deletes the requirement that noncontiguous land owned by a person who owns a farm homestead must be located within the distance of four townships or cities from the homestead, said Langseth.

The bill changes the class rate value of the land other than the house, garage, and surrounding one acre of land, said Langseth. The proposal applies a 0.35 percent class rate on additional farm land valued up to \$250,000, rather than the current \$115,000. For property valued between \$250,000 and \$500,000, the class rate changes from 0.8 percent to 0.7 percent. The bill also proposes changing the class rate for property valued over \$500,000 from 1.25 percent to 1.0 percent.

The bill was recommended to pass and re-referred to the Committee on Taxes.

Sen. Dean Johnson (R-Willmar) offered S.F. 1072, a bill appropriating money to the University of Minnesota to fund research on turkey respiratory disease control and prevention. Doug Huebsch, a turkey farmer from Perham, told members that Minnesota is now the largest turkey growing state, surpassing North Carolina. He said the biggest concern of turkey growers is respiratory diseases, and avian pneumovirus, in particular. Huebsch said the problem of pneumovirus is limited to Minnesota.

Paul Hanowski, Swanville, said when the disease hits a turkey farm, it can be devastating. He said he visited a poultry farm that lost 1,500 turkeys in one weekend due to the virus. There are basically three breeds of turkeys grown commercially in Minnesota, and the virus has affected all three, Hanowski said.

Larry Schook, University of Minnesota College of Veterinary Medicine, said the effort between the University of Minnesota and the turkey growing industry has been extremely cooperative and should be continued. He said it is not known how the disease is spread and the continued funding for the program will enable researchers to understand that. Once it is understood how the disease is spread, the focus will turn to prevention and a possible vaccine for the virus.

Keith Friendshuh, Board of Animal Health, provided the committee with a report stating that Minnesota's poultry industry contributes over \$1 billion each year to the state's economy. The report also stated that the long-term benefits of the proposed program will ensure the

economic health and competitiveness of Minnesota's turkey industry and enhance food quality, quantity, and value through sustained research efforts.

The bill was recommended to pass and re-referred to the Children, Families and Learning Committee.

Children, Families and Learning

Teacher prep discussed

The Children, Families and Learning Subcommittee on Teacher Preparedness met Thurs., Feb. 25. The committee is co-chaired by Sen. Sandra Pappas (DFL-St. Paul) and Sen. Deanna Wiener (DFL-Eagan).

Mike Tillman, Minnesota State Board of Teaching, gave an overview of the phases of teacher preparation and licensing. Tillman described the three phases as pre-service teacher preparation; beginning teacher induction; and professional development for the career teacher. He said that the proposed new rules relating to teacher licensing suggest early and ongoing clinical experience for the teacher in training. Student teaching, at its best, is still very different from the first years of actual classroom teaching, said Tillman. "It's going to become increasingly more important to have teacher preparation institutions concentrate on preparing teachers to instruct in an urban setting," Tillman said. He said the third phase, professional development, is extremely important to help teachers deal with the challenges faced in the classroom. The teacher preparers several years ago could never have foreseen the level of challenge and diversity the teachers are confronted with today, he said.

Metropolitan State University Committee on Urban Teacher Preparation Co-Chair Tom O'Connell, said the faculty and administration at Metro State are currently engaged in discussions about the future role of the university as a leader and coordinator of K-12 teacher preparation. Metro State's teacher education programs should focus on the needs of urban schools, said O'Connell. The proposed programs should place an emphasis on recruitment and retention of potential teachers of color, those with background and interest in urban education, and students with an interest

in curricular areas in which there is or will be a teacher shortage, he said. O'Connell said the committee believes that fifth year programs, alternative paths to licensure programs and field based programs should all be evaluated as potential approaches to providing quality teacher education programs.

O'Connell said Metro State will develop programs with the involvement of professional educators at the K-12 level and community constituencies with an interest and stake in urban education. Whenever possible, the knowledge, resources and experience of both professional educators and community leaders will be drawn on as an educational resource for students in the teacher education program, he said. Programs will be developed in consultation with other interested MnSCU institutions, with Metro State playing a leadership role in developing programs that will most effectively serve urban schools, O'Connell said.

Gary Farland, Dept. of Children, Families and Learning discussed portions of the 1998 Economic Report to the Governor. The report examines the prospects for Minnesota's labor market over the next few decades. He said there is a tight labor market in the state because many baby boomers are retiring and most everyone who wants to be employed, is. Although little can be done to change the supply of available workers in the state, it may be possible to upgrade the skills of existing workers and provide them with the prerequisite training for positions where they will be more productive, said Farland. Minnesota education institutions are striving to meet the needs of students both in intellectual development and in preparing them for work in a complex society, said Farland. He suggested having better defined education standards, better orientation of course work to employment, and follow-ups of students to have outcomes guide education content.

High standards discussed

The K-12 Subcommittee on High Standards Implementation, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.) met Weds., Mar. 3, to discuss the history and process of developing graduation standards.

Marcia Gronseth, State Board of

Education, told members that in 1987 the board approved plans to develop a performance-based education system--the first formal action to require statewide outcomes for students. In 1990, the board announced plans to develop new results-oriented graduation requirements based on demonstrated student achievement rather than completion of courses or credits, she said. A series of public hearings to get response to the first draft of the rules were held in 1991 and continued through 1993, said Gronseth.

Mary Lillesvie, Dept. of Children, Families and Learning, said pilot sites were developed in 1993 to develop assessments and train staff to implement the proposed rule. Public hearings continued through 1997 and the board adopted the rules for the Profile of Learning in 1998, said Lillesvie. In 2002 the first class will graduate under all requirements of the Minnesota graduation standards, she said.

In 1998 the Legislature requested that an advisory panel be appointed to advise the governor on the implementation of the graduation rule. Duane Benson, MN Business Partnership, and a member of the advisory panel, told members the panel recommends retaining all of the standards identified in the graduation rule, but also recommends eliminating the references to the requirement of performance packages. He said the panel recommends retaining statewide third, fifth and eighth grade tests with a new 11th grade test that provides international comparisons of student achievement.

Benson said the intent of the recommendations is to recognize the critical balance between state dictates and the need for flexibility at the local level. Local school boards and teachers would be allowed to maintain or set standards beyond the state standards, and teachers would have the freedom to teach in the manner believed most effective, he said.

Sen. Gen Olson (R-Minnetrissa) offered S.F. 125, a bill implementing the recommendations of the graduation standards advisory panel. Olson said more work needs to be done to incorporate the foundation of reading into the standards. "Once a child learns to read, nothing can be withheld from him," said Olson. We need to get beyond talking about knowledge and require the practical application of knowledge, she said.

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People feel like the graduation standards are an experiment-- with no proven results, she added.

Sen. Dave Kleis (R-St. Cloud) discussed a bill he is going to introduce that balances the statewide requirement for standardization and district autonomy under the profile of learning. The bill incorporates a profile of learning redesign proposal developed by teachers in the Eden Valley-Watkins School District. Tom Broughton, school counselor, Eden Valley-Watkins School District, told members that a lot of districts agreed to implement the standards because of the financial incentive, rather than because of total teacher agreement with the plan. He said there are too many standards in the profile, and the system for assessment is confusing for teachers, students and parents. He said his school district does not believe the state should abandon the effort of setting educational standards and demanding accountability. Eden Valley-Watkins has developed a proposal to redesign the profile of learning, said Broughton. The new approach recognizes the need for a system of statewide standards that respects the local role in delivering the standards, he said. Additionally, the new approach proposes reducing the complexity of the profile of learning, said Broughton.

Commerce

Structured settlements bill heard

A bill authored by Sen. Edward Oliver (R-Deephaven) was brought before the Commerce Committee, chaired by Sen. Sam Solon (DFL-Duluth), at its meeting Thurs., Feb. 26. The bill, presented by Sen. Dave Johnson (DFL-Bloomington), provides for the protection of structured settlements. Structured settlements are payments made by an insurance company over a period of time to an individual who has sustained personal injury or disability. The measure specifies that no transfer of structured settlement payment rights is effective unless authorized by a court or responsible administrative authority. The bill gives the District Court nonexclusive jurisdiction over an application for authorization of transfer.

Sen. Allan Spear (DFL-Mpls.) said he supports the bill, but offered an amendment to delete the provision allowing insurance companies to have the authority to approve in writing a transfer of pay-

ments. Johnson said he opposed the amendment. He said the language provides a way to protect insurance companies. "Insurance company veto power is not effective," said Sen. John Hottinger (DFL-Mankato). Spear withdrew the amendment, saying he would work with Hottinger and Johnson to make sure there is not absolute veto power.

Spear proposed an amendment that specifies the transfer must be in the best interest of the payee, rather than stating the transfer is necessary to avoid imminent financial hardship. "I think the original language is a bit paternalistic," Spear said. Johnson opposed the amendment. "This legislation came from concerns raised out of the department," he said. "It prevents an injured person from being a burden on society." Spear said the amendment still prevents the kind of transfer to which everyone is opposed. The amendment prevailed.

Spear offered a third amendment that provides imposed disclosure requirements also apply to insurance companies. Johnson said he believes the amendment changes the bill substantially, and did not support it. The amendment prevailed. S.F. 148 was approved and re-referred to the Judiciary Committee.

Sen. Steven Novak (DFL-New Brighton) presented S.F. 583, a bill that provides new home buyers with information about home sprinkler systems.

Nyle Zikmond of the Minnesota Fire Chiefs Association said the legislation would provide home owners with sprinkler system information. "Citizens should have a right to know sprinklers are available," he said.

Tom Brace, Minnesota state fire marshal, said over two-thirds of the fire deaths in Minnesota are in the home. "This is a very benign approach," he said. The brochures are created by the State Fire Chiefs Association and Fire Marshals Association of Minnesota, according to Brace. A pamphlet is given to the contractor at the time of the sale, and the contractor provides the buyer with the information on the sprinklers.

Lisa Peterson, representing the Builders Association of Minnesota, said she has nothing against sprinklers, but she believes buyers are already deluged with information.

Novak said other methods of providing homeowners with the information have not been successful. "The sprinklers are a

technology that has value," Brace added.

The bill was approved, and sent to the Senate floor.

Jennings approved

The Commerce Committee, chaired by Sen. Sam Solon (DFL-Duluth), met Tues., Mar. 2. Members discussed the confirmation of David Jennings as commissioner of the Department of Commerce.

Jennings, a former Speaker of the House, said he does not anticipate making a lot of changes in the department. He said he has been asked by the governor to review the department and make it more accessible to people. Jennings said he wants the department to be responsive and bring a sense of fairness and justice to the interests it manages.

The committee voted unanimously to approve Jennings as commissioner.

Sen. Steve Kelley (DFL-Hopkins) presented S.F. 820. Kelley said it is a housekeeping bill, providing a framework for doing digital signatures.

Katie Engler from the Secretary of State's Office spoke on behalf of the bill. She said the bill regulates the duties of the secretary as a licensed certification authority and changes the language governing the deposit of fees collected by the secretary. Engler said the legislation creates a revolving fund for recovery of project costs, and at the end of each biennium any monies in excess of expenditures will be returned to the general fund. The bill provides that to be eligible to be licensed in Minnesota, a certification authority must use in person verification of identification before issuing a certificate to a subscriber. The bill was approved and re-referred to the Governmental Operations Committee.

Kelley also presented S.F. 727, a bill that provides for continuity of contracts affected by the new European currency. Kelley said the measure specifies that if the medium of payment of a contract is the European Credit Unit (ECU) or a currency that has been substituted or replaced by the euro, the euro will be a commercially reasonable substitute and substantial equivalent. The legislation applies to all contracts, securities and instruments.

Kelley said the bill is the same as those adopted in New York, Pennsylvania, Michigan and California. "The bill is designed to work at the market," Kelley said.

S.F. 727 was recommended to pass and re-referred to the Judiciary Committee.

Crime Prevention

Hate crimes discussed

Members of the Crime Prevention Committee, chaired by Sen. Allan Spear (DFL-Mpls.), met Mon., Mar. 1, to discuss a bill relating to hate crimes in Minnesota.

Carried by Sen. Richard Cohen (DFL-St. Paul), S.F. 887 provides additional penalty enhancements for certain crimes motivated by bias. The bill amends current law by more specifically defining a "bias motivated offense" as an offense in which the perpetrator intentionally selects the victim, or property of the victim, by the victim's race, color, religion, sex, sexual orientation, disability or national origin. The bill also provides a list of crimes that, if motivated by bias, may have their penalties enhanced, and also lists the specific enhancements for those crimes.

Margaret Chutich, a representative in the Office of Attorney General, testified in favor of the bill. She said that crimes motivated by bias can cause great community disruption and provoke retaliation, and should therefore warrant greater punishment.

Brian Rusche, executive director of the Joint Religious Legislative Coalition, also testified in favor of the bill. He said it is important to show special repudiation when victims are chosen simply because of who they are.

Sen. Thomas Neuville (R-Northfield) questioned some aspects of the bill. Specifically, he had concerns regarding the difficulty of prosecuting offenses related to unlawful assembly, disorderly conduct and being a public nuisance, because it is possible—through the legal definitions of those offenses—that those types of offenses would have no specific target. Neuville also asked why those who commit a crime because of the race of their victim should receive a stiffer penalty than someone who commits a crime against him because of his position on a certain issue. He said he respected the motives of those seeking penalty enhancements for bias crimes, but stated that equal protection under the law is a better policy decision.

In response, Cohen said other groups of people—such as police officers—have bene-

fitted in the past from enhancement laws. He said he does not recall anyone raising any objections to enhancements dealing with the police. He also said it is not consistent to argue against enhancements for bias related offenses, but not against enhancements directed toward other groups of people. The bill was laid over to be discussed again at a future meeting.

Sen. Randy Kelly (DFL-St. Paul) presented S.F. 846, a bill relating to the out-of-home placement of juveniles. According to Kelly, the bill enacts recommendations made by the Legislative Auditor in the Jan., 1999, Juvenile Out-of-Home Placement Report. The bill requires the licensing standards of foster homes to address the components of specialized therapeutic services, establishes a juvenile screening team, develops a written classification system for juvenile offenders and requires courts to state the intended outcomes of out-of-home placements. The bill also requires counties to monitor the transition service plans of a child, compels the commissioners of corrections and human services to report to the Legislature if the goals of court ordered placements are being met, establishes the formation of a working group regarding out of home placement and requires the study of culturally appropriate screening and assessment. After a brief discussion on the bill, it was approved and re-referred to the Health and Family Security Committee.

Sen. Ember Reichgott Junge (DFL-New Hope) offered S.F. 551, a bill relating to domestic abuse. The bill amends current law to allow first degree murder charges to be brought against a perpetrator who caused the death of another while in the act of domestic abuse, if the perpetrator has a history of domestic abuse. The bill also amends current law relating to fifth degree assault, domestic assault, first through fourth degree criminal sexual conduct crimes, the malicious punishment of a child crime and the harassment-stalking crime, and also creates a domestic abuse no contact order. Discussion on the bill was limited, and it was approved and re-referred to the Judiciary Committee.

Kelly also offered S.F. 184, a bill relating to juvenile delinquency and child protection. Kelly said the bill simply recodifies language in current law, and reorganizes it into a more comprehensible fashion. It is an administrative

bill, he said, with no substantive changes. The bill was approved and sent to the Senate floor.

Crime Prevention and Judiciary Budget Division

DOC budget overview

Members of the Crime Prevention and Judiciary Budget Division, chaired by Sen. Randy Kelly (DFL-St. Paul), met Fri., Feb. 26, to hear an overview of Gov. Ventura's 2000-01 budget recommendations for the Minnesota Department of Corrections.

Karen Robinson, assistant commissioner of Management Services within the department, discussed the governor's budget recommendations for the eight divisions—Administrative Management, Policy and Legal Services, Planning and Research, Financial Services, Office Services, Human Resource Management, Employee Development and Information Technology—within management services. Robinson said Administrative Management is responsible for directing the goals and activities of the Corrections Department. She said the governor recommends for Administrative Management a base budget of \$2.146 million. Policy and Legal Services, Robinson said, is responsible for delivering administrative services, developing policy and providing technical assistance to all department agencies. She said the governor recommends for Policy and Legal Services a base budget of \$4.468 million. Robinson reported that the Planning and Research office evaluates, plans and researches for the entire corrections department. The governor, she said, recommends a base budget of \$1.057 million. According to Robinson, Financial Services monitors and reports on all fiscal activity within the department, and the governor advocates a base budget of \$2.693 million. Office Services, Robinson reported, provides essential support services for staff located in the various Department of Corrections offices throughout the state. She said the governor recommends for Office Services a base budget of \$4.041 million. Robinson said Human Resource Management provides staffing, labor relations, management consultation and employee programs for the department, and that the governor suggests a base budget of

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\$2.557 million. Robinson said Employee Development trains employees to create a safe environment for staff and inmates. The governor, she said, recommends for Employee Development a base budget of \$2.454 million. Finally, Robinson said, Information Technology provides the central management for the department's automated data processing systems. She said the governor recommends a base budget of \$4.135 million for the 2000-01 biennium.

Richard Mulcrone, assistant commissioner of Community Services within the department, discussed the governor's budget recommendations for seven activities of community services. Mulcrone said the Probation and Supervised Release program provides direct correctional field services in 56 counties. The governor, he said, recommends a base budget of \$24.123 million, with an increase of \$150,000 in fiscal year 2000 and \$267,000 in 2001 to support 2.5 full time positions in 2000 and 4.5 positions in 2001. Robinson also discussed the governor's proposals for the Special Supervision program, in which eligible offenders are released early from their sentences and monitored constantly. Mulcrone said the governor recommends a base budget of \$6.125 million, with increases of \$500,000 in 2000 and \$1 million in 2001 to add agents to the Arrowhead region of the state. The Community Correction Act, according to Mulcrone, authorizes the commissioner of corrections to provide subsidy grants to counties for various correctional services. He said the governor recommends increases in \$500,000 for fiscal year 2000 and \$1 million in fiscal year 2001—to a base budget of \$86.896 million. Community Corrections Alternatives, said Mulcrone, are services designed to help control the criminal behaviors of offenders in a community. He said the governor proposes eliminating funding of \$1.4 million in grants to judicial districts for implementing special projects and eliminating \$2.16 million in funding for the productive day grants. He said the governor also proposes an increase of \$50,000 in each fiscal year of the biennium to provide emergency housing for released offenders, as well as \$700,000 in fiscal year 2000 and \$800,000 in fiscal year 2001 to increase work release programming for inmates. The recommended base budget for Community

Correction Alternatives, he said, is \$28.510 million. Mulcrone said the governor advocates a base budget of \$11.031 million for the Sentencing to Serve program, which provides specific sentencing options for non-dangerous offenders to be used in lieu of traditional penalties. He said the governor also proposes an increase of \$864,000—\$400,00 for 2000 and \$464,000 for 2001—to support counties struggling with high jail populations, as well as \$65,000 in each year of the biennium for a permanent position to coordinate the Affordable Housing Project. Mulcrone also said the governor recommends a base budget of \$4.639 million—with no new spending initiatives -- for Facilities Planning and Inspection services, which ensures that conditions of confinement meet basic health and safety standards. Finally, Mulcrone said the governor recommends a base budget of \$30.109 million for the Community Services Support program. Mulcrone said the governor recommends for the program—which provides various support services for the department—an increase in funding of \$50,000 each year of the biennium for sex offender programming. Mulcrone also said the governor recommends \$200,000 each year for programming needs of female offenders, as well as \$250,000 in fiscal year 2000 and \$434,000 in fiscal year 2001 for salary financing.

Hennepin County representative Fred LeFleur was one of several representatives from various counties asking that funding for the productive day grants in the Department of Corrections budget not be eliminated. According to information provided, the productive day program provides offenders work opportunities with continuous supervision and feedback. LeFleur said the program is one of the best policy decisions the Legislature has supported, because it decreases the chronic problems of hard core offenders. He said many have been served by the program, and it has a big impact on the prison population. He said the Legislature would be hard pressed to find another local corrections program as cost effective as productive day.

Courts request more judges

The Minnesota Courts presented budget requests at the meeting of the Crime Prevention and Judiciary Budget Division Mon., Mar. 1. Sen. Randy Kelly

(DFL-St. Paul) chairs the division.

Heidi Green, research and evaluation manager, said 18 additional judges are needed in District Courts. This represents a 6.5 percent increase in judgeships compared to a 10 percent increase in workload since 1995, according to Green. "The reasons we need more judges are because of population growth, legislative changes and a growth in the crime rate," Green said.

Kelly questioned if alternative decision-makers, rather than judges, could not be used.

Judge Dennis Murphy of the 9th District Court said that many juveniles have already been in the system before. He said the most common crimes are petty thefts and underage drinking. "By the time we see them, we have to do something more serious and have an authority figure talk to them," he said. Kelly said he believes the Judiciary is not very creative about dealing with juveniles. "I think there are less costly and more effective ways to meet the caseload increases," he said.

Judge Leslie Metzen, representing the 1st Judicial District, said that dealing with tobacco and curfew violations are not how most judges want to spend their time. However, she noted that juveniles are not coming home at night, not attending school and often using drugs. She said the parents feel these children are out of control. "Communities have decided they want the police to do something about these situations," she said. Kelly said that what is being done is not working. He said that when he goes out and talks to young people, many of them consider the justice system to be a joke.

Sue Dosal, state court administrator, said she shares Kelly's frustration and does not want the justice system to deal with juveniles just as numbers. She said 250 programs in Ramsey County offer juvenile services. She said steps are being taken to maximize judicial resource efficiency. These steps include: sunset and transfer, moving judgeships into areas of greater need; strengthening time standards for completion of cases; new case management systems; adding law clerks and increasing use of technology.

Dosal pointed out that there has been a 41 percent increase in filings, a 43 percent increase in dispositions and an 11 percent increase in judges from 1988 to 1998. "Judges are working harder and

smarter, but the backlog is increasing," she said. She said the 18 judges needed are for five districts; two in Greater Minnesota and three in the Metro Area.

The governor's recommendation for a biennial increase of \$9.312 million is to recognize caseload increases, according to Dosal. The amount includes funding for additional support staff and equipment. Other agency requests are funding for guardians ad litem, who advocate for the child's best interest in juvenile and family cases, and funding for continuing community courts.

Judge Lawrence Cohen of the 2nd Judicial District participates in a community crimes impact calendar to adjudicate crimes such as prostitution, graffiti, misdemeanor theft and misdemeanor drug charges. Cohen said working on the community crimes impact calendar has been one of the greatest experiences he has had as a mayor, county commissioner or judge. He said the program is correcting any glitches as it goes along.

Defendants appear before a judge shortly after arrest, and if the defendant pleads guilty, sentencing occurs immediately. Sentencing options include community service, sentencing to serve and restitution. Defendants are provided community resources, according to Cohen, such as chemical abuse treatment programs, employment services, community mentoring and mediation services, and support to break away from prostitution. Cohen said the program utilizes the collective wisdom of members of the community.

Richard Hopper, representing Hennepin County, spoke of the restorative justice pilot program running in the county. He said Hennepin County is taking a close look at its crime activities - the location of crimes and what the community thinks. He said the county is determining the best place to locate a community court and plans to come up with a plan this spring.

Economic Development Budget Division

MN Technology budget reviewed

The Economic Development Budget Division met Thurs., Feb. 25, to hear a budget overview of Minnesota Technology, Inc. (MTI). The division is chaired by Sen. Tracy Beckman (DFL-Bricelyn).

Beckman said the governor's budget

proposal cuts five legislative grants from MTI's appropriation. One of the cuts in funding is to the Minnesota Cold Weather Resource Center. S.F. 645 authored by Sen. Bob Lessard (DFL-Int'l. Falls) appropriates \$280,000 over the next biennium to the center. Paul Nevanen, the center's director, said the center has had an impact on the state's economy by providing information and resources to industries conducting cold weather testing. Nevanen said in 1997-1998 cold weather testing, much of it conducted by the auto industry, created 307 seasonal jobs in the state. He said approximately \$5.7 million was spent on testing conducted in ten Minnesota cities. "Since its inception in 1990, the Cold Weather Resource Center has been a great little success story," Nevanen said.

The pass through grant for Minnesota Project Innovation Inc. (MPI) is another of the governor's proposed cuts. Susan Henken, director of marketing resource for MPI said the non-profit corporation, founded in 1984, assists small businesses in winning government grants and contracts. She said the organization has over 1,000 clients in Minnesota, and during the last biennium those clients received \$110 million in grants and contracts leading to the creation of 1,062 new jobs. Robert Sweazey, from Valley Security Services, Inc., in Winona, said his company's success was due in large part to the federal contracts that MPI helped obtain. "The counseling and technical assistance has been invaluable," Sweazey said. He said one of the contracts MPI helped his company obtain was with the Dept. of Justice, Bureau of Prisons, for security guard services at the Federal Medical Center in Rochester. Sweazey said Valley Security Services is the first Minnesota-based contractor for the Federal Medical Center.

The governor has also proposed cutting grants of \$150,000 to the Minnesota Inventors Congress (MIC) and \$113,000 to the Minnesota Council for Quality over the next biennium. Sarah Madsen, MIC's coordinator, said the organization helps inventors find information and resources. She said the three day Annual Congress brings in substantial revenue to the Redwood Falls area. Bob Finley, MIC's president, said new inventions lead to new jobs and new business in the state. Patricia Billings, president of the Minnesota Council for Quality, said the

organization, which was established in 1987, is the oldest program of its kind in the country and that 44 states now have Quality Councils. She cited the Dept. of Economic Security which cut over \$263 million from its budget without cutting services, as an example of how Total Quality Management works.

The Natural Resources Research Institute's (NRRI) annual \$950,000 pass through grant is also not included in the governor's budget. Mike Lalich, the director of NRRI said the organization has been able to leverage its state appropriations by approximately 3 to 1. He said NRRI projects are often with entrepreneurs whose financial resources and technical expertise are limited. He said the organization's projects have helped create over 1,000 jobs in the state.

Four bills heard

Four bills requesting grant money from the state were heard at the Weds., Mar. 3, meeting of the Economic Development Budget Division. No formal action was taken on any bill at the time.

The panel first heard S.F. 905, sponsored by Sen. Tracy Beckman (DFL-Bricelyn) who recently resigned. Jack Geller, president of the Center for Rural Policy Development, said the bill restores funding to the center after it was zeroed out of the governor's budget recommendation. He said the center was established in 1997 and provides objective, non-partisan research on such issues as rural telecommunications, inter-generational land transfer, and rural financing. Geller said that as the Legislature is grappling with the agricultural crisis and the role of the state, lawmakers need solid information on which to base their judgment. The center provides that kind of information, Geller said.

Paul Olson, Blandin Foundation, said that in Minnesota, people respond well to crisis, but not so well to systemic changes. He said that when the Legislature responds to those changes with new policies, simple solutions that sound good are usually wrong, hence the need for the center's research. The question is, Olson said, "Who pays?" He said that if a corporation sponsors the research, the information could be seen as biased. The center needs public funding to keep the information objective, Olson said.

Sen. Steven Novak (DFL-New Brighton), acting chair of the division,

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said the center needs to reach out to rural organizations for ideas and checkbooks for support. He said the center should "step up the pace on private fundraising as a show of force" to the Legislature. Geller suggested that a matching formula be part of the appropriation to encourage private fundraising.

Next, the division heard S.F. 366, sponsored by Sen. Sam Solon (DFL-Duluth). Solon said that over \$30 million from various sources has been invested in the Duluth Technology Village, and the bill appropriates \$850,000 for each of the next two years to begin operations. Duluth Mayor Gary Doty said there is great demand for workers trained in the information technology (IT) field. He said the purpose of the village is to train the state's young people so they stay here in the state rather than moving to other states to find employment. He also said that Minnesota companies move to other states when they expand because they can't find sufficient numbers of IT trained workers here in Minnesota. Doty added that with the high quality of life available in Duluth, businesses will be attracted to locate there and workers with IT training will want to stay.

Sen. Cal Larson (R-Fergus Falls), said that because of the educational aspect of the village, the Higher Education Budget Division should consider the proposal as well. He said that with the budget surplus, the state should consider making one-time expenditures that promote economic growth.

The division also heard a bill, S.F. 942, sponsored by Sen. Jerry Janezich (DFL-Chisholm), that appropriates \$2 million to the commissioner of Trade and Economic Development for grants to taconite mining companies in exchange for land owned by the mining companies. Janezich said the land must meet certain iron ore content requirements. The panel adopted an amendment, offered by Janezich, that allows a waiver of the land conveyance requirement if the company is facing layoffs or a shutdown without the grant. Gary Cervenik, representing National Steel, said that when companies mine state land, they pay a royalty to the state of \$1.50 per ton of taconite which is deposited in the Permanent University Trust Fund. Janezich said that with the grants, mining companies can invest in more energy-efficient methods to reduce

the cost of production and thus be more competitive.

One other bill heard by the division, S.F. 446, sponsored by Sen. Charles Wiger (DFL-North St. Paul), appropriates \$300,000 to the Minnesota Historical Society (MHS) to relocate the Bruentrup farm buildings in Maplewood and develop the new location as a historical site. Carolyn Peterson, chair of the MHS committee to preserve the farm, said that the society worked hard to keep the farm at its present location, but commercial development won out.

Members raised several concerns about the appropriation. Sen. Arlene Lesewski (R-Marshall) suggested that the historical society get bids on the cost of demolishing the farm buildings and require the developer to contribute that much toward relocation costs.

Election Laws

Bill approved

A bill that makes several changes to the ethics in government statute was discussed at the Mon., Mar. 1, meeting of the Election Laws Committee. Sen. John Marty (DFL-Roseville) chairs the committee.

Sen. Linda Scheid (DFL-Brooklyn Park) said her bill, S.F. 516, has changed substantially since she proposed it to the committee. The bill originally provided for county auditors to update voter records when a confirmed change of address notice by the United States Postal Service is received. With the adoption of several amendments, the present form of the bill changes several areas of the ethics in government statute.

Sen. Mark Ourada (R-Buffalo) offered an amendment to the bill that limits the lodging expense reimbursement Legislators can receive when they travel in the state to speaking engagements. The amendment specifies Legislators may seek reimbursement for one night's lodging. Ourada said the change tightens the language so there is no doubt about how much can be claimed. The amendment was adopted.

Marty offered an amendment that makes the law more consistent for local officials. It gives the Campaign Finance and Public Disclosure Board the authority to govern the local officials and issue advisory opinions for the local officials when requested. Ourada said the change

would create more administrative costs for the board, but the amendment does not provide the funding for that. Jeanne Olson, executive director, Campaign Finance and Public Disclosure Board said there would probably be a number of advisory opinions requested plus there would be a need for enforcement. She said the extra costs would be from an administrative standpoint, such as additional supplies, postage for correspondence with the local units of government, and an additional fax machine. The amendment was adopted.

Marty offered an amendment deleting the proposed exceptions to the gift ban prohibition. He said if a Legislator attends a convention, it is better that the taxpayer fund it than a lobbyist or a lobbyist principal. Sen. Douglas Johnson (DFL-Tower) said he supported Marty's amendment. He said the general public is clamoring for more restraint, not less. The amendment was not adopted.

Sen. Ember Reichgott Junge (DFL-New Hope) offered an amendment that raises the spending limits for candidates running for constitutional offices. The amendment also allows candidates whose name was on the primary or general election ballot, but who were not elected, to contribute to the candidate's own campaign up to 20 times the candidate's election year contribution limit. Junge said this is necessary in order to retire the remaining debts of a campaign committee. The amendment was adopted.

On a 5-3 vote, the bill was recommended to pass and sent to the Senate floor.

Internet voting study proposed

The Election Laws Committee met Weds., Mar. 3, to consider several bills related to elections and a bill proposing a study on Internet voting. The committee is chaired by Sen. John Marty (DFL-Roseville).

Sen. Steve Kelley (DFL-Hopkins) presented S.F. 979, a bill directing the Secretary of State to study voting by Internet. Kelley said the Internet is already a factor in the electoral process because so many candidates have campaign information there. He said the state needs to address the feasibility, potential and drawbacks of Internet voting. The proposed study addresses several issues including security; voter registration; maintenance of voter

databases; implementation cost; and cost of elections after implementation.

Secretary of State Mary Kiffmeyer told members that while she is enthusiastic about the study, she thinks the timing is not right. She said she is reluctant to devote her staff and resources to the study while the department is currently working on Y2K compliance issues. In addition, she said the data collected might be irrelevant due to the whole Y2K problem.

Kelley said several other states have introduced bills on Internet voting and the software is being developed. The bill was amended to permit the study, but not mandate it. The bill was recommended to pass and re-referred to the Governmental Operations Budget Division.

Sen. Lawrence Pogemiller (DFL-Mpls.) offered S.F. 1064, a bill authorizing a county board to levy a \$1 per capita tax for the costs incurred relating to redistricting of election districts, establishment of precinct boundaries, designation of polling places, and the updating of voter records in the statewide registration system. Joe Mansky, director of elections, Office of the Secretary of State, said that the counties and cities are required to redistrict every 10 years based on population. The bill appropriates the money to accomplish the redistricting, he said. The bill was recommended to pass and re-referred to the Committee on Taxes.

A bill changing training procedures for local election officials was presented by Sen. Carol Flynn (DFL-Mpls.). The bill, S.F. 1036, establishes training programs for the training of county auditors and local election officials, in addition to election judges. The bill specifies that the training program be developed by the Office of the Secretary of State, and be administered every two years. Flynn said the appropriation in the bill allows for the development of written and video materials required in the formal training.

Kiffmeyer said there is a tremendous need for the training. Most of the election officials are eager to be trained, she said. By having the requirement in statute, it will be easier for the local officials to take the time needed to attend the training, said Kiffmeyer. The bill was recommended to pass and re-referred to the Governmental Operations Budget Division.

Discussion resumed on S.F. 87, a bill requiring public officials to disclose the interests they have as independent

contractors or consultants. Sen. Ember Reichgott Junge (DFL-New Hope) requested that the discussion on the bill continue after the Rules and Administration Subcommittee on Permanent and Joint Rules decides what changes will be made to the rules concerning conflicts of interest. Marty, chief author of the bill, agreed to the request and the bill was laid over for further discussion.

Environment and Natural Resources

Petro Fund bill forwarded

The Environment and Natural Resources Committee met Fri., Feb. 26, to discuss three bills. The committee is chaired by Sen. Bob Lessard (DFL-Int'l. Falls).

S.F. 365, authored by Sen. Steven Novak (DFL-New Brighton), broadens the criteria and increases the flexibility the commissioner of the Dept. of Trade and Economic Development (DTED) has in issuing grants using an account funded annually from the petroleum tank fund. The bill also changes the standard that the Minnesota Pollution Control Agency (MPCA) uses to deny or reduce reimbursement of funds to require "clear and convincing evidence" from applicants. The current standard requires an applicant to disprove a suspicion of noncompliance. The bill also creates a new reimbursement for the upgrade or closure of above ground storage tanks in bulk plants. Lessard offered an amendment qualifying underground storage tanks for reimbursement. The amendment was adopted. The bill as amended was approved and forwarded to the Environment and Agriculture Budget Division.

S.F. 594, authored by Sen. Dan Stevens (R-Mora), modifies the disposition of emergency deer feeding funds by increasing the unencumbered balance at the end of a fiscal year from \$750,000 to \$1,500,000. Stevens said the increase would provide a better way to manage the fund. He said a couple of harsh winters in a row could deplete the fund and the Legislature would then have to pass legislation again to appropriate money for the fund. "The bill provides for a more prudent way to manage the fund," he said.

Dave Schad, from the Dept. of Natural Resources, said the bill does not affect

the department's budget. He said there would be no change in the current system of fifty cents per deer license allocated to the emergency deer feeding fund. The bill was approved and forwarded to the Environment and Agriculture Budget Division.

H.F. 137, sponsored by Sen. Janet Johnson (DFL-North Branch) exempts collector watercraft from having to display license numbers and decals while participating in a parade, exhibit, or regatta. Johnson said the bill allows collector watercraft, defined as being built before July 1, 1959, to use a detachable device to display licenses and decals. She said boat owners are required to show their licenses while registering for exhibits and parades, and that allowing owners to remove the license for the duration of the event enhances their display. The bill was approved and forwarded to the Environment and Agriculture Budget Division.

Two bills forwarded

The Environment and Natural Resources committee, chaired by Sen. Bob Lessard (DFL-Int'l. Falls) met Mon., Mar. 1, to hear two bills.

S.F. 626, authored by Sen. Steve Murphy (DFL-Red Wing), authorizes the private sale of tax-forfeited land that borders public water in Wabasha County. The bill was approved and forwarded to the Senate floor.

S.F. 609, authored by Sen. Leonard Price (DFL-Woodbury), requires new landscape irrigation systems to have a device that prevents the system from being activated when it's raining. Price said the bill only applies to new systems and that old systems do not have to be retrofitted with the device. John Mickman, whose company, Mickman Bros., installs irrigation systems, said there are currently over 10,000 systems in the state, with thousands being installed every year. "Each time it rains in Minnesota millions of gallons of water are wasted," he said. He said the "rain check" device retails for around \$36. The bill was approved and forwarded to the Senate floor.

Oil recycling discussed

A summary of a report on oil and oil filter recycling programs in the state was heard by the Environment and Natural

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Resources Committee, Weds., Mar. 3. The meeting was chaired by Sen. Ellen Anderson (DFL-St. Paul).

The report was presented by Tim Scherkenbach, manager of the Policy and Planning Program of the Minnesota Pollution Control Agency (MPCA). Scherkenbach said a 1997 law required the MPCA and the Office of Environmental Assistance (OEA) to prepare and present the report to the Legislature. The MPCA estimates there are approximately 3.5 million gallons of do-it-yourselfer (DIY) used oil generated annually in the state, while the total amount of used oil collected from DIY is 2.5 million gallons. Approximately 775,000 gallons of that total is mismanaged and approximately 225,000 gallons is burned for heat or reused, the report said. Scherkenbach said manufacturers and retailers who sell oil and oil filters are required to provide free collection of used product starting July 1, 1999. Currently there are 140 free non-government collection sites in the state. He said because progress has been made in the collection program, the report recommends that the mandatory requirement of free collection be delayed until July 1, 2002. He said the report also recommends the current law be amended to state the goal of the program to be that at least 90 percent of residents within the Metropolitan Area, and residents of any city or town with a population greater than 1,500, have access to a free non-government collection site within five miles of their residence and that one free non-government collection be located in each county.

Sherry Munyon, representing the Minnesota Auto Dealers Association, said the voluntary collection program has worked well and should continue. She said there needs to be better public education about where the free collection sites are located. "We are missing a big opportunity to get the message out," she said, "Neither the MPCA or OEA's web site has information about where the collection sites are located."

The committee also heard two bills. S.F. 534, authored by Sen. Douglas Johnson (DFL-Tower), is a resolution memorializing that the President and Congress enact laws expediting the exchange of state and federal lands located in the Boundary Waters Canoe Area (BWCA) to consolidate land

ownership. Johnson said there are approximately 100,000 state owned acres within the area, with revenue generated from the land dedicated to a state school trust fund. He said the land could be worth over \$1 billion dollars. He said the resolution calls for the exchange of the state owned land with federal land located outside the BWCA enabling each government entity to properly discharge its land management duties. "With the exchange we would have a Superior State Forest instead of a Superior National Forest," Johnson said. The bill was approved and sent to the Senate floor.

S.F. 1176, authored by Sen. Janet Johnson (DFL-North Branch), makes technical changes to the Waste Management Act including allowing the OEA to issue grants in addition to contracts for technical assistance for the program's projects. The bill was approved and recommended for the Consent Calendar.

Environment and Agriculture Budget Division

Agriculture budget overview

The Environment and Agriculture Budget Division, chaired by Sen. Steven Morse (DFL-Dakota) met Mon., Mar. 1, to hear a budget overview from the Dept. of Agriculture.

Dale Heimermann, from the Grain and Produce Inspection Division, said the Protection Service Program provides inspections that are in most cases, voluntary to allow a less intrusive presence, yet provide unbiased, accurate, and professional analysis. He said the program continues to meet and exceed federal standards for official inspection agencies while providing results within the same day or next day in 90 percent of requests. The program is also responsible for the marketing of Minnesota Certified Seed Potatoes locally, nationally, and internationally, Heimermann said. He said that the department expects a strong grain season but that recent national and world economic conditions are causing fluctuations in prices and many producers are storing rather than selling grain during the low price period.

Jim Gryniewski, director of the Agricultural Certification Division, said the governor has recommended an additional \$80,000 for each year of the biennium to compensate livestock

producers for losses to their livestock caused by timberwolves. Gryniewski said the \$63,000 currently appropriated to the account for the 1999 fiscal year, will be used up by May and that the number of claims being received continue to increase. He said the governor has also proposed to eliminate the \$100,000 base appropriation for each year of the biennium for ethanol promotion and development, but allow the agency to reallocate \$50,000 per year for increased apiary and agriculture education.

Gerry Heil, the director of Marketing and Development, said the state's capacity for ethanol production is now over 170 million gallons. He said more than 112 million bushels of corn are used for ethanol and related products representing 16 percent of the state's corn crop. He said the department's classroom materials reach more than 16,000 students each year and that the department organized or participated in over 35 field days last year demonstrating sustainable agricultural practices to producers and other agricultural professionals.

Smokechasers bill heard

A bill requiring the Dept. of Natural Resources (DNR) to maintain a trained force of firefighters, was heard by the Environment and Agriculture Budget Division, Tues., Mar. 2.

S.F. 220, sponsored by Sen. Bob Lessard (DFL-Int'l. Falls), changes the temporary emergency status of a group of firefighters hired by the department. Dana Linscott, who has worked as a temporary firefighter for the department, said the bill addresses a critical safety issue. He said because the firefighters receive none of the benefits associated with permanent status, the turnover rate is high, and thus continuous training is necessary. He said a permanent force will provide necessary safety experience for the firefighters. "All we are asking for is to have the same rights that any other employee, not just state employees, has in the state," Linscott said.

Bob Tomlinson, assistant director of the DNR Division of Forestry, said the department is aware of the issue and has been working with the Dept. of Employee Relations (DOER), and the American Federation of State, County, and Municipal Employees (AFSCME), to establish two permanent classifications for the firefighters. He said the department will

hire 45 employees once the classifications are approved. He said in 1998, the DNR hired 870 temporary firefighters who worked an average of 175 hours. Jim Lee, an assistant state negotiator for DOER, said DOER was concerned with classifying employees as permanent employees who did not meet the current requirement of working at least 67 days. He said granting permanent status to firefighters who do not work for at least 67 days may set a precedent for other state employees.

Lessard said because the DNR was committed to hiring 45 permanent firefighters, that he would not move the bill. He said he would continue to look at other legislation to add more permanent firefighters to the DNR.

The division, chaired by Sen. Steven Morse (DFL-Dakota), then continued to hear an overview of the Dept. of Agriculture budget. Paul Burns, supervisor of the department's Planning Program, said the governor's budget recommends \$1.5 million over the next biennium for continued research of solutions and alternatives for manure management, use and disposal, and odor control technologies. He said odor research in the area of biofilters has been promising. Kevin Hedberg, assistant marketing director of the department, said Minnesota farmers earn about \$6.5 billion in a typical year. He said 85 percent of this income is generated in eight commodities- corn, soy beans, wheat, sugar beets, dairy, beef, hogs, and turkey.

Family and Early Childhood Education Budget Division

Child care cultural issues heard

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Fri., Feb. 26, to discuss issues surrounding culturally appropriate child care in Minnesota.

Zoe Nicholie, child care supervisor within the Minnesota Department of Children, Families and Learning, provided a definition of child care that is culturally appropriate. Nicholie said culturally appropriate child care is the process of building and maintaining the capability to work effectively with families of diverse backgrounds. She said it is care that reflects the child's home environment in areas such as nurturing

and discipline approaches, role models, and use of the home language and food. She also said when the home culture is reflected in early childhood settings, children are encouraged to accept and value their uniqueness and differences, as well as the uniqueness and differences of others.

Nicholie said for the past two years, the department has utilized federal child care development funds to finance programs and projects related to supporting culturally appropriate care. She said the funding provides resources for the translation of eight Department of Human Services Child Care Licensing forms into the Vietnamese, Spanish, Somali, Hmong, Lao, Cambodian and Russian languages, and for research that links culturally responsive care with the development of a positive self esteem and school success, updates the 1993 Minnesota Study on Race and Ethnicity in Child Care and analyzes data received from various grantees. Nicholie said the funding is also used to finance the Cultural Dynamics Education Project, which is a training course designed to increase the cultural competence of child care providers; the Minnesota School Age Care Training Network, which focuses on improving the quality of school aged care; and the Infant/Toddler Training Intensive Training Project, which focuses on increasing the supply of quality infant care in the state.

Katie Williams, executive director of the YWCA Children's Center, said 25 percent of children in Minnesota spend some time in child care centers. She said the two Minneapolis YWCA centers hold 300 children, of which 15 percent are European-American, and the remaining 85 percent are African-American, Native American, and Asian, Latino, Russian and African immigrants. Williams said the main challenge at the two centers is serving so many distinct communities. As ways to better provide culturally appropriate child care, Williams recommended greater funding to expand existing programs and develop new programs, generating a stronger child care resource and referral infrastructure, improving the quality of existing programs and providing better financial incentives to child care providers.

Mee Vang, president of the Hmong Providers Association of Minnesota, spoke on the need for better culturally

specific training in the state. Vang said many Hmong who want to begin child care services for Hmong are unable to do so because most training is provided in English. As an example, she pointed to a CPR course that must be passed in order to become a provider. Because the class is taught in English, she said, it is impossible for many Hmong to complete; however, she has been able to help many Hmong become child care providers by teaching a CPR class in Hmong through the Red Cross. Vang also said those who do not speak English need help navigating through the child care system.

ESL requirements discussed

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Tues., Mar. 2, to discuss several bills.

Sen. Sheila Kiscaden (R-Rochester) offered S.F. 622, a bill relating to English as a Second Language (ESL) teaching requirements. The bill modifies requirements for an ESL teaching license to allow those who possess a master's or bachelor's degree in ESL, applied linguistics and bilingual education, or who hold a related degree, to teach ESL in an adult basic education program. Current law allows only those who have a K-12 teaching license to teach ESL. The bill also allows persons to teach ESL at a work site if they meet ESL teaching requirements in current law, regardless of whether they hold a teachers license.

Kiscaden said the bill is necessary because currently, individuals who have a master's or a bachelor's degree in ESL cannot teach ESL in Minnesota. She said they can teach ESL in other states- and around the world-but cannot teach here. She also said the bill is necessary so the increasing number of immigrants who do not speak English can possibly be taught at their work site. She said the glitch in the current law that prevents people from teaching ESL needs to be changed. There was no discussion in opposition to the bill, and it was approved and re-referred to the K-12 Education Budget Division.

Sen. Claire Robling (R-Prior Lake) carried S.F. 862, a bill that makes permanent the definitions in current law of "pre-schooler," "toddler" and "school age" for purposes of family day care and group family day care licensure. Robling said the definitions were established two

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years ago, but they expired June 30, 1998. She said the definitions have been proved effective for day care purposes, and should remain as part of permanent law. The bill, she said, just removes the sunset provision. Discussion on the bill was brief, and it was approved and re-referred to the Children, Families and Learning Committee.

Sen. Leo Foley (DFL-Anoka) presented S.F. 127, a bill relating to housing programs for the homeless. In two sections, the bill appropriates \$2 million for the emergency services grant program, and \$7.256 million for transitional housing programs.

Foley said the bill is necessary to provide housing assistance to the growing number of homeless people in the state. He pointed to a Minnesota Department of Children, Families and Learning study that, on one night in 1998, found that homeless agencies provided shelter for over 5,000 people. Nearly half of those sheltered, he said, were children. Foley said as large as the funding request is, it is still a conservative number compared to what the actual needs are.

Michael Dahl, a representative from the Minnesota Coalition for the Homeless, testified in support of the bill. He said transitional housing programs are vital in helping to stabilize the situations of homeless families and individuals. He discussed a recent 12 month long Wilder Research study, which found that one year after discharge from a transitional housing program, 68 percent describe their current housing situation as "very stable." He also said that upon leaving a housing program, those surveyed report an increase in income of \$400 per month, and 96 percent of school aged children have been able to attend school on a regular basis. There was no discussion in opposition to the bill, but because it deals with an appropriation, it was laid over to be addressed at a future meeting.

Parenting program discussed

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Wed., Mar. 3, to discuss several bills.

Sen. Linda Higgins carried S.F. 812, a bill relating to adolescent parenting programs. The bill appropriates \$5 million in fiscal year 2000 to establish a grant program to provide school based, community linked adolescent parenting

programs. Goals of the bill include assisting pregnant and parenting adolescents in school attendance and acquiring job skills, preventing child abuse and neglect, reducing welfare dependency and improving the outcomes for adolescent parents and their children in the areas of health, intellectual and emotional development, immunization rates and school readiness. The bill also details several components—such as courses in parent education and life skills, strategies for students to succeed academically and an individualized learning plan for each student—that programs receiving funding must contain.

Nancy Nelson, co-director of the Minnesota Organization on Adolescent Pregnancy, Prevention and Parenting, testified in support of the bill. Nelson said it is important to intervene early on behalf of teen parents to make sure they and their child are prepared for success in school.

Talia Brooks, a student parent at North High School in Minneapolis, also spoke in favor of the bill. Brooks, currently involved in a teen parent program at North High, said the program meets many needs by providing her with safe, quality day care during school hours, as well as the opportunity to attend classes that make her a better parent. She said she has recently been accepted into college, but without the program, would not have been able to properly attend to the needs of her child and still finish high school. There was no opposition to the bill, and it was approved and re-referred to the K-12 Education Budget Division.

Sen. Becky Lourey (DFL-Kerrick) presented S.F. 733, a bill relating to chemical abuse prevention grants. The bill appropriates \$200,000 in fiscal year 2000 and \$200,000 in fiscal year 2001 from the alcohol impaired driver account of the special revenue fund to the Minnesota Department of Children, Families and Learning for chemical abuse prevention grants. The bill also allows up to \$200,000 each year from the grants to provide a match for at least two community collaborative projects for children developed by a regional organization.

Northland Foundation representative Lynn Hauglin testified in favor of the bill. Hauglin discussed the Kids Plus collaborative program, created by the foundation, which is designed to improve the well being of children in Northeastern Minnesota. She said the program has

used state funding—with community matches—to initiate 90 projects in 35 Northeastern Minnesota communities, with an estimated 45 additional projects to be launched by the end of June. She said the bill helps Kids Plus to build capacity in communities and within the organization, so that in two years she will not have to return to ask for more money.

Sen. Ember Reichgott Junge offered S.F. 659, a bill that appropriates \$800,000 for grants to create new and maintain existing family visitation centers. Junge said the bill is necessary in order to provide children and families with safe, secure facilities for the purpose of supervised child and parent visitations.

Louise Siliski, executive director of the Mid-Minnesota Women's Center, testified in favor of the bill. She told the story of a soon to be divorced Brainerd woman whose two young boys were murdered by their father two years ago during an unscheduled, unsupervised visit. That tragedy, she said, could have been prevented if a visitation site was available for supervised visits.

There was no testimony in opposition to the bill, but Piper said because it is impossible to build facilities everywhere they are needed, existing facilities—such as churches and court houses—should be utilized for supervised visits. Agreeing with Piper, Sen. Arlene Lesewski (R-Marshall), asked why social service agencies are not more involved in finding solutions to the problem. Lesewski said she supported the bill, but also supported looking into alternative sites to schedule supervised visits. Both S.F. 733 and S.F. 659 were laid over for further consideration.

Governmental Operations and Veterans

Vet bonus extension okayed

A bill extending the application period for the Gulf War veterans bonus was okayed at the Weds., Mar. 3, meeting of the Governmental Operations and Veterans Committee. The bill, S.F. 504, authored by Committee Chair James Metzen (DFL-South St. Paul), extends the application period until June 30, 2001. Currently, the application period is scheduled to end June 30, 1999. Metzen said the department has found that not all those eligible for the bonus

have applied and that extending the application period gives the department more time for outreach to eligible veterans. Jeff Olson, assistant commissioner Dept. of Veterans Affairs, said the original bonus legislation carried an appropriation of about \$17 million. However, approximately only about \$7 million has been used for the bonuses; the remaining \$10 million cancels back to the general fund at the end of the biennium. Olson said an additional appropriation of \$3.6 million is needed to cover the extended application period.

The measure was approved and forwarded to the Governmental Operations Budget Division.

Members also granted approval to two additional bills. S.F. 748 is a bill that, according to chief author, Sen. Jane Ranum (DFL-Mpls.), grew out of the recommendations of the Task Force on the Educational Costs of Juvenile Out-of-Home Placement. Ranum said the bill is aimed at providing more uniformity in the funding for education costs for juveniles in care and treatment facilities. The measure was before the panel because of several provisions that could be interpreted as instructing the commission of children, families and learning to enter into rulemaking. The committee, at Ranum's urging, deleted language in three sections dealing with setting standards or establishing systems that could be challenged as requiring rulemaking. In addition, members changed the words "working group" to the words "task force" in portions of the bill directing the commissioner to convene a group to make recommendations on a system to approve education programs serving children at care and treatment facilities.

The bill was approved and re-referred to the K-12 Education Budget Division.

The third measure under consideration, S.F. 296, authored by Sen. Martha Robertson (R-Minnetonka), was approved and sent to the full Senate. The bill modifies special education provisions and provides for the making, repealing and amending of a variety of rules.

Governmental Operations Budget Division

Budgets reviewed

The Governmental Operations Budget Division met Thurs., Feb. 25, to review

the budget proposals of the Dept. of Military Affairs and the Office of the State Treasurer. The division is chaired by Sen. Leonard Price (DFL-Woodbury).

Brigadier General Gary LeBlanc told members that the Dept. of Military Affairs, also known as the Minnesota National Guard, has both state and federal responsibilities. As a federal entity, the guard serves as a reserve force for the United States Army and Air Force and may be called to federal active duty by the president.

LeBlanc described some of the major projects in which the Minnesota National Guard took part, fulfilling the guard's responsibility to the state. He said the National Guard assisted during the flood in the Red River Valley; provided emergency housing and assistance for victims of the 1998 tornadoes in St. Peter and Comfrey; and assisted law enforcement officials in the Julie Holmquist missing person search.

LeBlanc said the guard has been called on to carry out nontraditional missions such as providing drivers for Metro Mobility vehicles when there was a need.

The Minnesota National Guard is also involved in community support projects throughout the state, said LeBlanc. The projects give the soldiers a chance to give back to the community and become role models in their communities, he said.

The Dept. of Military Affairs receives funding from the state and from federal grants. In addition to state base funding, the governor is recommending three initiatives, said LeBlanc. Enlistment incentives including increased funding for tuition reimbursement allows the department to continue to pay bonuses for enlistment and reenlistment, he said. A raise in the military fund allowances is necessary because the fund has not been increased for many years and has lagged behind the inflation rate, said LeBlanc. He said the facilities maintenance initiative was developed through work on the statewide facilities management group and provides funding for maintenance and repair of state owned facilities.

State Treasurer Carol Johnson presented the budget overview for the department. She said the mission of the Office of the State Treasurer is to carry out, independent of other state agencies, responsibilities in monetary areas important to the efficient fiscal operation of state government, and state and local

agencies. Johnson said in addition to the base funding, \$75,000 is requested for the biennium as a part of the electronic government services initiative that is designed to give the public the ability to electronically purchase permits and licenses. The initiative also allows the public the ability to pay fees and taxes through commercially available communication channels such as the world wide web and the telephone, she said.

Deputy Treasurer Jake Manahan said the electronic government services collaboration is sponsored by the state Information Policy Council. He said it is a cooperative effort among all branches of state government working together to identify and share technologies and best practices that will enable electronic access to government services.

The governor recommends funding to maintain the existing level of appropriations previously established by the Legislature and recommends increasing that level only for salary and non-salary inflation. According to the governor's proposed budget, discretionary increases in the level of services provided should be reallocated from within the base budget and there are no recommendations regarding the specific initiatives proposed by the state treasurer.

Finance budget overview

The Dept. of Finance budget was discussed at the Mon., Mar. 1, meeting of the Governmental Operations Budget Division. The division is chaired by Sen. Leonard Price (DFL-Woodbury).

Dept. of Finance Commissioner Pam Wheelock said the department's mission is to improve the performance of state government by providing leadership in statewide financial planning and financial resource management. The department budget is organized into two service delivery programs; the state financial management program and the information and management services program, said Wheelock. She said the department is requesting additional funding for the biennium for human resources payroll system upgrade maintenance.

Gordon Yurich, director of Administrative Services, told members the state financial management program consists of the units providing direct financial management services to agencies and the public. He said in the next two years the program will address improving the

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communication of budget and financial information to key decision makers and the public. The program will also assist the governor and Legislature in dealing with the financial challenges posed by an uncertain economy and public desire for better performance from state government at a reasonable cost, said Yurich. In addition, the program will address the refinancing of outstanding state general obligation bonds at lower interest rates.

Yurich said the information and management services program consists of the commissioner's office, the technical staff responsible for the design, maintenance, and operation of the statewide administrative systems, and the administrative services unit supporting internal agency operations. He said major issues the program will address over the next biennium include keeping the statewide administrative systems technologically current; attracting and retaining qualified technical staff; and funding statewide administrative systems operating expenses. Yurich said the department requests continuation of the authority granted by the Legislature to bill user agencies for a portion of the system's operating expenses.

Assistant Commissioner Mike Ladd discussed the budget request for the human resources payroll system upgrade maintenance. He said lack of vendor support, the changing technical environment and the additional modifications and enhancements to later versions of software have required the upgrade request. Greg Peterson, Office of Technology, said the upgrade is needed to maintain and operate a critical business system and is therefore supported by his department.

In addition to the agency's base budget, the governor recommends funding for the human resources payroll system upgrade so that the state's business systems remain viable. The governor also recommends the continuation of the billing authority to help fund the ongoing operating costs of the statewide systems.

Revenue budget

The Governmental Operations Budget Division met Weds., Mar. 3, to discuss the governor's budget recommendation for the Dept. of Revenue. The division is chaired by Sen. Leonard Price (DFL-Woodbury).

Dept. of Revenue Assistant Commis-

sioner Bev Driscoll told members the mission of the department is to achieve compliance with the state's tax laws to ensure the collection of revenue needed to fund state and local government services. She said the department strives to achieve a state and local revenue system in which every taxpayer pays the legally required amount of tax; no more and no less. Driscoll said taxpayer satisfaction is very important and is the basis for assuring voluntary compliance. The department also contributes to making the state and local revenue system more fair, efficient, reliable, competitive and understandable in both design and operation, she said.

Driscoll said voluntary tax compliance means that taxpayers understand their responsibility, are given the appropriate information and service to correctly determine their liability, and meet their payment obligations. Each year, 95 percent of total state tax receipts are remitted voluntarily and only about five percent of total state tax receipts come from the department's audits of taxpayers and delinquent tax collection activities, she said.

The department is requesting funding to reengineer the income tax system, said Driscoll. She said the income tax processes and systems are nearly 30 years old and have major problems in several key areas including the inability to offer taxpayers the electronic filing and payment options they increasingly expect; inefficient tax and budget policy implementation; a growing compliance gap between taxes owed and taxes actually paid; systems risk and cost management. Key components of the department's information systems are obsolete, said Driscoll.

The department plans to redesign the system and implement the change over several years, said John Lally, assistant commissioner. The department believes the best value will not come from fixing the problems of the current system, but from using new technology, said Lally. The new technology will enable the department to approach processes in new ways that improve performance immediately and anticipate future needs as well, he said.

The governor recommends base funding levels as requested by the department plus a biennial increase in funding of \$8.0 million for the income tax reengineering initiative.

Health and Family Security

Tobacco settlement bill approved

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Thurs., Feb. 25, to continue their discussion of S.F. 253, a bill relating to the use of the tobacco settlement funds.

Carried by Sen. Roger D. Moe (DFL-Erskine), S.F. 253 establishes three endowment funds—the medical and research endowment fund, the children's endowment fund and the tobacco endowment fund—which are to be created through a portion of the payments made to the state from the recent tobacco settlement. The funds from the settlement are to be paid between the time period of Jan. 2000 and 2003. According to Moe's previous testimony, by the year 2003, payments from the settlement will provide \$353 million for the medical education and research endowment fund, \$301 million for the children's endowment fund and \$655 million for the tobacco prevention endowment fund. The endowments are part of a long term plan designed to help prevent the next generation of children from becoming addicted to smoking, Moe also said.

Doug Davis, advocacy coordinator with the Minnesota branch of the American Association of Retired Persons (AARP), requested that some of the funds from the tobacco settlement be used to finance the senior drug program in the state. Although he supported Moe's concept of not simply depositing the settlement money into the general fund, he asked that perhaps one-eighth of the money be set aside for a program that he called vital in ensuring seniors have the medication they need to live comfortably.

There was no discussion in direct opposition to S.F. 253, but Sen. Martha Robertson (R-Minnetonka) said she was not comfortable with all aspects of the bill. She asked for more discussion on the bill to be held at future meetings. Responding, Hottinger said the bill had already been addressed at two previous meetings, and must be acted upon to stay on track for final passage. He said action also must be taken to allow time for hearings on Gov. Ventura's proposal, and for any other bills relating to the tobacco settlement. Hottinger advised Robertson to bring her concerns, as well as any

amendments, to the Health and Family Security Budget Division, where the bill was approved to be sent.

Sen. Sheila Kiscaden (R-Rochester) offered S.F. 488, a bill modifying the membership, duties and reporting requirements for the state Advisory Council on Mental Health. Kiscaden said the bill alters the membership of the council by adding a representative to the council from the Minnesota chapter of the National Alliance for the Mentally Ill, the Mental Health Consumer/Survivor Network of Minnesota and the Disability Law Center. The bill also deletes language in current law referring to the Minnesota Alliance for the Mentally Ill and the Mental Health Law Project, and requires the council to include a member who reflects the community interests of family physicians. In the area of reporting requirements, Kiscaden said, the bill amends the duties of the council to include advising the governor and state agencies on mental illness issues, and to provide reports to the chairs of the appropriate committees of the House and Senate. There was no discussion in opposition to the bill, and it was approved and sent to the Senate floor.

Sen. Arlene Lesewski (R-Marshall) presented S.F. 564, a bill that allows nursing home facilities to share an administrator if the facilities have a total of 150 beds or less, are within 75 miles of each other and are under common management through a lease or management contract. The bill, Lesewski said, expands current law, which allows nursing home facilities to share an administrator if they meet the size and distance requirements and are under common ownership.

Robert Salmon, CEO of Canby Nursing Facilities, testified in favor of the bill. He said permitting such facilities to share an administrator will allow the facilities to provide better, more efficient services, implement common practices and be more cost effective. There was no testimony in opposition to the bill, and it was approved and sent to the Senate floor.

Occupational regulation discussed

The Joint Health and Family Security and Governmental Operations and Veterans Subcommittee on Occupational Licensure met Fri., Feb. 26, to hear the

Legislative Auditor's report on occupational regulation. The subcommittee is co-chaired by Sen. Sheila Kiscaden (R-Rochester) and Sen. Deanna Wiener (DFL-Eagan).

The report discusses the occupational regulation system and how well it is working, said Elliot Long, director of the Occupational Regulation Study. Long said Minnesota has a complex system of occupational regulation, which includes 188 regulated occupations not counting teachers' licenses. The positive effect of occupational regulation is protection of public health, safety and well being, but there are also negative effects, he said. Long said occupational regulation is viewed by some as occupational "fencing" because it restricts access to professions, limits competition and raises prices. The large occupational groups regulated in the state are teachers, registered nurses, insurance agents, attorneys and physicians, said Long. He said the number of regulated occupations is growing rapidly, noting that the professions of acupuncturist, alcohol and drug counselor, occupational therapist, soil scientist, and sprinkler fitter have been added in the 1990's.

The report found several areas of concern with the state's policy on occupational regulation. The policy on occupational regulation is not applied consistently or fairly, and the oversight of regulated occupations needs to be improved, said Long. In addition, Long recommends that regulatory boards and departments improve the reports they are required to produce. Long said the report found the problems with complaint investigation are cases not being resolved in a timely manner and inadequate case tracking systems.

Long said the report recommends incremental changes rather than sweeping changes. He said the Legislature should conduct a strategic review of existing regulatory programs, because some may no longer be needed. The review would allow for consolidation and improved efficiency, he said.

The report also recommends the Attorney General's Office improve performance with complaint investigations. Attorney General Mike Hatch told members there are many open complaint cases, some going back 12 years. He said the department is implementing changes with an emphasis on reviewing the cases

and making firm recommendations to the boards. He said his office is expecting a list of pending court cases from most of the boards and at that time will be expediting the cases.

Attorney Greg Bulinski said regulatory boards are needed, but fairness is needed with the process. He said often good people in regulated professions are subjected to rigorous and mean spirited hearings. He said that physicians, in particular, would like to see peer review be a part of the board process.

Barb Zurek, an attorney who represents physicians and other health care providers, said the oversight boards are needed to ensure maintenance of standards of quality, but the boards have an "unfettered power to ruin." She said there many delays in the timing of the hearings and resolution of the investigations. "When physicians request a contested case hearing, the regulatory board ups the ante of the consequences," said Zurek. She said other physicians fear retribution from the board for supporting colleagues in a contested case hearing.

Kiscaden said there will be legislation as a result of the findings of the report, but that the more controversial issues will be discussed at interim hearings during the summer.

Youth HIV prevention discussed

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Mon., Mar. 1, to discuss several bills.

Sen. Linda Berglin (DFL-Mpls.) presented S.F. 874, a bill relating to the prevention of HIV and other sexually transmitted diseases (STD) in youth. The bill establishes a grant program to award funding to agencies that provide HIV and STD prevention services to adolescents, with an emphasis on serving youth from communities of color, as well as gay and bisexual adolescents. To be eligible for the grant, an agency must have an ongoing involvement with the youth served, have at least 60 percent of the agency's client base consist of members of the adolescent community, define service gaps and discover how cultural barriers cause unmet needs and develop methods to provide effective prevention services. The bill also appropriates \$500,000 for each fiscal year for the grant program.

Berglin said the bill is important

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because the rate of STD's in youth is climbing at an epidemic rate. She also said the goal in the bill of involving adolescents in the process of educating other adolescents is important, because peer education is a powerful tool. She said children are more apt to listen to their peers discuss sex, rather than their parents or teachers.

Minnesota Family Council representative Barb Anderson testified in opposition to the bill. She said she believes that the kinds of programs the bill supports--those that provide information regarding condoms and safe sex with limited emphasis on abstinence until marriage--are failed programs. She said the message that condoms protect from STD's is outdated and dangerous. It is dangerous, she said, because condoms do not prevent against diseases such as Human Papilloma Virus (HPV)--the number one cause of cervical cancer in women, which kills more women each year than does AIDS. Anderson said the message of abstinence until marriage is the only way to prevent, not only the spread of STD's in youth, but also pregnancy. After some discussion among members regarding the need to teach about both safe sex and abstinence, the bill was approved and re-referred to the Health and Family Security Budget Division.

Sen. Deanna Wiener (DFL-Eagan) carried S.F. 360, a bill that continues current state funding for the Minnesota Comprehensive Health Association (MCHA). Wiener said the bill contains three basic sections. First, she said, it appropriates \$70 million from the health care access fund to MCHA for the next biennium. Of the \$70 million, she said, \$15 million is allocated directly each year, and \$20 million each year is appropriated as necessary. The second section, she said, instructs the Revisor of statutes to codify the section that requires the commissioners of health and commerce to ensure that any appropriations to reduce annual MCHA assessments are reflected in the premium rates of each member. Third, she said, the bill repeals the existing sunset provisions that disallow Medical Assistance or General Assistance Medical Care coverage from covering premiums for recipients covered under an MCHA plan. By repealing the sunset, she said, the prohibition on MA or GA paying for MCHA premiums is

continued. There was no discussion in opposition to the bill, and it was approved and re-referred to the Committee on Taxes.

Sen. Dallas Sams (DFL-Staples) presented S.F. 839, a bill that expands the use of Rural Hospital Improvement grants. The bill requires coverage for telemedicine conferences, compels the development of uniform billing standards, provides for cost based payment for critical access hospitals and provides an appropriation from the general fund to be used for planning and implementing projects and for capital improvement. In short, Sams said the bill ensures access to health care services in rural areas that aren't able to support full service coverage.

John Kingrey, from the Hospital and Health Care Partnership, testified in favor of the bill. He said that 28 out of 34 full service rural hospitals lost money last year, and that the rural hospital infrastructure may be on the verge of collapse. He asked that support for rural hospitals be continued. After brief discussion, the bill was approved and sent to the Health and Family Security Budget Division.

Sen. Becky Lourey (DFL-Kerrick) offered S.F. 578. Lourey said the bill allows ambulance service review organizations and first responder review organizations to hold the special "review organization" status already held in current law by other health care agencies. She said by giving ambulance and first responder services review organization status, the information they obtain cannot be used for discovery issues.

Rep. Richard Mulder (R-Ivanhoe) testified in support of the bill. Mulder, a licensed physician, said it is important the bill be passed in order for the peer review process conducted by ambulance and first responder services to be effective. He said the entire peer review process is jeopardized as long as they do not hold review organization status, and the information gathered is deemed discoverable. There was no opposition to the bill, and it was approved and re-referred to the Judiciary Committee.

Sen. Sheila Kiscaden (R-Rochester) carried S.F. 970, which establishes an adult mental illness crisis housing assistance program in the Minnesota Department of Human Services. It also eliminates a nearly identical program

from the Minnesota Housing Agency. Kiscaden said the bill allows those who are mentally ill and require inpatient or residential care, and are in danger of losing their home, access to funds for housing assistance. She said the program allows individuals to be discharged from an institution more quickly, and thus save the state money. The bill was approved and re-referred to the Human Resources Finance Division.

Sen. Steven Morse (DFL-Dakota) presented S.F. 481, a bill relating to the Region 10 Quality Assurance Commission. Among other things, the bill modifies the membership of the commission, transfers certain duties from the commissioner of human services to the commission and appropriated money to operate the commission in the next biennium. Morse said the bill creates a better system of accountability and licensing. The bill was approved and sent to the Health and Family Security Budget Division.

Morse also offered S.F. 649, a bill relating to the definition of public water supply. Morse said the bill changes current law relating to safe drinking water regulations to be consistent with federal law. The bill was approved and sent to the Senate floor.

Patient protections discussed

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger, met Tues., Mar. 2, to discuss several bills relating to Health Maintenance Organizations (HMOS) and the protection of patients rights.

Sen. Don Samuelson (DFL-Brainerd) carried S.F. 52, a bill that establishes a patient Bill of Rights. Patterned after federal legislation, the bill establishes an external appeals process, affirms the right of a consumer to initiate a legal proceeding, guarantees that a particular service will be delivered if deemed necessary by the enrollee and the enrollee's physician and establishes the fact that a health plan has the burden of proof in an external appeal. The bill also guarantees that emergency care costs shall be covered when an enrollee chooses the nearest emergency facility, provides for exceptions from the drug formulary limitations when a non-formulary alternative is medically indicated, requires the health plan company to refer an enrollee to a non-participating provider when the health

plan does not have a specialist acceptable to the enrollee and requires a health plan company to suspend billing for services that are the subject of a complaint.

Samuelson also offered S.F. 953, a bill that summarizes patient rights and protections. Among other things, the bill prohibits a health carrier that has given preauthorization approval for service from subsequently denying payment for the service, forbids retaliation against a provider that discloses information relating to the care of an enrollee to an appropriate regulatory agency and prevents a provider from classifying a physician recommended drug or procedure as experimental unless the provider can prove the treatment is unsafe or ineffective. The bill also states that a health carrier is liable for damages for harm caused to an enrollee by the health care treatment decisions made by its employees or representatives.

Speaking for both bills, Samuelson said it is time to take serious action on the issues surrounding patients rights. He said he has received all types of complaints regarding such things as the denial of payment. Further, Samuelson said the problems that exist in the health care field must be stopped.

Region 5 Development Commission representative Mary Koep testified in support of the bills. She said the bills are based on the simple idea that the best medical care for a patient should be determined by the patient and the physician, and not the health plan company. Also speaking in favor of the bills was fellow Region 5 Development Commission representative Caren Winkels. Winkels said the bills are the result of listening to the needs of the patient and providing consumers with the best possible service.

Russ Hagen, owner and CEO of Data Recognition Corporation, testified in opposition to both bills. If the bills are approved, he said, the approximately the money he already spends on health care coverage for his employees each year will increase significantly. He said the new laws would force premiums to rise, and subsequently force many small businesses to re-evaluate their position on providing health care. Many, he said, would be forced out of the health care market.

Carolyn Jones, a representative from the Minnesota Chamber of Commerce, also testified against the bills. She said

between 60 and 70 thousand Minnesota workers will lose their health care coverage if the legislation is passed. She also said the liability issue is a concern, remarking that drawn out legal battles do little to help patients in need of health care. Both bills were laid over to be discussed again at a future meeting.

Sen. Martha Robertson (R-Minnetonka) presented S.F. 944, a bill relating to Medical Assistance (MA) payment for special education services. Robertson said the bill modifies current law allowing school districts to receive federal funding for a portion of their special education services. She said due to red tape and bureaucratic issues, many school districts are not accessing the federal funds. The bill makes it easier for districts to do that, she said. The bill, she said, simply works with the existing system to figure out a way for schools to easier access the federal funds. She said it permits school districts in the state to access between \$8 and \$14 million each year. The bill was approved and referred to the Children, Families and Learning Committee.

Sen. Steven Morse (DFL-Dakota) offered S.F. 1219, a bill that establishes a uniform complaint and appeals process for enrollees of a health care provider. Morse said a key part of the bill is that the appeals process is binding on the health care provider, but not on the consumer. This is to ensure, he said, that enrollees are not intimidated from making a complaint. The bill was laid over to be discussed again at a future meeting.

Members also began consideration of S.F. 967, carried by Sen. Becky Lourey. The bill modifies the Minnesota Utilization Review Act and more clearly defines the definition of practice of medicine. Lourey said the bill does not raise premiums.

MFIP related bills discussed

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Wed., Mar. 3, to review a number of bills relating to the Minnesota Family Investment Plan (MFIP). No action was taken on any of the bills, however, and they will be discussed again at a future meeting.

Sen. Becky Lourey (DFL-Kerrick) carried S.F. 506, a bill that clarifies existing language that requires a minor

parent to live in an adult supervised living arrangement to receive MFIP benefits. According to the new language, a minor parent does not have to live in an adult supervised setting if such a setting is not available in the county in which the parent resides. The bill also states, however, that if such a situation becomes available in the county of residence, the minor parent and child must reside in the arrangement. The bill also appropriates funds to create and expand adult supervised living arrangements for minor parents.

Lourey also carried S.F. 535, a bill that increases the MFIP exit level to 140 percent of the 1998 federal poverty guidelines, and S.F. 543, a bill that modifies certain provisions related to MFIP. S.F. 543 transfers from the state's federal Temporary Assistance for Needy Families (TANF) block grant \$2 million to develop MFIP exit plans, \$50 million for the basic sliding fee child care program and \$10 million to reduce MFIP case loads. The bill also strikes language that counts \$100 of the value of public and assisted rental subsidies as unearned income for MFIP eligibility. It also amends the employment and training services component of MFIP to put participants on the path to long term self-sufficiency, instead of on the most direct path to unsubsidized employment. Lourey said the bill helps people to take the next step in their lives, so that when they leave MFIP, they don't fall right back on to it.

Finally, Lourey also outlined a proposal making other modifications to MFIP. The proposal amends the definition of suitable employment, creates a mechanism to stop the 60 month clock for individuals enrolled in a post-secondary program with a GPA above 2.5 and amends the MFIP initial assessment to allow basic education activities in a plan for a participant whose skills in math or reading are below an eighth grade level. Also, the proposal amends the job search plan to allow the participant to search only for jobs consistent with the employment goal of the participant and gives grants to counties meeting high performance standards.

Sen. Linda Berglin (DFL-Mpls.) presented S.F. 683, a bill that allows a participant who is not likely to exit MFIP within a reasonable amount of time due to increased earnings to request post-

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employment training. The bill also requires the job counselor to explore potential training options which may be through the participant's current, or another employer, and states that the counselor must present training opportunities that are consistent with the participants career paths. Berglin said there is no chance for many people on MFIP to be promoted in the first job they obtain. However, she said, because the MFIP clock is always ticking, participants must be given every opportunity to advance.

Berglin also carried S.F. 964, a bill that creates exemptions to the 60 month MFIP time limit. Berglin said the bill exempts an MFIP participant from the 60 month time limit if they are suffering from a professionally certified permanent or temporary illness, injury or incapacity that is expected to last for more than 30 days, and that prevents the person from obtaining or continuing emolument. The bill, she said, also exempts those who are caring for another member in the household who has a professionally certified illness or injury that is expected to last more than 30 days, and the presence of the participant replaces other specialized care. Berglin said the bill also stops the 60 month limit for any month a care giver is earning income by working the number of hours required by law.

Berglin offered S.F. 965, a bill that requires MFIP job counselors to assess the literacy of each participant, and S.F. 966, a bill that makes several MFIP modifications. Berglin said S.F. 965 requires a participant to enroll in basic education activities, and requires a participant to maintain satisfactory progress in the program if the literacy of a participant is judged to be below an eighth grade level. Berglin said the bill represents a small, but important change, because people will obviously not be employed if they do not have literacy skills. Berglin said S.F. 966 reduces sanctions related to MFIP. She said the bill requires the participant meet with the job counselor to discuss compliance barriers after the first occurrence of noncompliance. Current law results in a ten percent reduction in the MFIP grant for the first noncompliance. The bill also requires a five percent reduction for the second noncompliance—instead of the 30 percent reduction required under current law—and states that the value of the food portion of the benefits must not be sanctioned.

The bill also adds to the list of good cause exceptions for failing to comply by exempting a participant with a judicial proceeding or meeting related to juvenile court that conflicts with a mandatory MFIP meeting. The bill also allows an exception to be made when the participants work schedule conflicts with a mandatory MFIP meeting.

Finally, Berglin also presented S.F. 1028, a bill that strikes the requirement that a participant receive public assistance at least three out of the last six months in order to be eligible for transitional medical assistance and transitional child care. The bill also appropriates money to provide services to hard to serve MFIP recipients.

Sen. Don Samuelson (DFL-Brainerd) carried S.F. 483, a bill relating to MFIP and non-citizen food assistance modifications. The bill strikes language in current law that terminates the Minnesota Food Assistance program for non-citizens on June 30, 1999, as well as language terminating the food portion of MFIP for non-citizens on the same date. The bill also adjusts qualification guidelines so that participants do not lose eligibility until their income reaches to 120 percent of poverty, and strikes language that counts the first \$100 of a rental subsidy as unearned income.

Samuelson also carried a proposal to make MFIP modifications from the Minnesota Department of Human Services. Samuelson said the proposal changes the MFIP exit level to 120 percent of poverty for 1999 and 2000, provides funding to lesson job counselor caseloads and clarifies provisions designed to assist county agencies in providing consistent and appropriate services to MFIP clients. Samuelson said the bill also adds provisions that continue state food assistance to those not eligible for federal benefits.

Sen. Sam Solon (DFL-Duluth) offered S.F. 1178, a bill relating to MFIP Family Composition and Assistance Standards. The bill amends the Family Composition and Assistance Standards section of MFIP to change the MFIP transitional standard for child only cases so it is the same amount as the AFDC cash portion for child only cases prior to Jan. 1, 1998. The bill also prohibits the adjustment of the cash portion by replacing it with a food stamp amount.

Sen. John Hottinger carried S.F. 963, a

bill that adds to the list of MFIP income exclusions by adding an exclusion for 100 percent of earned income from employment during the first 120 days of employment.

Health and Family Security Budget Division

Dept. of Health budget discussed

Members of the Health and Family Security Budget Division, chaired by Sen. Don Samuelson (DFL-Brainerd), met Thurs. Feb. 25, to hear an overview of Gov. Ventura's 2000-01 budget recommendations for the Minnesota Department of Health.

Ryan Church, division director of Community Health Services within the department, said it is the responsibility of the division to protect and promote the health of all Minnesotans and to advance access to health care. Church said the division does this by developing and supporting cooperative relationships between state and local governments, health related organizations and other communities and individuals. In order to accomplish the goals, he said, division representatives employ strategies that include administering the Community Health Services Subsidy program so local governments fulfill their public health responsibilities under current law and by providing support to the State Community Health Services Advisory Committee, which is the primary source of policy advice from local government. Church also said the division coordinates communication and technical assistance between state agencies and local government.

Church said the governor recommends a Local Public Health endowment be created with \$260 million from the recent tobacco settlement. He said in the governor's plan, earnings on the principal are allocated to Community Health Boards beginning in fiscal year 2002 to support locally identified community health needs. Church said the endowment fund fits the philosophy of the department that a community—not the state—is in the best position to determine what their health needs are. Church said the governor also recommends \$243,000 in fiscal year 2001 for continuation of the work of the six Regional Coordinating Boards that

provide input on cost, quality and access to local health care. Included in this proposal, he said, are provisions stating that the boards would be renamed Regional Health Care Access Councils and the councils be directed to collaborate with other local, regional and statewide entities to identify barriers to health care access, develop ways to eliminate those barriers and implement those recommendations. Church said the councils must also submit a plan to the commissioner of health for sustaining regional health care access work beyond the 2005 sunset date and would be allowed to seek additional funds from public and private sources.

Jan Jernell, director of the Family Health Division within the department, said it is the vision of those in the division to promote the health of people, families and communities. Specifically, Jernell said it is the division's goal to improve the health of children, women and their families; improve the quality of life for special needs children; promote the health and nutritional status of women, children and the elderly; promote healthy and safe communities; and reduce the health and economic burden brought by tobacco use.

Jernell said the total revenue of the Family Health Division in 1998-99 was just over \$204 million. Of the \$204 million, she said, 80 percent was spent on grants, 11 percent on operating costs and 9 percent on personnel costs. Jernell said the governor recommends spending \$7.5 million in fiscal year 2000 and \$7.5 million in fiscal year 2001 for tobacco use reduction and prevention efforts. Of this amount, she said, \$5 million each year is to be made available to local communities for enforcement and grassroots prevention activities. She said the remaining \$2.5 million each year is to be directed at developing an evaluation system to measure program success, enforcing policies that reduce exposure to environmental tobacco smoke and developing comprehensive communication strategies to reinforce community activities. Jernell said the initiative serves to develop a framework that allows Minnesota to reduce tobacco related disease and death. She said per capita use in Minnesota has declined only 7 percent in Minnesota—as opposed to a national average of 15 percent—and smoking among youth has increased to

exceed the national average. Because of these facts, she also said she is pleased with the governor's proposed increases in funding for tobacco prevention efforts.

With limited discussion, members also approved to the Senate floor S.F. 144, carried by Sen. Claire Robling (R-Prior Lake), which allows parents to admit their 16 or 17 year old children to chemical dependency treatment. Also, members approved to the Senate floor S.F. 418, carried by Sen. John Hottinger (DFL-Mankato), which modifies a number of licensing regulations and requirements for physicians, acupuncturists and athletic trainers.

Health Dept. budget overview

Members of the Health and Family Security Budget Division, chaired by Sen. Don Samuelson (DFL-Brainerd), met Mon., Mar. 1, to hear an overview of Gov. Ventura's 2000-01 budget for the Minnesota Department of Health.

David Giese, division director of the Health Policy and Systems Compliance Division within the department, said the governor recommends several changes that affect the budget of the division. Giese said the governor recommends creating the Medical Education and Research Costs (MERC) Endowment with an appropriation of \$100 million in fiscal year 2000 from the recent tobacco settlement. The endowment, Giese said, will be used to support critical medical research education and research activities throughout the state. Giese said the governor also recommends the division be allocated \$311,000 in fiscal year 2000 and \$318,000 in fiscal year 2001 in order to maintain the division's regulation of health maintenance organizations (HMO's), as well as an increase of \$40,000 in fiscal year 2000 and 2001 to continue regulating the Speech Language Pathologist and Audiologist registration system. Both appropriations, said Giese, will be covered by a fee increase. Finally, Giese said, the governor recommends the Mortuary Science Program receive an increased appropriation of \$30,000 in both fiscal year 2000 and 2001. This is, he said, also to maintain the program's current regulatory efforts.

Linda Sutherland, Facility and Provider Compliance division director, reported on one budget change item affecting the division. She said the governor recommends appropriating \$600,000 in fiscal

year 2000 and \$350,000 in fiscal year 2001 to conduct background studies on non-residents and on all employees in applicable licensed care settings.

Patricia Bloomgren, director of the Environmental Health Division, provided information regarding the change items the governor recommends in the budget for the Environmental Health Division. She said the governor recommends an increase of \$1.93 million in both fiscal year 2000 and 2001 to cover costs related to increased sample analyses required under the federal Safe Drinking Water Act. Also, she said an allocation of \$186,000 is recommended in fiscal year 2000 and \$191,000 in fiscal year 2001 for additional information resource management costs and indirect costs under the department's new indirect cost formula. The governor, she said, also recommends an appropriation of \$321,000 in fiscal year 2000 and \$331,000 in fiscal year 2001 for Food, Beverage and Lodging Program inspection services for Beltrami and Ottertail Counties, as well as an appropriation of \$125,000 in fiscal year 2000 and \$121,000 in fiscal year 2001 to implement the Food Manager Certification Program. Bloomgren said the governor also recommends an appropriation of \$39,000 in fiscal year 2001 to fund additional staff time needed to process increased numbers of plumbing code bonds. Finally, Holmgren said, the governor recommends an appropriation of \$18,000 in fiscal year 2000 and \$138,000 in fiscal year 2001 to complete preparations needed to transfer the regulation of certain radioactive materials from the Nuclear Regulatory Commission to the Minnesota Department of Health.

Aggie Leitheiser, director of Disease Prevention and Control Division, spoke regarding the governor's recommendations for the division. She said the governor recommends an increase of \$1.1 million each year for medications and vaccines needed to prevent or control the transmission of communicable diseases.

Norman Crouch, from the Public Health Laboratory Division, said the governor also recommends one change in the division. He said an appropriation of \$338,000 in fiscal year 2000 and \$58,000 in fiscal year 2001 is allocated to purchase and operate a tandem mass spectrometry instrument for the laboratory's new born metabolic testing program.

Committee update

HHS budgets discussed

Members of the Health and Family Security Budget Division, chaired by Sen. Don Samuelson (DFL-Brainerd), met Wed., Mar. 3, to hear an overview of Gov. Ventura's 2000-01 budget proposals for the Minnesota Department of Health and Department of Human Services.

Tom Ehrlichmann, with the Department of Health, completed the discussion of the governor's budget changes for the Department of Health. Ehrlichmann said the governor recommends an increase in the general fund budget for the Office of Health Care Consumer Assistance, Advocacy and Information of \$675,000 in fiscal year 2000 and \$700,000 in fiscal year 2001. The increase, he said, allows the office to carry out its statutory responsibilities, established in 1998 by the Legislature. Ehrlichmann also said the governor recommends an appropriation of \$1.975 million in fiscal years 2000 and 2001 for the development of the Public Health Information System, and for the development of grants to local public health agencies. The system, he said, will be used to assess and to evaluate public health programs designed to address public health problems in the state. He said the initiative is long overdue. Finally, Ehrlichmann said the governor advocates an increase of \$1.331 million from the general fund in fiscal year 2000 and \$431,000 in fiscal year 2001 for an expanded minority health program. The appropriation, he said, will be used to improve the health of people of color in the state, and it is an essential component of the budget.

Human Services Commissioner Michael O'Keefe discussed how the human services budget is tailored to meet the governor's stated core principles of government. He said because the governor seeks to remember that government is administered with "the people's" money, the human services budget focuses on identifying prevention services first. Also, he said, because the governor believes in promoting self-sufficiency, the human services budget promotes a well defined safety net. O'Keefe also said the safety net encourages self reliance. Finally, O'Keefe said, because the governor values doing the right thing, and doing it well, the human services budget focuses on measuring the successes of various programs and building on the success for the future.

Tom Moss, deputy commissioner with the Human Service Department, discussed one change item recommended by the governor in the human services budget. He said the governor recommends creating the Minnesota Families Foundation with an appropriation of \$600 million by the end of 2002 from the proceeds of the state's recent tobacco settlement. The foundation, he said, is designed to help families and individuals who are striving to be self-sufficient. It would be outside of state government, and would spend only the interest earnings of the \$600 million. Based on current investment practices of existing foundations, he said, the annual average rate of return is assumed to be eight percent. He said the foundation's board will spend no more than five percent of the endowment annually.

Terry Peckaceh, from the Center for Disease Control and Prevention in Atlanta, provided information regarding youth smoking in Minnesota. He said, if current trends continue, that 97,000 youth smokers in the state today will eventually die from smoking related illnesses. He said youth smoking rates in Minnesota continue to increase, while the rates in the rest of the country go down. He said that comprehensive tobacco prevention programs with sustained funding is the best way to reduce youth smoking. Studies show, he said, that the programs must be funded at a rate of \$6 to \$17 per capita-\$20 to \$80 million per year-in order for the programs to be effective. He also said some increase in the price of tobacco products helps cut youth smoking, as for each ten percent increase in price, there is a seven percent decrease in youth smoking rates.

Higher Education Budget Division

U of M budget review continues

University of Minnesota President Mark Yudof continued with the university's budget presentation at the Higher Education Budget Division meeting Tues., Mar. 2. Sen. LeRoy Stumpf (DFL-Thief River Falls) chairs the division.

Yudof said he hopes the U of M can provide an experience for the undergraduate that is qualitatively as good as or better than anywhere else. He wants

students to receive a hands-on education and not feel as if they are just a social security number on campus, he said. "Every student should be treated as an honor student," Yudof stated. He said the U of M can be a magnet for Minnesota's own students, and become a national magnet, producing leaders in Minnesota as well as around the world.

As part of a budget request aimed at enriching the undergraduate experience, Yudof said freshmen seminars are a major factor. He said the university wants to expand its freshmen seminars, bringing nearly all new students together with faculty in a small class environment. He said he also wants to expand the academic advising program by improving student-to-advisor ratios and integrating academic advising, career development, international study, internships and service learning.

Yudof said the Undergraduate Research Opportunities Program (UROP) provides a stipend and expense money to each student while the student conducts research. The U of M hopes to double the program, which currently supports over 400 undergraduates in research projects. He said there is a great demand for technology-enhanced learning. The U of M wants to increase the study abroad programs by allocating new funds to scholarships, travel grants and support for faculty who work on projects abroad and involve students with the projects. Yudof said budgetary support has not kept pace with rising costs of university libraries, and he said classroom enhancement is needed.

By connecting the U of M to the community, Yudof said he thinks it is possible to tackle social problems without promising the sky. He suggested support is required in this area for strengthening commercialization of technology, strengthening agricultural and extension programs, extending learning through technology and improving educational, social and community services.

Sen. Sam Solon (DFL-Duluth) said he agrees it is important to focus on educational, social and community services. "For most people, the U of M is kind of a big secret up on the hill," he said. He said people are aware of the medical school, but he believes more should be done to promote the rest of the university. Yudof said internship programs have helped publicize the university, but he also

thinks more could be done. "It's important people feel proud of their university," he added.

Regarding competitive compensation, Yudof said there are 60 other universities in the Association of American Universities, and it is important to keep up. He said the goal of the U of M is to attract and retain the faculty and staff necessary to assure a first-rate education. He said the U of M ranks 20th in the country for faculty salaries.

Sen. Cal Larson (R-Fergus Falls) suggested using more adjunct professors. "It seems like there's a wonderful opportunity out there in the business community," he said. "It makes good sense to go to part-time professors." Yudof said he agrees the business community has much to offer. He said there are some discomforts with the regular faculty when too many part-timers are hired.

Yudof said the U of M supports the governor's budget of \$122 million, although the university requested \$198 million. "We think it's quite fair, although we are somewhat concerned about staff salaries," he said.

Regarding earlier concerns about the accreditation of the University of Minnesota-Duluth (UMD) School of Medicine, Ron Ziegler, dean, said the school is fully accredited until 2003-04. The Liaison Committee on Medical Education (LCME), according to Ziegler, said the process to change the accreditation has been considered for some time. To be accredited, the school must offer a medical degree, and Duluth provides only two years of medical school.

Ziegler said UMD will continue to have its own identity and mission, its own dean and name. He said LCME reported a concern with low faculty salaries and an outdated curriculum at UMD, as well as a lack of resources for an effective research program. Ziegler said the committee had looked at old data, however, and there is a brand new curriculum and faculty salaries have increased. He said resources are being addressed through the budget. He cited the program UMD School of Medicine provides for training rural physicians, as well as its outstanding Native American program.

MnSCU reviews budget

The Higher Education Budget Division, at its meeting Weds., Mar. 3, heard

an analysis of the governor's budget recommendations for Minnesota State Colleges and Universities (MnSCU). A presentation by Morrie Anderson, MnSCU chancellor, was given to the division, chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls).

Anderson said that although the governor's recommendations provide recognition of biennial base level issues and provide management flexibility by allocating resources to categories, the governor does not recognize the need for strong investments in the future. MnSCU is requesting \$230.6 million, and the governor's recommendation is for \$121.3 million.

Anderson said the governor is proposing \$20 million for enrollment needs, and MnSCU believes \$25.5 million is required to stabilize enrollment needs. Anderson said the difference between MnSCU and a state agency is that a state agency has inflation built into its base. He said that regarding one-time funding losses, MnSCU would drop its spending by about \$22 million if it accepts the governor's recommendations.

MnSCU has worked in developing business and industry partnerships, according to Anderson. He added that curriculum changes need to be made to meet standards, and there is no money in the governor's budget for that. He said funding from business and industries has been primarily used for equipment. Anderson related that MnSCU has created five partnerships with industry. "We need to produce 135,000 employees by 2006," he said. "We are graduating 6,700 a year. We are only providing one-third of the employees needed."

Anderson said it is difficult for MnSCU to let go of what it has been doing and transition into the future in a smooth way. He said transition is occurring, however. MnSCU has given up over 300 courses that were closed or redesigned. At the same time, 36 new courses have been introduced. Stumpf said the Legislature and MnSCU have to get to the most important priorities they can agree on.

Anderson said it is important to recognize the changes in the student population. He said 44 percent of students are part-time. He said 50 percent of students attending two-year colleges are part-time, and 25 to 30 percent of students attending four-year

institutions are part-time. Anderson said the average age of students is 28. "Students this age are primarily considered independent students," he said, "and they have different needs." Anderson also said MnSCU has 837 health care programs, with nearly 5,000 graduates in the field. He said there are 11,500 students in health care programs.

Sen. Sheila Kiscaden (R-Rochester) said she is concerned that investment is being placed in the upper and not the lower end of healthcare education. Anderson said he shared her concerns. "The doctor at the operating table is only as good as the surgical nurse standing next to him or her," he said. Anderson said pay differentials in the health care industry are a huge issue. He said students gravitate toward the higher paying jobs.

Jobs, Energy and Community Development

Three bills forwarded

The Jobs, Energy and Community Development Committee, chaired by Sen. Steven Novak (DFL-New Brighton) approved three bills, Thurs., Feb. 25.

S.F. 567, authored by Sen. Tracy Beckman (DFL-Bricelyn), is a technical bill to cleanup language in the statute clarifying the authority of the Rural Policy and Development Center located in Mankato. Beckman said the Legislature established the center in 1997 to identify social and economic issues in rural Minnesota and to form alliances and partnerships with rural communities to find solutions to problems. Jack Geller, the president of the center, said the Dept. of Trade and Economic Development (DTED) oversees the appropriations to the center. He said officials from DTED have interpreted the statute to mean money appropriated by the Legislature cannot be used for research purposes. He said the bill adds the word "research" into the statutory definition of the center's duties. The bill was approved and forwarded to the Senate floor.

Novak offered S.F. 914, a bill that also clarifies language in the statutes. He said the bill allows a member of the House Regulated Industries Subcommittee to be appointed by the Speaker to serve on the Legislative Electric Energy Task Force. Novak said the bill also allows the

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subcommittee member to serve as co-chair of the task force. The bill was approved and recommended for the Consent Calendar.

S.F. 545 authored by Sen. Dave Johnson (DFL-Bloomington), directs the commissioners of the Dept. of Economic Security and the Dept. of Human Services to operate a statewide system to reimburse providers for employment support services for people with mental illnesses. Johnson said the bill helps people with mental illnesses by providing job services as well as addressing the worker shortage problem in the state.

Johnson offered an amendment to the bill setting the standards the commissioners of the Dept. of Economic Security and the Dept. of Human Services must follow to operate a statewide system. The amendment was adopted.

Chris Bolsted, from Tasks Unlimited, said being a member of the workforce is important to rebuilding the self-esteem and confidence problems so often associated with mental illnesses. "Working is good therapy and it is a good tool to keep people out of hospitals," Bolsted said. He said there are at least 83,000 Minnesotans with serious or persistent mental illness, 85 percent whom are not working. Pat Bugenstein from the Minnesota League of Women Voters, said in 1992 the Legislature created a coordinated employability program administered by the Dept. of Economic Security to establish collaboration between local services, counties, employers and other service providers. She said the program helps people with mental illness enter the work force and move toward self sufficiency. Tom Johnson, from the Alliance for the Mentally Ill of Minnesota, said the bill is needed to further assist "the ability to reach those who don't feel they can succeed in the workforce anymore."

The bill was approved and forwarded to the Economic Development Budget Division.

Truancy bill heard

A bill appropriating money for grants to cities to address truancy prevention, curfew enforcement, and pretrial diversion programs was one of three bills heard by the Jobs, Energy and Community Development Committee, Fri., Feb. 26. The committee is chaired by Sen. Steven Novak (DFL-New Brighton).

S.F. 745, offered by Sen. Randy Kelly (DFL-St. Paul), allows the cities of Minneapolis, St. Paul, and Duluth, to receive grants from the Dept. of Economic Security to fund youth intervention programs that have clearly established neighborhood, community and family outcome measures of success. Kelly said that although current programs have been effective in dealing with juvenile delinquency issues, a Legislative Auditor's report showed that 70 percent of county officials are not satisfied with the availability of current truancy services. "This bill helps the Dept. of Economic Security (DES) cut down on the paper work and red tape and work with the communities to address the problems," he said.

John Olson, from (DES), said the department's Minnesota City Grants Programs in Duluth have helped account for a 10 to 12 percent decrease in the juvenile crime rate of the city by establishing a program aimed at curbing curfew violations and the associated tobacco and alcohol consumption involved. He said a curfew center established in Minneapolis processed over 1,200 youths in 1998. Clancy Finnegan, director of the Ramsey County Truancy and Curfew Center, said 70 percent of the youths who were sent to a truancy and curfew center in the county have not had a repeat offense. He said a 1997 Wilder Research survey showed that 53 percent of the youth reported that their visit to a center caused them to change some of their behaviors, including school attendance.

The bill was approved and forwarded to the Crime Prevention Committee.

S.F. 493, authored by Sen. Ellen Anderson (DFL-St. Paul), creates an income tax credit for low income housing, modeling itself after a federal law where the owner of a qualified low income housing project that is constructed, rehabilitated, or acquired can claim the tax credit for ten years. "This is a win-win way to develop affordable housing with virtually no administrative costs," Anderson said. She said the bill appropriates money for the state to match \$5.7 million in federal funds.

Sen. Steve Murphy (DFL-Red Wing) offered an amendment expanding the tax credit to projects in Greater Minnesota. Murphy's amendment changed the qualifications for the tax credit to include

low income housing projects where 40 percent or more of the residential units in the project are both rent restricted and occupied by individuals whose income is 80 percent or less of statewide median gross income. Angela Christy, an attorney who has worked with the federal tax credit, said because the bill matches state funds with federal tax credit, and because most of the Greater Minnesota projects do not qualify for the federal tax credit, the amendment still would not qualify them for state funds. Murphy withdrew the amendment.

The bill was approved and re-referred to the Committee on Taxes.

Novak offered S.F. 837, a bill appropriating money for a work first transitional employment project for refugee and immigrant communities in Ramsey County. Novak said the bill appropriates \$750,000 for a Ramsey County employment program that assists refugee and immigrant welfare recipients with the transition to unsubsidized employment. Daniel Krotz, from the Centre of Asians and Pacific Islanders, said existing grant programs have assisted 255 people in finding work, 197 of whom are still employed. He said many of the jobs are in areas that require technical skills and thus are good paying jobs. Jim Anderson, from Ramsey County, said many immigrants and refugees not only have limited English language skills, but lack any formal education skills and thus have little ability to find work. He said the work first transitional employment programs is an important first step in helping immigrants and refugees become self sufficient. He said training focuses specifically on skills needed by the employee for a specific job. The bill was approved and forwarded to the Economic Development Budget Division.

TIF district bill heard

A bill authorizing the city of Brooklyn Park to establish an urban shopping district was heard by the Jobs, Energy and Community Development Committee, Tues., Mar. 2. The committee is chaired by Sen. Steven Novak (DFL-New Brighton).

Sen. Linda Scheid (DFL-Brooklyn Park), author of S.F. 642, said the bill helps Brooklyn Park revitalize its "downtown" area, along Brooklyn Boulevard, by redeveloping the Village North retail center. She said Village North, built in

1970, was the city's first major retail center and attracted shoppers from Osseo, Maple Grove, and Champlin. As those cities grew, the retail base for the center declined, Scheid said. She said the bill authorizes the Brooklyn Park Economic Development Authority to establish a new tax increment financing (TIF) district, called an urban shopping district, that differs from traditional redevelopment districts in that the term is for 20 years instead of 25 years, and the original net tax capacity of the district is zero.

Stacie Kvilvang, a city planner for Brooklyn Park, said the property value of Village North decreased 31 percent from 1994 to 1998, and the vacancy rate of the center is now at 54 percent. She said the city estimates that rehabilitation, demolition and cleanup of the area would cost around \$8 million. She said by creating the TIF district the land cost would be around \$3 per square foot as opposed to a \$5-6 per square foot cost without the financing. The city is also planning on improving Shingle Creek, which runs through the area, as a focal point in the redevelopment, Kvilvang said.

David Sebok, director of Community Development, said the city will use a "new urbanization approach" in which residential, commercial, recreational, transportation, and employment areas are combined, making the center the focal point of the area. "Our plan is to create a center that creates jobs, and combines residential and shopping all readily accessible, and all within walking distance," he said.

The bill was approved and sent to the Local and Metropolitan Government Committee.

S.F. 781, authored by Sen. Edward Oliver (R-Deephaven), transfers \$70,000 to the Minnesota World Trade Center Corporation from a 1992 medical exposition appropriation. Oliver, a Senate appointed director of the corporation, said the corporation is a partnership between the public and private sectors, addressing international trade issues. He said for approximately the past ten years, the organization has received no state money for operating revenues, and that staff from the Minnesota Trade Office have handled the day to day operations. Oliver said the appropriation is used to help pay for operating costs and to

replace conference center equipment in need of repair.

The bill was approved and forwarded to the Economic Development Budget Division.

Judiciary

Utility customer data discussed

A bill providing data privacy for certain public utility customers was presented to the Judiciary Subcommittee on Data Privacy and Information Policy at its meeting Fri., Feb. 26. The committee, chaired by Sen. Don Betzold (DFL-Fridley), heard S.F. 212, authored by Sen. Sheila Kiscaden (R-Rochester). The bill had been laid over from a previous meeting.

The bill classifies data on customers of municipal utilities as private or nonpublic data. Under the bill, the data can be released to law enforcement regarding an investigation or to schools that need the data to compile pupil census information. Kiscaden submitted a letter written on behalf of Women's Shelter, Inc., in support of the bill. The letter, written by Judy Miller, stated that battered women are commonly located by their utility address. Safety experts, according to Miller, recommend that anyone who is stalked or battered have their utilities registered in someone else's name.

Kiscaden proposed an amendment distinguishing between electric and nonelectric utilities. The amendment specifies a responsible authority may require a person seeking customer data from a nonelectric utility to provide the person's name or organizational identity and mailing address, and the reason for seeking the data. Further, the amendment provides that before releasing the information, the responsible authority inform the utility customer of the name of the person requesting information and of the customer's right to request that information not be released. The amendment also allows information be released to the Metropolitan Council for use in studies or analysis required by law.

Mark Anfinson, an attorney for the Minnesota Newspaper Association, said having requesters identify themselves is an unprecedented step. "It may prevent access at all," he said. He also said women who are in fear for their lives can notify the utility that they do not want

any information given out.

Don Gemberling, director of the Public Information Policy Analysis Division in the Department of Administration, said the bill provides people who are subjects of information more control over release of that information.

The amendment was adopted, and the bill was laid over.

Betzold also authored S.F. 652, a bill that creates an Office of Public Access to government data. The bill specifies the office be headed by a director appointed by the governor, and the commissioner of administration must provide staff and administrative report. The Public information policy analysis Division of the Department of Administration is transferred to the new Office of Public Access to Government Data.

Betzold said by making the office of public access free-standing, he believes the office staff can issue an opinion without fear of being fired. Anfinson said the newspaper industry supports the concept of an independent office of information.

Scott Simmons, acting commissioner for the Department of Administration, opposed the bill. He said he believes it has some deficiencies. "It's an issue of having administrative support and independence," he said.

Betzold said the bill was introduced to get a discussion going, and that there are still some details to work out. Betzold said he was concerned that if the office were not separate, a commissioner might not want to sign off on an opinion adverse to the governor.

Lt. Ron Whitehead, Bloomington Police Department, spoke against the bill. He said he believed the bill entailed coming up with a bigger hammer to enforce compliance. A move to lay the bill on the table failed. A motion to send the bill to the Judiciary Committee without recommendation also failed.

Frivolous liens discussed

Sen. Richard Cohen (DFL-St. Paul) presented a bill creating the "Antipaper Terrorism Act" to the Judiciary Committee at its meeting Mon., Mar. 1. The bill provides for protection of public officials, employees and other persons from having frivolous liens filed against them. The bill, S.F. 84, also creates new crimes dealing with attempting to interfere with the performance of a public official's or

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employee's duties and false assertion of authority

Cohen spoke of the militia in Montana filling the court system with fraudulent liens, and said the bill would protect officials from having such liens filed against them. Paul Strandberg, assistant attorney general, said his office had been the repository of this type of lien. "There have been miscellaneous filings from individuals declaring themselves sovereign nations," he said. "County recorders, judges and attorneys have had suits filed against them." Strandberg said an individual often doesn't know a suit has been filed until he or she wants to sell some property and finds a \$37 million lien has been filed against that property. Strandberg said the bill makes the liens hard to file, makes them easy to remove and attempts to punish those filing frivolous liens.

Strandberg said the process of fighting the lien is a little more difficult for a private citizen. Sen. Don Betzold (DFL-Fridley) asked whether private businesses were having many frivolous liens. Strandberg said a disgruntled ex-sister had filed all kinds of liens against the Sisters of St. Francis.

Sen. Allan Spear (DFL-St. Paul) said he thought that before a lien was filed, there had to be proof the lienholder was owed something. Cohen said liens are being filed every day, and it is not feasible to expect a single recorder working in a small community to be in a position to decide whether the lien is proper. He also said some of the people filing liens can be intimidating. Cindy Koosman, Washington County recorder, said it is very costly for county recorders to file so many liens, but said they do not have the authority to refuse to do it.

An amendment was offered specifying that if a lien has been accepted for filing, the recording officer must notify the owner of the real or personal property subject to the claim of lien or the person named as a debtor that the lien has been accepted for filing. Sen. David Knutson (R-Burnsville) said he believed the person filing the lien should be responsible for notifying the property owner, and if that were not done the lien could not be filed.

The bill was laid over.

S.F. 833, a bill authored by Sen. Ember Reichgott Junge (DFL-New Hope) was presented. The bill regulates business

corporations. The bill incorporates recommendations from the Business Law Section of the Minnesota State Bar Association. The bill also contains amendments relating to limited liability companies.

The bill was recommended to pass and sent to the floor.

Knutson offered S.F. 129, a bill enacting the Uniform Child Custody Jurisdiction and Enforcement Act (UCCJEA). The bill conforms state law to the federal Parental Kidnaping Prevention Act, resolves issues raised by conflicting case law among states interpreting the original acts and provides a process for interstate enforcement of custody and visitation orders.

"The act provides uniformity of law when mobility enables people to move from state to state," Knutson said.

The bill was approved and sent to the floor.

Y2K bills heard

A bill limiting the liability of the state and municipalities for certain claims involving Year 2000 problems was presented to the Judiciary Committee at its meeting Weds., Mar. 3. Sen. Steve Kelley (DFL-Hopkins) offered S.F. 299 to the committee, chaired by Sen. Jane Ranum (DFL-Mpls.).

The bill specifies that the state or a municipality is not liable for a Year 2000 claim if the state or municipality identified the Year 2000 problem that gave rise to the claim; made reasonable efforts to correct the problem or mitigate its effects; and filed a disclosure of the potential problem with the Department of Administration by July 1, 1999. The bill also provides that the state or a municipality is not liable for Year 2000 problems resulting from malfunctions of computer systems or components that the state or municipality does not own or control.

An amendment was offered stating that a Year 2000 claim against the state or municipality may not be commenced until 180 days after the damage or loss on which the claim is based is discovered by the plaintiff. The amendment was adopted. An additional amendment provides that at least 60 days before commencing a Year 2000 claim against the state or a municipality, the person bringing the claim must give written notice to the state or municipality. The

notice must state the time, place and circumstances giving rise to the claim, the names of any state or municipal employees known to be involved, and the amount of compensation or other relief demanded. The amendment prevailed.

Greg Brooker, chair of the Public Law Section for the State Bar Association, spoke in support of the bill. He said it is important that the government have some immunity, and the Bar Association supports S.F. 299, which it considers to be a reasonable limited liability bill.

Joel Carlson, representing Minnesota Trial Lawyers, said he has some concerns with the bill. He said he has problems with the definition of occurrence, meaning any direct or indirect harm resulting from a single Year 2000 problem, regardless of the number of Year 2000 claims resulting from that problem. He cited an example of one street light malfunctioning, causing numerous accidents, and yet being treated as one occurrence regarding claims. Kelly said the definition could be left up to the courts. Sen. Don Betzold (DFL-Fridley) offered an amendment deleting the reference to occurrence. The amendment was adopted. S.F. 299 was approved and sent to the floor.

Sen. Warren Limmer (R-Maple Grove) presented S.F. 1262, a bill that also limits liability from Year 2000 failures. Limmer said most bills dealing with Y2K problems focus on protecting government or large corporations. "This bill protects the average citizen," he said. He said the bill provides that an individual has an affirmative defense to any claim or action brought against the individual if the individual establishes that his or her default, failure to pay, breach, omission, or other violation that is the basis of the claim was caused by a Year 2000 problem associated with an electronic computing device. The bill also specifies that if it were not for the Year 2000 problem, the individual would have been able to satisfy the obligations that are the basis of the claim. The bill provides that a credit reporting agency operating in the state must not report any negative credit information resulting from a Y2K problem.

Limmer said his concerns are for the individual who has automated checking deposits or withdrawals, and because of a Y2K glitch, mortgage payments or car payments may not be made

on time. Other possible problems he cited are writing a string of checks that are not covered because of a Y2K malfunction, or having money erroneously deposited in another account. He added that the Y2K problem does not remove the person's obligation, but the person would have a reasonable amount of time to meet those obligations if they are affected by a Y2K malfunction.

Betzold said an individual can be an employer. "What if that individual did not upgrade his computer to be Y2K compatible, and as a result that person's employees are not paid?"

Sen. Allan Spear (DFL-Mpls.) moved that the bill be amended to clarify that the Y2K problem is associated with an electronic computing device that is not owned or controlled by or operated by the individual. The amendment was adopted.

S.F. 1262 was recommended to pass and sent to the floor.

S.F. 346, a bill authored by Ranum, expands provisions for relative ex parte temporary custody. The bill expands the circumstances under which it is presumed to be in the best interests of the child for the court to grant temporary custody to a relative to include situations where the relative has permanent custody of a sibling of the child. The bill also specifies that the child is currently residing with the relative and the parent has no contact with the child on a regular basis or has refused or neglected to comply with the duties of the parent and child relationship, or the application alleges an immediate and present danger to the physical or emotional health of the child in the home of the parent. The bill was approved and sent to the floor.

Data privacy bills heard

Members of the Judiciary Subcommittee on Data Privacy and Information Policy met Weds., Mar. 3, and continued the process of assembling an omnibus data privacy bill. The panel, chaired by Sen. Don Betzold (DFL-Fridley), endorsed a bill, S.F. 623, authored by Sen. Sandra Pappas (DFL-St. Paul), providing that building code violation records pertaining to a particular parcel of real property and the buildings on it are public data. Pappas said the bill is the result of a problem a group of St. Paul residents had in trying to determine whether the city was taking the appropri-

ate steps after a particular dwelling had been reported numerous times for code violations. The panel approved the measure for inclusion in the omnibus bill.

Several bills, all authored by Betzold, were reviewed by the subcommittee. S.F. 660 reduces the cost of the Minnesota identification card for persons with serious and persistent mental illness and classifies as private the data relating to individuals who qualify for a reduced fee for a Minnesota identification card. The bill was approved and re-referred to the Transportation Committee.

According to Betzold, S.F. 1198 is primarily a technical bill that recodifies the law dealing with rideshare data. Specifically, the bill includes data collected by the Metropolitan Council to administer rideshare programs along with that collected by the Dept. of Transportation as private data. S.F. 1167 modifies employment and training data to include data provided under the federal Workforce Investment Act. Lee Nelson, representing the Dept. of Economic Security, said the measure responds to federal requirements that the Dept. of Economic Security be provided with the data. However, representatives of MnSCU said the bill may be premature. Ron Dreyer, system director for academic program review, said the measure could require MnSCU's 225,000 students to give consent to have employment and training data collected. The bill was laid over in order to further refine the language.

Members approved the inclusion of a portion of a bill heard previously into the omnibus bill. At an earlier hearing, three sections of S.F. 654 relating to the dissemination of private personnel data to the Dept. of Economic Security for purposes of processing unemployment benefit claims, classifying data obtained from the inspection of financial records of a school, and authorizing the sharing of social security numbers and federal identification numbers maintained by assessors with the county auditor in order to assist the Dept. of Revenue in the preparation of microdata samples, had been approved for inclusion in the omnibus bill. Members also approved the inclusion of a section of the bill classifying the status of data on parents held by educational entities. Betzold offered—an the panel adopted—an amendment specifying that data concerning parents

are private data on individuals but may be treated as directory information if the same procedures that are used by a school district to designate student data as directory information are followed. A final section of the bill, relating to making criminal history data public was laid over for further discussion.

Two bills containing recommendations from the Information Policy Task Force were also considered. S.F. 1039 requires publication of public access procedures, requires privatization contracts to include data practices compliance requirements, provides for the preparation of model policies, requires the director of the historical society to assist in the records management and provides funding for the information policy training program. An amendment, offered by Betzold, specifies that the requirement that privatization contracts include data practices compliance requirements does not create a duty on the part of the private person to provide access to public data to the public if the public data are available from the government entity except as required by the terms of the contract. The bill was approved and referred to the full Judiciary Committee.

In considering the final bill, S.F. 1040, members approved three sections for inclusion in the omnibus bill, but were unable to reach agreement on three other sections. The portions of the bill approved for the omnibus bill modify the time period in which a responsible authority must comply with a request for access to data by the individual subject of the data by specifying 10 days in all cases where immediate compliance is not possible and clarify that government records may be produced in the form of computerized records and include computer-based data in the statute establishing a responsibility for government records.

Sections of the bill that generated debate and were laid over included provisions clarifying that public access includes online access. Representatives from several state agencies urged the committee to provide a definition of "online" in the bill. The panel did not discuss sections of the bill relating to modifications to the law dealing with notices that must be given to individuals who are asked to supply private or confidential data to provide exceptions in cases where the individual is supplying

educational or personnel data and sections requiring government entities to report to the commissioner of administration whenever the entity acquires any form of a surveillance device.

K-12 Education Budget Division

Special ed budget reviewed

Representatives of the Dept. of Children, Families and Learning discussed the governor's proposed budget for special education Fri., Feb. 26, at the K-12 Education Budget Division. The division is chaired by Lawrence Pogemiller (DFL-Mpls.).

Tom Melcher, Dept. of Children, Families and Learning discussed modifications in the special education-regular program recommended by the governor. He said the governor recommends increasing the state total special education-regular revenue from the FY 99 level of \$435.3 million to \$463 million for FY 00 and for \$474 million for FY 01. The governor also recommends for FY 02 and later years, an increase in the program growth factor used in computing special education-regular revenue from 1.00 to 1.02, said Melcher.

In related programs, the governor recommends, in FY 00, a reduction in the excess cost threshold to qualify for special education-excess cost revenue from 5.7 percent of general education revenue to 4.36 percent of general education revenue, said Melcher. Additionally, the governor recommends increasing the pupil weighting factor for pre-K special education students from 1.00 to 1.25 in FY 00, he said.

Melcher said the governor is proposing a simpler, cost-based process for schools to obtain Medical Assistance funding for health-related services. The proposal affects special education in the Dept. of Human Services budget and the department will work with the Dept. of Children, Families and Learning to develop a billing system that groups services for ease of use by school districts, said Melcher.

Committee members discussed the issue of cross-subsidies in the area of special education, and how best to deal with the problem. "We have to be realistic about the money that is available and what we would like to accom-

plish with the money," said Pogemiller.

Rose Hermodson, Dept. of Children, Families and Learning, said the governor's budget attempts to distribute funds on a broader basis. She said that several existing grant programs have been eliminated or folded into programs that give local school districts the option of funding the activities. Hermodson said the governor is recommending that \$23 million in existing grant and aid programs be redirected to more flexible and fair funding.

Hermodson reviewed the programs that the governor recommends discontinuing. She said in many instances the programs are discontinued because they are underutilized. The funding for the library grants Librarians of Color, Children's Library Services Grants, and the Regional Library Outreach has been redirected and incorporated into more flexible funding, said Hermodson.

The governor recommends discontinuing the summer food service program, while appropriating funds for the summer food service replacement aid program, said Hermodson. The governor recommends discontinuing the current school breakfast program and replacing it with the Fast Break to Learning program, she said. The Fast Break to Learning program requires that parents pay to the best of their ability, with breakfast provided for all students.

Citing that schools have shifted toward lower cost programs and away from higher cost technical programs, Hermodson said the governor recommends phasing out the Secondary Vocational program beginning in FY 00 with elimination of the program in FY 01. She said the decision about what kind of classes and programs are offered to students should be made on a local level, rather than through the Secondary Vocational program. The phase out is part of the redesign of school-to-work activities, said Hermodson.

Budget discussed

The K-12 Education Budget Division met Tues., Mar. 2, to continue discussing the governor's budget recommendations. The division is chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

Tom Strom, Dept. of Children, Families and Learning, said the education and employment transitions systems/school-to-work program was imple-

mented to ensure that all Minnesotans make successful education and employment transitions. Program highlights of FY 98 and FY 99 include the Internet System for Education and Employment Knowledge (ISEEK), said Strom. ISEEK is an interagency virtual career office that provides students, counselors, employers, parents and career planners with current data on wages, occupational projections, academic programs, institutional services and job information.

Also highlighted during FY 98 and FY 99 was the work-based learning grant program, Strom said. The program provided grants to local/regional partnerships, counties, schools, employers, and community-based organizations to create work-based learning experiences such as youth apprenticeships, youth entrepreneurship, internships for teachers and students, and employer rebates, he said. The program highlighted other areas included parent and community awareness; state level activities; development of occupational information; and agriculture school-to-work improvement grants, Strom said. There are 45 local/regional partnerships composed of employers, K-12, higher education, workforce centers, community-based organizations, parents and learners, said Strom. The governor recommends a program appropriation of \$5.9 million in FY 00 and \$8.6 million in FY 01.

Strom said the Learn and Earn Graduation Achievement program was created to decrease crime, increase secondary education success, and increase post secondary educational enrollments by the year 2002. He said the program provides grants to educational institutions or community-based organizations that partner with educational institutions for students who enroll in the 9th grade where household income is at or below the federal poverty level. The governor recommends \$950,000 for FY 00 and \$950,000 for FY 01 for the program.

The Youth Works/AmeriCorps program empowers youth to improve their life opportunities through service, literacy, job placement, and other essential skills, said Strom. The program began in 1995 and is funded by state and federal grants made to public and non-profit agencies. The governor recommends funding of \$1.7 million for FY 00 and \$1.7 for FY 01.

Strom said the purpose of the work-

study student compensation program is to encourage public school districts to employ post-secondary work study students in educational program which support literacy or other basic skills tutoring. Because of underutilization, however, the governor recommends discontinuing the program, he said.

Strom said there has been a decrease in the number of programs in the school districts. Most districts have an average of 3 programs, he said. In order to keep a program current, it requires a lot of money and when districts don't have that, they start cutting the programs, said Strom. He said the department wants to continue to look at improving existing programs.

Budget review continues

The K-12 Education Budget Division, chaired by Sen Lawrence Pogemiller (DFL-Mpls.) continued discussion on the governor's budget recommendations at the Weds., Mar. 3, meeting.

Joyce Swonger, Dept. of Children, Families and Learning, discussed the governor's budget recommendations for the library programs funded through the K-12 budget.

The basic grant for libraries was established in the 1950's to strengthen, improve, equalize, and promote public library services throughout the state through the 12 regional public library systems, said Swonger. The appropriation assists with regional public library system operations and the cost of inter-agency contracts for state interlibrary lending and reference assistance, she said. The governor recommends \$8.4 million for FY 00 and \$8.5 million for FY 01.

The multi county, multi-type library systems grant began in 1979 and is intended to improve library services to Minnesotans by fostering and supporting cooperation among libraries of all types, said Swonger. The partnering of the library systems brings information resources from all types of libraries together to meet the educational and lifelong learning needs of Minnesotans, she said. The governor recommends \$903,000 for FY 00 and \$903,000 for FY 01.

The Librarians of Color Program, established in 1994, is designed to recruit and educate people of color in the field of library science or information management. Swonger said the program hasn't

worked well for several reasons including the time commitment and intensive involvement of the grant recipient and the inability of the grant recipient to guarantee jobs to students. The educational commitment and costs required to get a job in a low-paying field have made it difficult to attract minority students to the program. The governor recommends discontinuing the program and redirecting the funds to more flexible funding formulas for libraries.

The regional library telecommunications aid supports continuing public library telecommunications access and connections to the Minnesota Library Information Network, other databases, and Internet resources. Swonger said grants are made to the 12 regional public library systems to cover the recurring telecommunication costs such as leasing of telecommunications carrier lines, maintenance and services on maintaining connections, and replacement of equipment. The governor recommends \$1.7 million for FY 00 and \$1.7 million for FY 01.

Swonger said the governor wants to take the smaller programs and roll them into more equitable programs where the funding can be more flexible. The governor also recommends discontinuing the Children's Library Service Grant and the Regional Library Outreach Grant, she said.

The committee reviewed a study on statewide cost of living differences in relation to teacher salaries. The study, which was conducted in response to a request by the 1988 Legislature, measured cost of living variations for goods and services in the Twin Cities and 26 other communities across the state. The study concluded that while changes to educational and other funding mechanisms are worth considering, they must be examined in a broader context. The report said that the impact of cost of living differences on teacher salaries is only one of the factors affecting the cost of education.

Local and Metropolitan Government

Public corporation bill discussed

A bill addressing the dissolution of corporations created by public subdivisions was heard by the Local and Metro-

politan Government Committee, Mon., Mar. 1. The committee is chaired by Sen. Jim Vickerman (DFL-Tracy).

Vickerman said the sunset for a provision enacted in 1998 permits corporations created by political subdivisions prior to June 1, 1997 to continue to operate even though they were not created with specific statutory authorization. He offered S.F. 851 extending the sunset, which currently is July 1, 1999, for one year to July 1, 2000. He said the bill establishes a task force to review findings of a Jan. 1999 state auditor report, and to develop recommendations for the Legislature by Dec. 31, 1999.

Gary Carlson, representing the League of Minnesota Cities, said the league supports the bill. He said many of the corporations were formed as foundations or scholarships to address concerns of people who wanted to make sure their donations were going to a specific cause. Joel Jensen, an attorney representing the Central Todd County Care Center, said the bill was a temporary solution to deal with an unfair law. "We are like a dolphin in a tuna net, he said, "The current law is an involuntary statutory dissolution of corporations. The bill allows corporations qualified to do business and that own land to continue to exist." He said the Central Todd County Care Center was a corporation formed by the city of Clarissa, but the city no longer has involvement in the corporation.

Sen. Steve Kelley (DFL-Hopkins) said the history of the current law was that in 1997 a bill included a provision requiring corporations formed by political subdivisions to be created with specific statutory authorization because of concerns that the corporations were being formed to bypass open meeting requirements. Kelley said in 1998 the state auditor determined the law could be applied retroactively to existing corporations. Kelley said the long term solution was to establish criteria for corporations formed by political subdivisions to ensure they are held accountable to the public. He offered an amendment deleting the sunset provision, so further recommendations could be made to address the issue. The amendment was adopted. The bill was approved and forwarded to the Governmental Operations Committee.

S.F. 416, authored by Sen. Linda Higgins (DFL-Mpls.), allows specific employees hired after a special law was

enacted for the city of Minneapolis, to be eligible for the city's deferred compensation plan. Scott Knight, the business manager for the International Brotherhood of Electrical Workers Local 292, said the full-time employees hired as building and construction trade workers, stagehands, production technicians, electrical workers, and apprentices, have temporary status and thus are not eligible for 401K benefit plans. He said many of the workers have been employed for over five years and the bill qualifies these employees for the deferred compensation plan available to other permanent, full-time employees. Higgins said the city of Minneapolis had no objection to the bill. The bill was approved and recommended for the Consent Calendar.

S.F. 615, also authored by Higgins, amends the Minneapolis Park and Recreation Board's personnel section by adding a job classification for assistant superintendent for development. Brian Rice, an attorney representing the board, said the legislation was needed because the city's charter requires job classifications other than elected positions and department heads, to be part of civil service commissions. He said the city must come to the Legislature for approval in creating other unclassified positions. Kelley asked Rice why the city didn't change its charter to incorporate an easier method to create unclassified management positions. Rice said to change the charter requires approval by Minneapolis voters. Sen. Charles Wiger (DFL-North St. Paul) suggested amending the bill to incorporate language similar to requirements found in the Public Employees Labor Relations Act (PELRA) so that the city council could establish unclassified managerial positions. Higgins said she would draft the amendment and offer it on the Senate floor. The bill was approved and forwarded to the Senate floor.

S.F. 556, authored by Sen. Pat Piper (DFL-Austin), clarifies the municipal tort liability law. Piper said the bill was a response to a situation involving the Shooting Star Trail in Mower County. She said twelve miles of the trail run underneath or next to a power line owned by the Southern Minnesota Power Agency (SMPA). She said SMPA has been concerned about its liability should a user of the trail be injured. The bill limits the liability of a power agency for

injuries incurred by a person using the trail, Piper said.

The bill was approved and forwarded to the Judiciary Committee.

Five bills forwarded

The Local and Metropolitan Government, chaired by Sen. Jim Vickerman (DFL-Tracy), heard five bills, Weds., Mar. 3.

S.F. 616, offered by Sen. Leonard Price (DFL-Woodbury), changes the length of terms for housing and redevelopment authority commissioners in Washington County from five years to two years. Richard Stafford, Washington County commissioner, said the county board appoints the housing and redevelopment authority commissioners and the bill gives county commissioners, elected for four year terms, more input into who serves on the housing and redevelopment authority. Stafford said that in 1998 a housing and redevelopment commissioner was appointed in January, and subsequently a county commissioner was elected in November. He said because of difference in the length of terms, that county commissioner has no input over who serves in that seat on the housing and redevelopment authority. "We take the appointments seriously. We conduct interviews and really relish all the input we can get," he said. Price said in 1995 Dakota County made a similar change and thus there is a precedent for the change in the length of terms. The bill was approved and forwarded to the Senate floor.

S.F. 760, authored by Sen. William Belanger (R-Bloomington) authorizes county boards to establish a procedure for imposing civil penalties for violations of planning and zoning ordinances as well as ordinances relating to the protection of water resources. Joe Harris, Dakota County commissioner, said having to prosecute violators in District Court is a costly and inefficient enforcement collection process for counties. "We are looking to add teeth to the enforcement laws regarding the shoreline violations that are happening," he said. He said the bill allows counties to collect fines through property taxes. The bill was approved and forwarded to the Judiciary Committee.

Vickerman offered S.F. 373, appropriating \$600,000 for each year of the biennium to the Office of Strategic and

Long Range Planning for grants to regional development commissions. He said the grants would be used to support planning work on behalf of local units of government. Randy Jorgenson, executive director of the Southwest Regional Development Commission, said all the state's rural areas are served by the commissions. He said the grants would be used for land use planning projects. The bill was approved and forwarded to the State Government Finance Committee.

S.F. 716, authored by Sen. John Hottinger (DFL-Mankato), appropriates \$200,000 to the Office of Strategic and Long Range Planning for a grant to the city of Mankato to complete a planning study. Hottinger said the grant contains a local matching requirement for administration, technical, and higher educational internship support and supervision, the amount to be determined by the commissioner of the Dept. of Finance. Pat Hentges, city manager of Mankato, said the Mankato Area Growth Management and Planning Study (MAGMAPS) has been a successful multi-governmental effort involving the cities of Mankato, North Mankato, Eagle Lake, as well as Mankato Township, South Bend Township, Lime Township, Belgrade Township, and Blue Earth and Nicollet counties. He said the first phase of the project involved working with Minnesota State University to draft a preliminary report containing land use data and recommendations to pursue growth management measures. Dr. Anthony Filipovitch, dean of Graduate Studies at Minnesota State University, said the appropriation will be used for the second phase of the project that addresses issues identified in phase one. He said the plan builds on the common ground of the municipalities involved. The bill was approved and sent to the State Government Finance Committee.

S.F. 891 authored by Hottinger, clarifies tort liability for snow and ice conditions on highways and public sidewalks. Hottinger said there is a lot of confusion with the current law, in which a municipality is not liable for a claim based on snow or ice conditions on a highway or public sidewalk that does not abut a public owned building or parking lot, except when the condition is affirmatively caused by the negligent act of the municipality. He said the bill

changes the law so that a municipality is liable to the extent it would be in its own jurisdiction and the municipality in which the property is located would be immune, except when the condition is affirmatively caused by the latter municipality's own negligent acts. John Hennen, an attorney representing the League of Minnesota Cities, said that in cases where a municipality owns a building in another municipality, the bill clarifies that whoever owns the building is liable for a negligent act. He said currently, when a person slips on a public sidewalk, they can sue the city, the county, the state, and other public entities like school districts because the building is located in each of those jurisdictions. Hennen said the bill makes it clear that jurisdictions are responsible for the buildings they own. The bill was approved and forwarded to the Judiciary Committee.

Rules and Administration

Legislative ethics discussed

Alan Rosenthal, a professor in the Eagleton Institute of Politics at Rutgers University, discussed legislative ethics issues with members of the Rules and Administration Subcommittee on Permanent and Joint Rules and the Subcommittee on Ethical Conduct, chaired by Sen. Ember Reichgott Junge (DFL-New Hope), Thurs. Feb. 25.

Rosenthal, who said he has monitored the legislative process in Minnesota intensively, first discussed the issue of conflict of interest. Rosenthal said almost everything a Legislator does today can give the appearance of a conflict of interest, even though he believes most Legislators avoid actual conflicts of interest. However, he said, because even the appearance of a conflict can undermine public confidence, conflict of interest is an issue Legislators should be concerned about. To address these concerns, Rosenthal discussed five methods that can be utilized to avoid a conflict of interest.

The first means to avoid a conflict of interest, Rosenthal said, is for a Legislator to disclose all financial information. However, Rosenthal said he does not put much stock in a sweeping financial disclosure, because, he said, the information provided is more useful to scandal driven reporters and muckraking oppo-

nents than it is for citizens and constituents. It is more useful for citizens, he said, to simply look at such things as voting records for more important information regarding a particular Legislator. Another means to avoid a conflict of interest, Rosenthal said, is to prohibit certain types of outside employment for a Legislator. He said this entails forbidding a Legislator employment with any agency or institution dependent on state funding, and prevents a Legislator from being named to a particular position after being elected or because they were elected. Rosenthal said this option is problematic because it makes it more difficult for people to earn a living outside the Legislature. Such a measure, he said, makes it so only the wealthiest can afford to run for an elected position. Third, Rosenthal said a conflict of interest can be prevented by allowing Legislators to abstain from voting on an issue that may be perceived as a potential conflict for them. This, he said, allows a Legislator to bring forward a situation and be saved from defending their vote later. However, Rosenthal said, this method can also be used by some Legislators to save themselves from making a difficult decision, and it denies their constituents proper representation. As another means to avoid potential conflicts of interests, Rosenthal also said Legislators could take more responsibility for advising fellow Legislators on the issue. This, he said, allows Legislators to receive advice from their peers on any issue. He said unofficial advising systems in Legislatures are already in place, but he added that members should have an opportunity to participate in some sort of ethics training to help in the advisement of peers. Finally, Rosenthal said, a Legislature could cease being a citizen Legislature to become full time. The effect of this, he said, raises pay for Legislators and gives them no reason to seek additional income. However, he said, this move may also cause Legislators to lose perspective on the outside world if they do not have some type of outside contact or employment. In summation, Rosenthal said in a field where almost anything can be perceived as a potential conflict, tightening the rules on Legislators is not the answer to the conflict of interest problem.

Rosenthal also discussed lobbyist conduct, which he said is not as big an

issue as conflict of interest. Rosenthal said he believes the current lobbyist regulation system works fairly well, because a lobbyist must provide correct information in order to keep their credibility. He said if a lobbyist misleads a Legislator, they will soon have no job or influence. It is not in a lobbyist's best interests, he said, to be dishonest. Rosenthal also said a strict set of lobbyist related laws is not likely to have the desired effect. This is because, he said, Legislators or lobbyists who want to circumvent the laws will find ways to do it. Instead, he said, honest Legislators or lobbyists—who may have misread or simply not known about a particular law—are likely to be the ones to get caught. Rosenthal said it would be best to either leave the lobbyist laws and regulations as they are, or to make small changes.

Committee on Taxes

Technical bills approved

The Committee on Taxes met Mon., Mar. 1 to hear two bills. The hearing was chaired by Sen. Linda Scheid (DFL-Brooklyn Park).

S.F. 381, authored by Sen. Sandra Pappas (DFL-St. Paul) makes technical changes to the mortgage registry and deed tax laws. Pat Finnegan, an attorney from the Dept. of Revenue said the bill updates outdated language, and moves provisions into a more logical order. The bill was approved and forwarded to the Senate floor.

S.F. 382, offered by Scheid, is the Dept. of Revenue's technical bill. The bill was approved and forwarded to the Senate floor.

Military pay exemption heard

Two bills exempting from the state income tax part of the pay received by active duty military personnel who are Minnesota residents but stationed outside the state were heard in the Taxes Subcommittee on Sales and Income Tax Weds., Mar. 3. One bill, S.F. 8, carried by Sen. Don Betzold (DFL-Fridley), exempts the first \$5,000 earned. The other bill, S.F. 247, carried by Sen. Claire Robling (R-Prior Lake), exempts eleven twelfths of the military pay.

Robling said that many states don't tax military pay and it is common for many Minnesotans in the military to change

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residency to escape the taxes. She said that her bill proposes that eleven twelfths of the pay be exempt from the income tax because most military personnel receive 30 days of leave and it is assumed that those personnel would come home to Minnesota where they would receive state services for a month.

Betzold said that the first \$5,000 of military pay used to be exempt from the state income tax, but the exemption was removed a few years ago during a budget shortfall. He said that part of the rationale at that time to impose the state income tax is that military pay is subject to federal income tax and state law should conform. The problem with that argument, Betzold said, is that while military personnel receive federal services, they don't receive state services if they're stationed outside Minnesota. Betzold said he prefers Robling's bill over his own. Sen. Steve Murphy (DFL-Red Wing), chair of the subcommittee, said that while he supports the bill, it must be kept in mind that Minnesota treats its veterans much better than most other states with educational benefits and veterans' homes. The panel planned to consider the concept of exempting military pay from the income tax for inclusion in the omnibus tax bill.

The subcommittee also considered S.F. 268, authored by Sen. Sam Solon (DFL-Duluth). Solon said the bill is a response to a ruling by the Dept. of Revenue on a provision in last year's omnibus tax bill that materials used to construct the Western Lake Superior Sanitary District's (WLSSD) biosolids processing plant were not tax exempt. Kurt Soderberg, executive director of the WLSSD, said that when the provision was passed last year, it was understood that the construction materials were exempt from the sales tax. He said that by exempting the materials, it frees up \$450,000 in the state revolving loan fund that is used to finance the construction of the facility and other similar facilities throughout the state. Murphy said the proposal would be considered for inclusion in the omnibus bill.

A proposal to reduce sales taxes on lawful gambling activities, S.F. 432, sponsored by Sen. Jim Vickerman (DFL-Tracy), was also considered by the panel. Vickerman said that the bill reduces taxes on lawful gambling by 20 percent, resulting in an additional \$11.2 million

for charities. The panel took no action on the proposal.

Finally, the subcommittee heard S.F. 353, authored by Sen. Becky Lourey (DFL-Kerrick). Lourey said the bill reduces the sales tax on prefabricated homes to 65 percent of the manufacturer's wholesale list price, just as it is applied to manufactured homes. Currently the sales tax is applied to the total cost of a prefabricated home. Murphy indicated the proposal would also be considered for the omnibus bill.

Transportation

School zone speed limit offered

Sen. Jane Krentz (DFL-May Township) proposed a bill establishing a school zone speed limit to the Transportation Committee, chaired by Sen. Carol Flynn (DFL-Mpls.), at its meeting Thurs., Feb. 25. S.F. 663 imposes a speed limit of 25 miles per hour in school zones when children are present, arriving at or leaving school during opening or closing hours, or during school recess periods.

"Minnesota is one of the few states in the country that doesn't have a mandatory school speed limit," Krentz said. She said local governments attempting to lower a speed limit around schools run into a tremendous amount of red tape and delays. "I don't think parents should have to work so hard to ensure the safety of their children," she said.

Sgt. Steve Mortenson of the Lino Lakes Police Department said there are two elementary schools and a middle school in Lino Lakes. Two of the schools have a 30 mph speed limit and the third has a 35 mph limit. "We have strict enforcement, but we have had serious accidents in the past," he said. He said a stop light has been placed at the middle school, and in general people adhere quite well to the speed restrictions. Mortenson said he is questioned by drivers as to why the speed limits are different at the three schools. "It's ludicrous to have different speed limits," Mortenson said. "It's much easier for the public if there is one speed limit at all school zones." Mortenson added that the slower a person is traveling, the quicker he or she can stop.

John Powell, a city engineer for Lino Lakes, said he has looked to the Department of Transportation (MnDOT) in setting speed limits in areas other than schools. He said in the school zone,

MnDOT considers a component of the speed limit to be the typical speed limit in the area. "I don't think that's how we should set speed limits in a school zone," Powell said. He also said he did not believe a school zone should wait for accident numbers to determine the speed limit.

Mike Hughes, transportation director for Centennial School District, recounted his experience with an elementary school with over 1,000 children. The school was located in an area with a 50 mph speed limit. "We thought that was too high for kids walking to school," he said. "We asked for a speed study by MnDOT, and as a result of the study, MnDOT suggested the speed limit be raised to 55 mph." He said flashing lights were installed and the school established a 35 mph zone, but the process took eight months.

Flynn said she believes there is a feeling that the Legislature should not tell local communities what to do, and she is not sure every school district wants a 25 mph speed limit. Krentz said she picked 25 based on limits set in nearby states. Several had 15 mph limits; 25 is in the higher range. Sen. Claire Robling (R-Prior Lake) said she considered 25 mph to be too low; she said 30 mph is the standard speed in residential neighborhoods.

Karl Rasmussen of the Traffic Engineering Division of MnDOT said the department has concerns about the impacts of speed limits on schools. He said speed limit requirements around urban schools and rural schools might be different. Rasmussen stated that MnDOT is concerned with safety around the schools but also looks at location of the schools, access, turn lanes and traffic control devices. He said some rural schools are built near highways, and he believes a 25 mph school zone speed limit across the state can present enforcement and safety problems.

"I agree there are a number of components involved," Krentz said, "but I don't see why 25 states and the District of Columbia can manage to have school zone limits, many of them lower than 25 mph." She said that people can read speed limit signs and adjust to them. "I think our children warrant this extra protection," she noted. Sen. Steve Murphy (DFL-Red Wing) said he does not understand why slowing down causes

problems. "Sometimes I think we need to throw out the play book and do what needs to be done," he said. "Second and third graders can be pretty oblivious when they are running after a ball."

An amendment, offered by Robling, to change the school zone speed limit to 30 mph failed. Sen. Randy Kelly (DFL-St. Paul) said he supported the bill, but wanted it sent to the Transportation Budget Division to receive funding for public awareness. "We should spend some money to educate people about the speed limit," he said. He moved to amend the effective date of the bill to Sept. 1, 1999. Kelly said he believed the bill would get more attention if it became effective at that time. The amendment prevailed. The bill was approved and sent to the Senate floor.

Murphy presented S.F. 480, a bill that changes existing laws so port authorities can keep some of the revenues of leases or management contracts. Currently those revenues must be returned to the state.

Myron White, executive director of the Red Wing Port Authority, said any net revenue has to be returned to the Department of Finance. Peter Sausen of the Department of Finance said he agreed ports are unique, and the department does not oppose the bill.

S.F. 480 was approved and sent to the Senate floor.

A bill, S.F. 512, authored by Sen. Janet Johnson (DFL-North Branch), creates a major transportation projects commission to prioritize transportation projects in which MnDOT is involved. Under the bill, the commission consists of the governor, three citizens and 10 Legislators.

"Too many major projects are stuck in limbo," Johnson said. She said establishing the commission will draw more attention to transportation, especially with Legislators and the public working together.

Fred Corrigan, executive vice president of the Minnesota Transportation Alliance, spoke in favor of the bill. "This bill brings more major partners to the table on projects," he said.

The bill was laid over. S.F. 695, also authored by Johnson, allows vehicle purchasers to pay a prorated license fee after transfer from a dealer. The bill was referred to the Transportation Budget Division without a discussion.

Transportation Budget Division

Safety council, transit reports

Reports on the Minnesota Safety Council and transit were offered to the Transportation Budget Division Weds., Mar. 3. The division is chaired by Sen. Janet Johnson (DFL-North Branch).

Carol Bufton, president of the Minnesota Safety Council, said the council's mission is to make Minnesota a safer place to live. Bufton said unintentional injuries are the leading cause of death for people ages 1 to 34, and the fifth leading cause of death overall. "Motor vehicle injuries are the leading cause of unintentional-injury death among Minnesotans from ages 1 to 74," she said. Bufton said the Safety Council has three goals—to decrease death and injury from preventable causes; draw public attention to safety measures; and locate resources for its activities. She said the council began in 1967 with a budget of \$40,000 a year. The council now operates with a budget of \$4 million.

Bufton said the Safety Council loans or gives car seats to low-income families and provides training on how to correctly use the car seats. Another project the council offers is the Safety Safari, an interactive telephone experience for children of all ages. Safety Safari provides over 200 safety tips at the touch of a telephone for children and adults who interact with children. The Safety Council also provides bicycle helmets and smoke detectors to low-income families.

Natalio Diaz, transportation director for the Metropolitan Council, said the Metro Transit System is requesting \$9.4 million for base service preservation and \$5.5 million for service improvements. He said a ridership increase of 9.025 million is expected for the biennium.

"Transit is a good investment, and businesses agree. We've had more partnerships," said Art Leahy, general manager for Metro Transit. He said the past 12 months have been very good for the company. He said Metro Transit has done more radio and TV marketing, added new lines, improved welfare to work transportation, yet has had no fare increases.

Leahy said corporations subsidize passes for their employees, and offer transit passes as part of their employment

package. He said American Express reported a 60 percent increase in transit use by their employees in four months.

Jim Solem, regional administrator of the Metropolitan Council, said Minnesota is in a very tough, competitive place for Light Rail Transit (LRT) funding. "There are 180 communities across the United States that want money for LRT," he said. "There are only enough federal funds for half a dozen communities." He said the Federal Transit Administration ranks which communities are best prepared. Solem said two qualifications must be met before receiving any LRT funding. "Communities have to have their land use planning act together, and they have to have a local match. No money, no rail line," he said.

Lolly Lijewski, chair of the Consortium for Citizens with Disabilities, said her organization supports the budget request for transit and Metro Mobility. She said there is a changing pattern in housing, with more disabled people living in the suburbs and needing better transportation. She also said more of the disabled are working and have increased transportation needs.

Joel Ulland of the Minnesota Chapter of the National Multiple Sclerosis Society said he represents 5,500 Minnesotans with multiple sclerosis. He said the transportation for the disabled has improved greatly, but there are still problems. He said the service in St. Paul and Minneapolis is effective, but service in the suburbs ends at 7 p.m. "People can't hold down a job with evening hours, or attend any of their children's school events," he said. "More options need to be available for people with disabilities." He said service in the suburbs and rural areas needs to improve.

The Minnesota Public Transit Association began in 1975 and today has 175 members, according to Dave Tripp, director of St. Cloud Metropolitan Transit. He said the biennial funding request for Greater Minnesota is \$6.738 million higher than the governor has recommended.

Representatives from Steele County, Chisago/Isanti and Duluth spoke of their transit accomplishments and needs. Jackie Forner, director of the Chisago/Isanti Heartland Express, said the transit system in her area has expanded from three buses in 1994 to eight buses traveling over 313,000 system miles. She

Committee update

said 442 rides have been given in the past year for people in welfare to work programs. Shawn Branzold, transit coordinator for Steele County Transit (SCAT), said the transit system operates with two buses. Doug Warner, also working with SCAT, said the jump in numbers of passengers has been amazing. In February 3,500 passengers used the transit. "We're having to turn people down," he said. The buses use a dial-a-ride system.

Floor action

Bad check bill gains

A bill creating a felony penalty for writing bad checks was among those gaining preliminary passage at the Mon., Mar. 1, Senate floor session. The measure, S.F. 441, authored by Sen. Allan Spear (DFL-Mpls.), also provides that counties may establish pre-trial diversion programs to teach financial management and budgeting to non-criminal bad check writers. Spear said, "Minnesota has a check culture....unlike other parts of the country. We write checks and expect them to be honored because we trust one another." However, Spear said bad checks are a serious problem.

He said that there are two types of bad check writers: those who are careless but have no criminal intent and those who may be considered "bad check artists" and write checks for large sums of money with theft as the intent. The bill, Spear said, attempts to address both problems. First, the measure makes the penalties for misdemeanors and gross misdemeanors consistent with the penalties for other types of theft. In addition, the bill also creates a felony penalty for writing bad checks for \$500 or more. Spear said the bill provides serious consequences for serious bad check writers. For persons without criminal intent, the bill authorizes prosecutors to refer bad check writers to a pre-trial diversion program to teach the offender better money management practices. Upon successful completion of the diversion program, the individuals are not subject to further criminal penalties, according to the bill. Spear also emphasized that the bill does not mandate the creation of the diversion programs.

Sen. Warren Limmer questioned setting the threshold for the felony

penalty at \$500. He said that the sum was too low and that the low threshold could result in many more individuals being charged with felonies. Spear agreed that the figures for the penalties contained in the bill may be too low, however, he said the bill is simply an attempt to provide conformity with the penalties for other types of theft. He said that it might be necessary to raise the various penalty thresholds, but that it should be done for all theft crimes.

Members also granted preliminary approval to several additional bills on General Orders. S.F. 162, authored by Sen. Randy Kelly (DFL-St. Paul), makes specific changes to provisions relating to health coverage for survivors of police officers and firefighters killed in the line of duty. H.F. 248, carried by Sen. David Ten Eyck (DFL-East Gull Lake), permits the location of a branch bank in the town of Crooked Lake. S.F. 579, sponsored by Sen. Jim Vickerman (DFL-Tracy), authorizes ambulance services to participate in shared service purchasing. S.F. 794, authored by Sen. Dave Kleis (R-St. Cloud), modifies provisions of the one call excavation notice system.

Senators also granted final passage to a bill on the Consent Calendar. S.F. 464, sponsored by Kelly, delays the effective date for classifying Carisoprodol as a schedule IV controlled substance.

Ten bills were given final passage on the Senate Calendar. S.F. 297, authored by Sen. Martha Robertson (R-Minnetonka), modifies provisions relating to special education and provides for rulemaking. S.F. 50, carried by Sen. Steven Novak (DFL-New Brighton), abolishes the sunset provisions repealing performance-based gas purchasing plans. S.F. 343, sponsored by Sen. David Knutson (R-Burnsville), makes changes in provisions about certificates of title and the Common Interest Ownership Act. S.F. 370, carried by Sen. Charles Wiger (DFL-North St. Paul), provides Independent School District #622, North St. Paul-Maplewood-Oakdale, with alternative facilities bonding and levy program authority. S.F. 407, authored by Sen. Dean Johnson (R-Willmar), amends a grant to the McLeod West School District #2887.

H.F. 214, sponsored by Sen. Dallas Sams (DFL-Staples), modifies volunteer ambulance attendant provisions. S.F. 9, carried by Sen. Don Betzold (DFL-

Fridley), provides for the abolition of a police civil service commission by a unanimous vote of the city council. S.F. 685, authored by Sen. Steve Kelley (DFL-Hopkins), deregulates coin-operated or public pay telephones under state law and authorizes the Public Utilities Commission to assess administrative penalties for anticompetitive activities by telecommunication providers. S.F. 690, sponsored by Sen. Jerry Janezich (DFL-Chisholm), is a resolution requesting a ban on the importation of certain steel products. S.F. 757, carried by Sen. Ember Reichgott Junge (DFL-New Hope), is a resolution memorializing Congress to enact legislation to prohibit federal recoupment of the state tobacco settlement recoveries.

Senators also passed a Senate Resolution recognizing a day of remembrance, Feb. 19, 2000, for Japanese internees. "S.R. 39 is to remember one of the most tragic events in American history," said Spear, the resolution's chief author. "The removal and internment of more than 100,000 Japanese Americans during World War II is all the more tragic because there was probably no immigrant group which was more loyal, more dedicated and more hardworking than Japanese Americans," Spear said, "Yet, their very success aroused jealousy and resentment among their neighbors. This resolution simply remembers the ordeal of the Japanese Americans."

The Senate on the world wide web

Now you can get information about the Minnesota Legislature. In a joint effort, the Legislative Reference Library, the Office of the Revisor of Statutes, the Senate and the House of Representatives maintain a World Wide Web site.

The site contains the texts of House and Senate bills, bill status information, biographical material about members, current daily and weekly schedules, the complete Minnesota Statutes, committee membership lists and more. To access the Legislature's World Wide Web site, simply point your browser to:

<http://www.leg.state.mn.us>

The Legislature's World Wide Web site is a dynamic entity and more informational items are being added. The Web site makes an incredible amount of information instantly available to anyone who has computer on-line capabilities.

Preview

Monday, March 8

The Senate is in Session at 9:30 a.m.

Election Laws Committee

Chair: Sen. John Marty

12 noon Room 112 Capitol

Agenda: S.F. 6-Larson: Primary date change and precinct caucus elimination. S.F. 24-Betzold: Consolidating partisan primary ballot. S.F. 60-Flynn: Primary date and nominations process.

Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

12 noon Room 107 Capitol

Agenda: S.F. 829-Belanger: Human Services to sell state land to Bloomington Housing Authority. S.F. 881-Kleis: Parks and trail plan in central Minnesota. S.F. 943-Krentz: Sale of tax-forfeited land in Washington County. S.F. 669-Morse: County authority to issue administrative penalty orders sunset removal. S.F. 1090-Lessard: Koochiching County eminent domain authority for trust fund land acquisition. S.F. 1091-Lessard: Conveyance of tax-forfeited land in Koochiching County.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: S.F. 727-Kelley, S.P.: Contracts affected by the European Currency. S.F. 1115-Ranum: Process for action for payment or collection of taxes. S.F. 1116-Ranum: Eliminating the filing of duplicated documents; updating the law governing court administrators. S.F. 660-Betzold: Cost of identification for persons with serious and persistent mental illness. S.F. 1039-Betzold: Requiring the publication of public access procedures, etc. Tentative: S.F. 303-Foley: Admissibility of evidence regarding seat belts and passenger restraint systems.

Legislative Coordinating Commission Legislative Reference Library Subcommittee

1:45 p.m. Room 546 State Office Building

Agenda: Elect subcommittee chair and review library's proposed FY 2000-2001 budget.

Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: S.F. 887-Cohen: Bias crimes penalties. S.F. 1008-Foley: Chemical abuse assessments for underage alcohol offenders. S.F. 1109-Junge: Penalties for furnishing or selling alcohol to underage persons, underage consumption penalty, underage liquor law enforcement. S.F. 1180-Pappas: Juvenile court habitual truancy jurisdiction to age 18. S.F. 1120-Wiger: Creating laser assault crime for intentional use of a laser pointer to harm or distract another.

Local and Metropolitan Government Committee

Chair: Sen. Jim Vickerman

2 p.m. Room 107 Capitol

Agenda: S.F. 156-Fischbach: Paynesville area hospital district Richmond annexation authority. S.F. 723-Higgins: Metropolitan Council nonvoting affiliate members and merger study. S.F. 77-Murphy: Goodhue County levy limits. S.F. 338-Murphy: Goodhue County sales of private land. S.F. 854-Langseth: Precluding termination of lawful land uses by amortization. S.F. 855-Scheid: Precluding termination of lawful land uses by amortization. S.F. 856-Olson: Precluding termination of lawful land uses by amortization. S.F. 1108-Robling: Precluding termination of lawful land uses by amortization.

Crime Prevention and Judiciary Budget Division

Chair: Sen. Randy Kelly

5 p.m. Room 125 Capitol

Agenda: To be announced.

Health and Family Security Committee

Chair: Sen. John Hottinger

6 p.m. Room 123 Capitol

Agenda: S.F. 507-Lourey: EMS certification. S.F. 510-Hottinger: Expanding the number of dental hygienists on the Board of Dentistry. S.F. 527-Samuels: Physical therapist licensure. S.F. 651-Morse: Water supply and waste treatment operators. S.F. 983-Kelley, S.P.: Modifying provisions of psychologist licensing. S.F. 984-Kelley, S.P.: Modifying enforce-

ment provisions for the Board of Psychology. S.F. 1042-Piper: Massage therapist registration. S.F. 1099-Kiscaden: Modifying training requirements for nursing assistants. S.F. 1125-Vickerman: Dental assistant licensure. S.F. 1131-Berglin: Increasing MA reimbursement rates for certain dentists, permitting hygienists to practice certain services.

Legislative Coordinating Commission Subcommittee on Employee Relations

6 p.m. Room 112 Capitol

Agenda: Elect officers. Adopt subcommittee rules. Review/approve subcommittee bill. Review/approve budget proposal for 2000-2001 biennium.

Judiciary Subcommittee on Data Privacy and Information Policy

Chair: Sen. Don Betzold

7 p.m. Room 107 Capitol

Agenda: To be announced.

Tuesday, March 9

Environment and Agriculture Budget Division

Chair: Sen. Steven Morse

8 a.m. Room 123 Capitol

Agenda: S.F. 632-Morse: Closed landfill cleanup program; closed landfill report. S.F. 843-Morse: Ag BMP water infrastructure programs.

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8 a.m. Room 15 Capitol

Agenda: S.F. 679-Piper: Developing a plan for consolidating child care and early childhood education programs. S.F. 826-Piper: Technical changes to child care assistance administration. S.F. 610-Lourey: Clarifying eligibility criteria for students under basic sliding fee program; prohibiting counties from paying parents directly for child care expenses; appropriating money for the basic sliding fee program. S.F. 1184-Lourey: Providing grants for training for child care workers; creating an advisory committee. S.F. 1260-Lourey: Consolidating the MFIP and basic sliding fee child care assistance programs.

Preview

Higher Education Budget Division

Chair: Sen. LeRoy Stumpf

8 a.m. Room 107 Capitol

Agenda: HESO budget. S.F. 922-Solon: Private career schools. S.F. 1001-Ten Eyck: Modifying assigned family responsibility; prorating grants for part-time students.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: S.F. 1133-Pogemiller: Department policy bill. S.F. 867-Hanson: Department technical bill.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: S.F. 953-Samuelson: Patient Protection. S.F. 1219-Morse: Establishing a uniform complaint resolution process for health plan companies. S.F. XXX-Wiener: Independent Medical Review Act.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: S.F. 990-Anderson: Ramsey County program for education and dispute resolution services for landlords and tenants. S.F. 1253-Novak: Regulating the taking of prelease deposits. S.F. 312-Dille: Authorizing home rule charter and statutory cities to establish a sidewalk utility.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

12 noon Room 15 Capitol

Agenda: Budget overview: Secretary of State; Capitol Area Architectural and Planning Board.

Transportation Budget Division

Chair: Sen. Janet Johnson

12 noon Room 112 Capitol

Agenda: Tom Beer, AFSCME, discussion of staffing levels at MnDOT. S.F. 394-Kleis: Vehicle registration form. S.F. 471-Belanger: Mississippi River Parkway Commission. S.F. 695-Johnson, J.B.: Prorated license fee.

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

2 p.m. Room 107 Capitol

Agenda: S.F. 791-Scheevel: Authorizing owners or occupiers of certain land to take one deer per year if the animal is causing damage. S.F. 708-Stumpf: Transferring the farmer-lender mediation program to the Minnesota Extension Service. S.F. 670-Vickerman: Prohibiting discrimination in prices in certain livestock transactions. S.F. 931-Vickerman: Appropriating money for the state agricultural experiment stations.

Commerce Committee

Chair: Sen. Sam Solon

2 p.m. Room 112 Capitol

Agenda: S.F. 1330-Solon: Omnibus banking bill. S.F. 208-Wiger: Mandating coverage for cochlear implants. S.F. 243-Cohen: Requiring coverage for eyeglasses and hearing aids.

Economic Development Budget Division

2 p.m. Room 123 Capitol

Agenda: Board of Mediation budget overview.

Legislative Audit Commission

Chair: Rep. Dan McElroy

3 p.m. Room 300 South State Office Building

Agenda: Program evaluation topic selection. Review program evaluation report on counties' use of administrative penalties for solid and hazardous waste violations. Review of financial audit reports on: Office of Technology and Minnesota State Retirement System.

Health and Family Security Budget Division

Chair: Sen. Don Samuelson

4 p.m. Room 112 Capitol

Agenda: Budget overview: Department of Human Services.

Property Taxes and Local Government Budget Division

Chair: Sen. Sandra Pappas

4 p.m. Room 15 Capitol

Agenda: S.F. 976-Novak: Changing the class rate for manufactured home parks.

S.F.1141-Hottinger: Class rate decrease for manufactured home parks. S.F. 392-Hanson: Reduced class rate for certain property bordering public waters. S.F.949-Frederickson: Homestead treatment for property leased to family farm corporation. S.F. 864-Robling: Local government units-tax forfeited land. S.F.885-Marty: Alternative property tax refund. S.F.1007-Larson: Permitting a political subdivision to forgive interest and penalties on deferred property tax. S.F. 1191-Pappas: Modifying the property tax refund schedule.

Judiciary Subcommittee on Family Law

Chair: Sen. Leo Foley

6 p.m. Room 123 Capitol

Agenda: S.F. 487-Foley: Reviving the summary dissolution process. S.F. 834-Knutson: Changing requirements and procedures for the putative father's adoption registry, communication or contact agreements. S.F. 23-Foley: Eliminating the administrative process for child support. S.F. 368-Runbeck: Clarifying support withholding of income from certain independent contractors in the motor carrier industry. S.F. 883-Dille: Covenant marriages. S.F. 884-Dille: Reduced marriage license for couples who obtain premarital counseling.

Wednesday, March 10

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8 a.m. Room 15 Capitol

Agenda: S.F. 544-Lourey: Raising certain reimbursement rates for child care providers. S.F. 980-Kelley, S.P.: Transitional housing; appropriating money to Perspective, Inc. S.F. 991-Novak: Relating to Ramsey County; clarifying the county's role in the after-school enrichment program. S.F. 1062-Higgins: Establishing a statewide information and referral services system; appropriating money.

Higher Education Budget Division

Chair: Sen. LeRoy Stumpf

8 a.m. Room 107 Capitol

Agenda: S.F.467-Murphy: Requiring

student vaccinations for Hepatitis B. S.F.518-Hottinger: Taylor Center construction, Mankato. S.F. 1200-Wiener: Reducing student share modifying child care grants. S.F. 968-Ten Eyck: Grants for laboratory schools.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: S.F. 748-Ranum: Juvenile Out of Home Placement Task Force recommendations. S.F. 814-Johnson J.B.: Pesticide in schools. S.F. 892-Knutson: Threshold age of alternative facilities. S.F. 1149-Janezich: Additional finds for facility expenditures.

Governmental Operations and Veterans Committee

Chair: Sen. James Metzen

10 am Room 15 Capitol

Agenda: S.F. 846- Ranum: Establishing requirements relating to out-of-home placements of juveniles, establishing work groups, requiring rules; S.F. 1117-Olson: Requiring bleacher safety; S.F. 904- Metzen: Authorizing grants for certain athletic facilities and programs, dedicating the use of a portion of excise and use tax receipts.

Transportation Committee

Chair: Sen. Carol Flynn

10 a.m. Room 112 Capitol

Agenda: S.F. 702-Vickerman: County review and approval of real property bordering county highways; S.F. 739-Murphy: Authorizing blue lights on motorcycles; S.F. 778-Sams: Release of a security interest on a vehicle; S.F. 802-Belanger: Grant to City of Savage for preliminary engineering and environmental studies; S.F. 1009-Foley: Enforcing traffic signal laws with photographic evidence; S.F. 1012-Lessard: Road and bridge fund accounting in Itasca County; S.F. 1150-Johnson, J.B.: Fixing speed limit in rural residential districts; S.F. 1212-Hanson: Newspaper delivery vehicles to drive on left half of roadway in certain circumstances.

The Senate is in Session at 12 noon.

Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

12 noon Room 107 Capitol

Agenda: S.F. 83-Stevens: Changing classification of public waters wetlands. S.F. 226-Murphy: Modifying legal firearm requirements for taking big game. S.F. 459-Fischbach: Public sale of tax-forfeited land in Stearns County. S.F. 1173-Robling: Approving the granting of a permit for the consumptive use of groundwater. S.F. 1287-Berg: Prohibiting taking wild animals with firearms within 500 feet of an occupied building on public land without permission.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: S.F. 569-Ranum: Counties to establish programs for alternative responses to child maltreatment.

Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: S.F. 486-Junge: Firefighter criminal background check. S.F. 1023-Cohen: Crime victim reparations procedures, scope expanded, claims period extended in child abuse cases. S.F. 1087-Spear: Authority to set local corrections fees transferred from court to county corrections agency. S.F. 1152-Kelly, R.C.: Part-time peace officer cap, training. S.F. 624-Murphy: Firefighter training and education board, local reimbursement.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

2 p.m. Room 125 Capitol

Agenda: Budget overview: Amateur Sports Commission, National Sports Center; Office of the Attorney General.

Local and Metropolitan Government Committee

Chair: Sen. Jim Vickerman

2 p.m. Room 107 Capitol

Agenda: S.F. 592-Vickerman: Preserving shooting ranges from planning/zoning laws. S.F. 758-Price: Appropriation for metropolitan regional parks. S.F. 768-

Pappas: Ramsey personnel process changes. S.F. 817-Ten Eyck: Creating irrebuttable presumption for forestry activities. S.F. 1221-Johnson, D.H.: Richfield/airport.

Health and Family Security Budget Division

Chair: Sen. Don Samuelson

4 p.m. Room 112 Capitol

Agenda: Budget overview: Department of Human Services.

Tax Conference Committee

Chairs: Sen. Douglas Johnson and Rep. Ron Abrams

4 p.m. Room 15 Capitol

Agenda: H.F. 1: Tax rebate.

Legislative Commission on Pensions and Retirement

Chair: Rep. Harry Mares

5 p.m. Room 300 North State Office Building

Agenda: Report on 7/1/1998 actuarial valuations and recommendations for actuarial assumption and standards changes - Thomas K. Custis, F.S.S., Milliman and Robertson, Inc. Consulting actuary retained by the commission. H.F. 152/S.F. 183-Johnson, J.B.: MSRS-correctional expansion of plan coverage to Cambridge Hospital METO Program employees. H.F. 410/S.F. XXX: MSRS-correctional transfer of MSRS-general service credit in certain instances. H.F. 435/ S.F. 235-Metzen: MSRS-general purchase of Laborer 1 Classification service credit. H.F. 1080/S.F. 1254-Neuville: PERA-P&F; grandparent coverage for certain Rice County correctional employees. H.F. 1179/ S.F.XXX: Teacher plans; prior military, out-of-state and maternity service credit purchases. H.F. 589/S.F. 772-Pogemiller: Tax sheltered annuities; expansion of vendors for employer matching contributions. H.F. 708/S.F. 711-Johnson, D.H.: Major plans; purchase and construction of office building.

Health and Family Security Committee

Chair: Sen. John Hottinger

6 p.m. Room 123 Capitol

Agenda: S.F. 369-Piper: Physicians assistant immunity. S.F. 538-Marty:

Preview

Hazardous substances in tobacco products. S.F. 1074-Hottinger: HIV vaccine research for insurance underwriting health information use limit. S.F. 1075-Hottinger: STD/ HIV prevention and treatment and substance use prevention grants. S.F. 1137-Kiscaden: Adolescent health grant program. S.F. 1202-Spear: Occupational exposure to bloodborne pathogens protocol. S.F. 1269-Moe, R.D.: Governor's tobacco settlement endowment bill. S.F. XXX-Stumpf: Vertical heat exchangers.

Judiciary Committee

Chair: Sen. Jane Ranum

6 p.m. Room 15 Capitol

Agenda: S.F. 796-Junge: Control share acquisition statute opt-out. S.F. 551-Junge: Short form notification in lieu of personal service orders for protection. S.F. 556-Piper: Making changes to municipal liability. S.F. 84-Cohen: Prohibiting the filing of fraudulent liens. S.F. 233-Ten Eyck: Definite and specific descriptions for certain easements.

Subcommittee on Claims

Chair: Sen. Randy Kelly

6 p.m. Room 400 North State Office Building

Agenda: Claims against MN District Court. Claims against MN Dept. of Human Services. Claims against MN Dept. of Corrections.

Thursday, March 11

The Senate is in Session at 8 a.m.

Children, Families and Learning Subcommittee on Teacher Preparation

Chairs: Sen. Sandra Pappas and Senator Deanna Wiener

10 a.m. Room 107 Capitol

Agenda: Discussion of subcommittee bills.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: S.F. 846-Ranum: Out of home placement. S.F. 1267-Kiscaden: Employer immunity for reference checks for home health care and nursing home providers.

S.F. 894-Foley: Health care providers to designate a credentials verification entity. S.F. 1268-Kiscaden: Prompt payments by HMO's and non-profit health service plan corporations of certain claims made by home care providers.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: S.F. 861-Moe: Creating the Upper Red Lake business loan program. S.F. 1046-Kelly, R.C.: Modifying application content requirements for contamination clean-up grants.

Governmental Operations and Veterans Committee

Chair: Sen. James Metzen

12 noon Room 15 Capitol

Agenda: S.F. 709-Stumpf: Authorizing the commissioner of administration to award a preference of as much as six percent in the amount bid for specified goods or services to small businesses; S.F. 810-Wiener: Prescribing the powers and duties of the legislative audit commission and the legislative auditor; S.F. 215-Dille: Appropriating money for a national World War II memorial; S.F. 1339-Metzen: Appropriating money for a national World War II memorial; S.F. 859-Samuelson: Appropriating money for operation, renovation, and maintenance of the Minnesota military museum; S.F. 1078-Pappas: Establishing voluntary registration programs for general interpreters and health care interpreters, requesting a pilot training program for spoken language interpreters to be developed.

Transportation Committee

Chair: Sen. Carol Flynn

12 noon Room 112 Capitol

Agenda: Continuation of March 10, 1999 agenda.

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

2 p.m. Room 107 Capitol

Agenda: S.F. 720-Stumpf: Permitting the hunting of farmed cervidae on licensed shooting preserves. S.F. 763-Vickerman:

Permitting the hunting of farmed cervidae on licensed shooting preserves. S.F. 907-Sams: Providing for additional research on soybean deceases and genetics. S.F. 932-Vickerman: Appropriating money for county agriculture inspection.

Commerce Committee

Chair: Sen. Sam Solon

2 p.m. Room 112 Capitol

Agenda: S.F. 1331-Solon: Omnibus liquor bill (including the following bills: S.F. 31-Spear: City of Minneapolis on-sale liquor license for Dudley Riggs Theatre; S.F. 188-Lesewski: Marshall on-sale liquor license; S.F. 262-Lessard: International Falls temporary on-sale liquor license; S.F. 412-Cohen: St. Paul temporary liquor license to Macalester College; S.F. 612-Lourey: Proctor on-sale liquor license; S.F. 840-Pappas: St. Paul on-sale liquor license for Fitzgerald Theatre; S.F. 959-Pappas: St. Paul temporary liquor license for Twin Cities Marathon.). S.F. XXX-Oliver: Omnibus commerce enforcement bill; S.F. 673-TenEyck: Health plans, regulating contract stacking.

Economic Development Budget Division

2 p.m. Room 123 Capitol

Agenda: To be announced.

Rules and Administration Subcommittee on Permanent and Joint Rules

Chair: Sen. Ember Reichgott Junge

3 p.m. Room 237

Agenda: Discussion of changes to Senate rules.

Environment and Agriculture Budget Division

Chair: Sen. Steven Morse

4 p.m. Room 107 Capitol

Agenda: S.F. 365-Novak: Redevelopment bill. S.F. 754-Ethanol producer payments.

Health and Family Security Budget Division

Chair: Sen. Don Samuelson

4 p.m. Room 112 Capitol

Agenda: Budget overview: Department of Human Services.

Friday, March 12

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8 a.m. Room 15 Capitol

Agenda: S.F. 292-Berglin: Teenage prostitution prevention and intervention. S.F. 975-Terwilliger: Family asset program. S.F. 1195-Wiger: Community education; increasing youth service revenue.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: S.F. 1174-Kelley, S.: Telecommunication access grants. S.F. 750-Hottinger: Declining pupil aid. S.F. 453-Janezich: Declining pupil aid.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: S.F. 483-Samuelson: Transferring TANF to child care block grant. S.F. 506-Lourey: Clarifying that minor parents must live with an adult in order to receive MFIP. S.F. 535-Lourey: Increasing the MFIP exit level to 140 percent of poverty. S.F. 543-Lourey: Modifying provisions of MFIP. S.F. 683-Berglin: Allowing postemployment training for certain MFIP participants. S.F. 748-Ranum: Education costs of out of home placement. S.F. 963-Hottinger: Adding an income exclusion for the MFIP program. S.F. 964-Berglin: Creating exceptions to the 60 month time limit. S.F. 965-Berglin: Making changes to the MFIP program. S.F. 966-Berglin: Changing MFIP sanctions. S.F. 1028-Berglin: Modifying transitional care for TANF recipients. S.F. 1178-Solon: Changing the MFIP cash grant for child only cases. S.F. XXX-Lourey: MFIP employment and training. S.F. XXX-Samuelson: DHS MFIP bill. S.F. XXX-Knutson: DHS child support bill.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: S.F. 915-Kiscaden: Health care;

adding duties of the Job Skills Partnership Board. S.F. XXX-Kelley, S.P.: Telecommunications.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: To be announced.

Crime Prevention and Judiciary Budget Division

Chair: Sen. Randy Kelly

2 p.m. Room 15 Capitol

Agenda: To be announced.

Environment and Agriculture Budget Division

Chair: Sen. Steven Morse

12 noon Room 107 Capitol

Agenda: S.F. 18-Metzen: Repealing motor vehicle emissions testing program; any carry-over bills from previous meetings.

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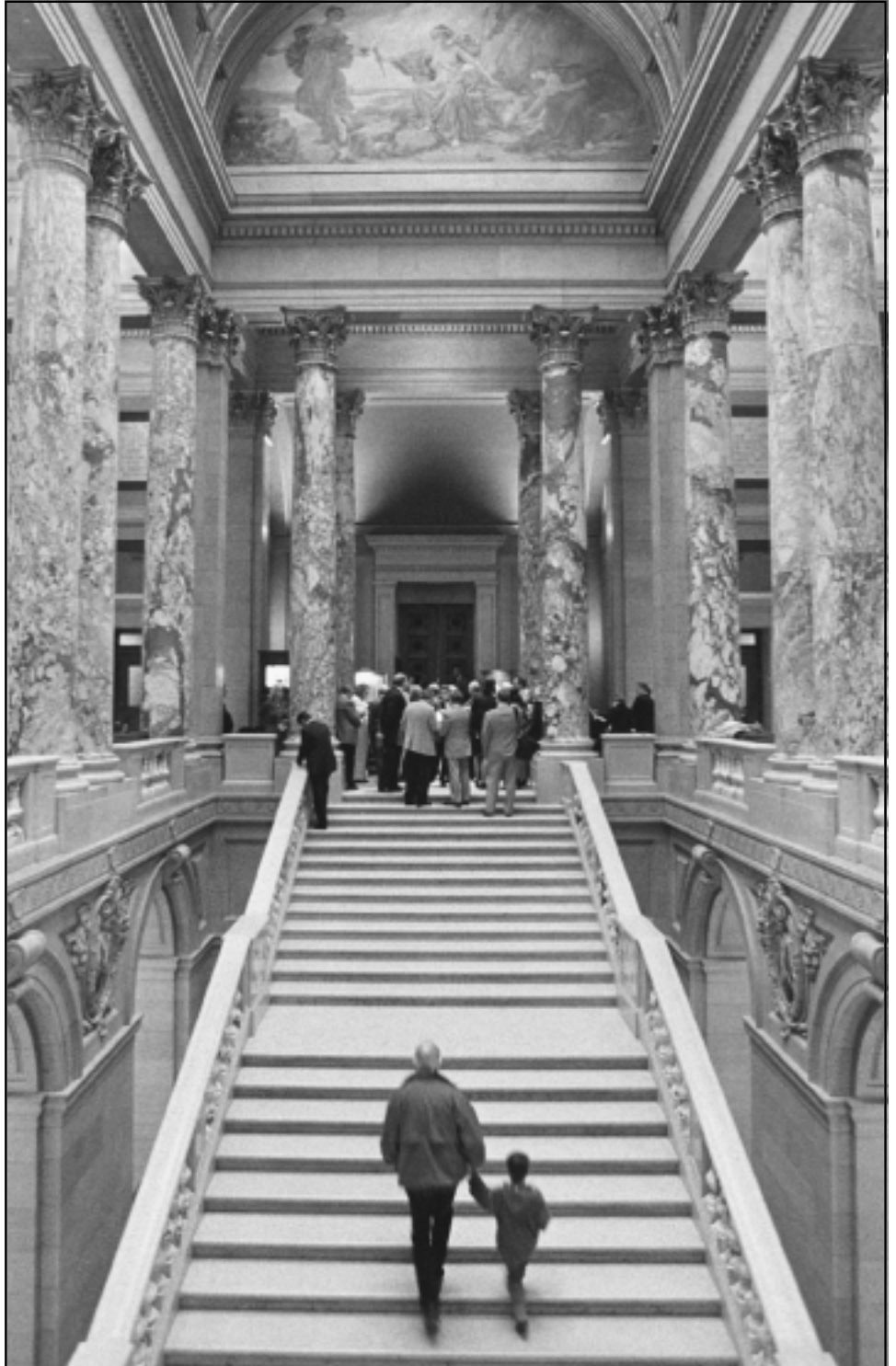
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*Lobbyists and visitors gather
outside the Senate Chamber
during a Floor Session.*

Photo by Andrea G. Murrill



March 12, 1999

Senate Highlights

Tax Conference Committee meets

The Tax Conference Committee continued its discussion on the best way to rebate the state's budget surplus, Weds., Mar. 10. The committee is chaired by Sen. Douglas Johnson (DFL-Tower), and Rep. Ron Abrams (R-Minnetonka).

The Dept. of Revenue's most recent figures for the governor's revised sales tax rebate proposal were presented by Commissioner Matt Smith. Smith said the latest figures increase the total rebate amount by \$238 million from \$1.087 billion to \$1.325 billion, raise the rebate caps by \$34 million, add \$156 million for additional filers eligible for the rebate, and increase the total amount of the rebate available to filers by \$48 million.

Abrams criticized the department for a delay in getting information requested by House researchers comparing rebate amounts using federal adjusted gross income (FAGI) figures to Minnesota taxable income (MTI) figures. He questioned why the governor was able to get information for a press conference held last week on his rebate proposal but the House did not receive its information until the morning of the conference committee hearing. Johnson said the criticism of the department was unfair

because under previous administrations it was accepted that the governor's requests receive priority. "The department has been very, very prompt in getting us information we need," Johnson said.

Abrams said the FAGI figures from the department indicate that over 70,000 filers will receive a larger sales tax rebate than the amount of sales tax they actually paid in 1997. He asked Smith how the state would proceed if it needed to raise \$1.3 billion in an emergency. Smith said the state would take a blended approach, raising revenue from a mixture of sales, income and property tax increases. Abrams asked why the governor supports raising taxes on a proportional basis but does not want to give a rebate back on a proportional basis. Smith said he thought the governor's total tax package was proportional and balanced. He said one of the governor's criteria for a rebate was that it be simple and automatic so taxpayers did not have to submit more forms. He said the governor's rebate proposal was based upon MTI figures because the department had the data necessary to issue automatic rebates but to use FAGI figures would require additional information from taxpayers.

Sen. Carol Flynn (DFL-Mpls.) said the committee's failure to find a way to compromise on the rebate was frustrating to people in the state. "They don't care about whether we use FAGI, or MTI. They don't even care if it's a sales tax rebate or an income tax rebate. They just want their money back. I think it's time to get this done and not waste any more time," she said.

Johnson said the farm crisis in the state needed prompt action. "There are farmers out there needing our help," he said, "We have moved significantly on the caps. But we are very firm on not linking tax cut one, the rebate, with tax cut two, the permanent tax cut. They are totally separate issues."

Sen. Jim Vickerman (DFL-Tracy) said the compromise reached on agricultural portion of the rebate was fair. "I don't think it is understood how desperate people are out there. We have reached an excellent compromise but we need to get it out," he said.

Abrams said the current proposal being discussed takes the Senate position on the mechanism, the amount, the sources, the agricultural cap, and the timing of the rebate. He said the House position has been accepted only on the size and timing of the agricultural portion of the rebate. He said a compromise has been reached on the cap issue but that the committee could work out a more blended and proportional rebate. "I want to get this done. I don't see why you are opposed to seeing another rebate proposal. You may not like it, but you may want to look at it," he said.

Bleacher safety bill okayed

A bill setting standards for bleacher safety was discussed Weds., Mar. 10, at the Governmental Operations and Veterans Committee meeting. The committee is chaired by Sen. James Metzen (DFL-South St. Paul).

Sen. Gen Olson (R-Minnetrista) presented S.F. 1117, a bill setting standards for bleacher safety and imposing penalties for noncompliance. The bill provides that in places of public accommodation using bleacher seating, all bleachers or bleacher open spaces over 30 inches above grade or the floor below must conform to safety requirements.

The safety requirements in the bill state that the open space between

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bleacher footboards, seats, and guardrails must not exceed four inches, unless approved safety nets are installed. Additionally, the bleachers must have vertical perimeter guardrails with no more than four-inch rail spacing between vertical rails or other approved guardrails which address climbability and are designed to prevent accidents.

The bill does not grandfather in any facilities, said Olson. All bleachers are required to comply with the safety standards, she said. Olson said the bill is not intended to be punitive. She said the intent of the bill is to ensure that all bleachers are safe for use by all people. Olson said the bill also provides a ban on the manufacture, sale, distribution, or installation of bleachers that are not in compliance with the law.

Olson said the bill is in response to the tragic death of a child who fell from bleachers in January. She said many constituents expressed concern that the bill be brought to the floor. Rod Cosgriff, who has spearheaded the effort to see bleacher safety standards enacted into law, told members that the bill is not requesting special privileges. He said the bill is urging action. Parental action is primary, but children can fall through the open spaces in bleachers despite the best supervision from parents, said Cosgriff.

Lenny Berke, safety consultant, said that safety design consultants have to keep in mind the hazards that are reasonably foreseeable. He said the consultants must realize that no one can concentrate 100 percent of the time on what they are doing. That means that parents will look away from children, thus the bleachers should be safe enough for that to happen without a tragic consequence. Berke said the bill addresses most of the safety issues he has come across in the past.

Sections of the bill relating to health, safety and environmental management; the health and safety program; the contents of the program; and uses of health and safety revenue were recommended to pass and re-referred to the K-12 Education Budget Division. The remainder of the bill was recommended to pass and re-referred to the Commerce Committee.

Sen. Jane Ranum (DFL-Mpls.) presented S.F. 846, a bill establishing requirements relating to out-of-home

placements of juveniles. Ranum said the bill incorporates the recommendations contained in the Legislative Auditor's report on juvenile out-of-home placements. The bill was recommended to pass and re-referred to the Health and Family Security Committee.

Photo evidence discussed

Sen. Leo Foley (DFL-Coon Rapids) offered a bill authorizing a pilot project using photographic evidence in the enforcement of traffic signal laws to the Transportation Committee meeting Weds., Mar. 10. The committee, chaired by Sen. Carol Flynn (DFL-Mpls.), heard S.F. 1009, which directs grants be made to Minneapolis and up to two other cities to use automated equipment in obtaining photographic evidence to enforce traffic signal obedience.

Charles Lenthe, Blaine city engineer, spoke in support of the bill, saying traffic light violations are an issue of concern with the Blaine city council. Roger Peterson, representing the Association of Metropolitan Municipalities, said the cameras are a cost-effective way of controlling traffic at some intersections and encouraging people to obey the law.

Robert Weinholzer of the Department of Transportation (MnDOT) said that the department has done studies in 1996-1998 at traffic lights in the Metro Area and Greater Minnesota. "We recorded 12,693 violations at six different locations," he said. "That's an average of 47 per day." He said the highest incidences of drivers running a red light occurred at southbound Snelling Ave. and St. Anthony in St. Paul. Although the St. Paul Police Department increased its presence at the Snelling intersection for a time, Weinholzer said prevention of running through a traffic light was almost impossible to enforce and soon lost priority.

He said 15 states are either using photographic evidence or testing it. Some states take a picture of the rear license plate, and a ticket is issued to the vehicle owner. Other states take pictures of the driver and cite him or her with a violation. He said that every state that has employed the photo evidence of traffic violations has seen a decrease in violations and accidents.

Foley said he thinks photographing the driver is a better idea, and the privacy

issues of the passenger can be preserved. Weinholzer said the camera is only activated after the signal light has turned red, and another photo is taken after the car passes through the red light.

The bill was approved and re-referred to the Judiciary Committee.

Sen. William Belanger (R-Bloomington) presented S.F. 802, a bill that appropriates \$800,000 to Savage for preliminary engineering and environmental studies relating to Scott County Road 27. Steve King, Savage city administrator, said County Road 27 needs to be extended because there is currently no north/south arterial highway that runs completely through the eastern part of Scott County. He said the Department of Natural Resources (DNR) denied a permit to extend the road last year, citing three reasons for denial. The DNR said other alternatives had not been sufficiently studied, the need for the extension had not been proven and the Savage Fen Wetland Complex was threatened by the proposed road's proximity. "We did not appeal the decision, and we have worked with the DNR to explore alternatives," King said.

S.F. 802 was recommended to pass and re-referred to the Environment and Natural Resource Committee.

Sen. Paula Hanson (DFL-Ham Lake) offered S.F. 1212, a bill that allows a newspaper delivery vehicle to drive on the left side of the road between 3 a.m. and 6:30 a.m. The vehicle must also be equipped with flashing warning lights and deliver "qualified newspapers."

The bill was approved and forwarded to the floor.

S.F. 1150, a bill sponsored by Johnson, sets the maximum speed limit at 30 miles per hour in a rural residential district. Johnson said a rural residential district is defined as a town road within a subdivision or plat along which houses are located at intervals of less than 300 feet for at least one quarter mile. The bill was approved and was recommended for the Consent Calendar.

Sen. Dallas Sams (DFL-Staples) presented S.F. 778, a bill requiring release of a security interest in a vehicle to be acted on within five days. An oral amendment changing the time period to seven days was adopted. The bill was recommended to pass and referred to the Commerce Committee.

Committee update

Agriculture and Rural Development

Bills sent to floor

The Agriculture and Rural Development Committee acted on three bills at the Thurs., Mar. 4, meeting. Committee Chair Sen. Dallas Sams (DFL-Staples) said an additional hearing will be scheduled to allow more public input on a bill providing exemptions in the ambient air standards for hydrogen sulfide.

Sen. Steve Dille (R-Dassel) offered S.F. 692, a bill exempting livestock production facilities from ambient hydrogen sulfide standards while manure is being removed from barns or manure storage facilities. The bill allows exemption from the air standards while the manure is being removed from the barns and seven days after the manure is moved, with an annual maximum number of exempt days being 14. Hydrogen sulfide is a colorless, poisonous gas with the characteristic odor of rotten eggs that is released during anaerobic decomposition of organic matter such as manure. Dille said the standard is too high for compliance during the time when agitation and pumping of manure is taking place.

Minnesota Pollution Control Agency Feedlot Program Manager Gary Pulford said the ambient air standard for hydrogen sulfide has not changed since the 1960's. He said the department is in a research and development phase regarding the problem and a possible solution might be to address odor mitigation at new feedlots. Sams said two problems with the way odor is dealt with currently are that the cost of monitoring equipment is prohibitively expensive for farmers and the farmer, essentially, is doing the research for the PCA.

Larry Amundson, a farmer from Thief River Falls, spoke in favor of the bill. Amundson said he tries to be a good neighbor to those living around his farm by always notifying them when he plans to pump manure. He said an exemption period will help people understand that the increased odor is temporary and allow for compliance with the law. Sams suggested the bill be laid over for further discussion and more public input.

Dille also presented S.F. 845, a bill making Johnne's disease diagnosis information maintained by the Board of Animal Health nonpublic data. Johnne's disease is

a bowel disease contracted by calves who come in contact with an infected udder. Dille said that testing for the disease is voluntary and there would be more participation in the program if farmers knew the results would be kept confidential. Tom Haggerty, Board of Animal Health, said that it is estimated 20 percent of farms in Minnesota have at least some positive animals in the herd. He said since the program is voluntary, if more farmers participated the disease could be arrested and the herds could be cleaned up. The bill was recommended to pass and sent to the Senate floor.

Sen. Mark Ourada (R-Buffalo) offered S.F. 836, a bill changing license provisions for food processors or manufacturers operating only at the state fair or a county fair. The bill changes the license issue period to July 1- June 30 and establishes a \$125 license fee for food processors or manufacturers operating only at the state fair or a county fair. The bill was recommended to pass and sent to the Senate floor.

A bill eliminating the requirement of property descriptions in security agreements when a security interest is taken in crops growing or to be grown was recommended to pass and re-referred to the Judiciary Committee. The bill, S.F. 451, received much discussion in a previous meeting but was not acted on by the committee. Chief Author, Sen. Jim Vickerman (DFL-Tracy), said the proposal eliminates a lot of unnecessary paperwork. He said the bill benefits the farmers and the lenders.

Price discrimination discussed

Bills relating to price discrimination in livestock transactions, agriculture experiment stations and the taking of deer were discussed Tues., Mar. 9, at the Agriculture and Rural Development Committee meeting. The committee is chaired by Sen. Dallas Sams (DFL-Staples).

Sen. Jim Vickerman (DFL-Tracy) presented S.F. 670, a bill prohibiting discrimination in prices in certain livestock transactions and imposing civil penalties for violations. The bill prohibits packers purchasing or soliciting livestock for slaughter from discriminating in prices paid or offered to be paid to sellers. The prohibition does not apply if the price differential is based on the quality of livestock, if the payment method specifies prices paid for criteria relating

to carcass merit, transportation costs, or an agreement for the delivery of livestock at a specified date. The prohibition also does not apply if, after making a differential payment to a seller, the packer publishes information relating to the differential pricing.

Lynn Hayes, Farmers Legal Action Group, said a 1996 investigation shows there are differences in how large producers are paid and how small scale producers are paid. Hayes said that 70 percent of hog market transactions come from captive supply procurement methods, rather than a cash market. She said captive supply procurement methods involve marketing agreements and forward and ledger contracts. Jerry Schoenfeld, representing the Minnesota Pork Producers Association, said the organization supports mandatory price reports, but only if it is a federal law, with national compliance. The bill was laid over for further discussion.

Discussion resumed on S.F. 791, a bill authorizing owners or occupiers of agricultural land to take one deer per year if the animal is causing damage. Sen. Kenric Scheevel (R-Preston), chief author of the bill, offered a delete everything amendment that clarifies the qualifications of the proposal. Scheevel said the bill provides that the person who is owner or tenant must be living and actively farming on at least 80 acres of agriculture land in order to get the free deer permit. In addition, the person may receive only one license per year and the deer has to be taken on the property owned, he said. If a person obtains the free deer license, then the person must allow public deer hunting on the land they own, said Scheevel. He said the bill attempts to increase the harvest of deer and allows the farmers to have something in return for the damage caused by deer.

Dave Schad, Dept. of Natural Resources, said the department is concerned with the impact the bill has on the license fund. Schad said otherwise the bill is innovative and the DNR supports the bill. The bill was recommended to pass and re-referred to the Environment and Natural Resources Committee.

Vickerman also offered S.F. 931, a bill appropriating money to the University of Minnesota for agricultural experiment stations. Vickerman said the money is distributed proportionately to the five research and outreach centers in the

state. The centers are located in Waseca, Lamberton, Morris, Crookston, and Grand Rapids, said Vickerman. The bill was recommended to pass and re-referred to the Children, Families and Learning Committee.

Air quality exemption okayed

A bill allowing several exemptions for animal manure storage facilities from ambient air quality standards was approved at the Tues., Mar. 9, evening meeting of the Agriculture and Rural Development Committee. The bill, S.F. 692, sponsored by Sen. Steve Dille (R-Dassel), initially exempted livestock operations from hydrogen sulfide standards during the manure removal process and for the next seven days. The bill allowed an overall annual maximum of 14 exempt days.

Dille offered an amendment removing the maximum exempt day limit and requiring farmers to use best management practices and notify their neighbors before pumping. The amendment also authorizes the Pollution Control Agency (PCA) to require additional modifications to the pumping process or stop it if it poses an imminent human health hazard. In addition, the amendment sunsets the exemption provision in five years. The committee adopted the amendment.

The amendment generated a lengthy discussion by the panel. Sen. Jim Vickerman (DFL-Tracy) asked how near to the facility a neighbor had to live in order to be notified. Dille replied that it would be left up to the judgment of the pumping farmer. Sen. Charles Berg (IND-Chokio) said he was concerned that if an imminent human health hazard was present, the farmer may never be able to pump the manure. Sen. Kenric Scheevel (R-Preston) said that quite often manure storage facilities are located below barns. He said that during the agitation and pumping process, the hydrogen sulfide could rise above the allowable level in the barn, creating a health hazard, even if no one is in the barn. He added that he would rather see the neighbor notification requirement in the best management practices guidelines rather than in statute. Sen. Becky Lourey (DFL-Kerrick) asked how an imminent human health hazard is defined. Gary Pulford of the PCA said that the Dept. of Health defines what a health hazard is, but the PCA enforces the orders.

Vickerman said that if the PCA doesn't understand what constitutes an imminent human health hazard, farmers can't be expected to understand it either. The committee adopted Vickerman's motion to remove the health hazard shut-down provision. Vickerman added that the PCA already has that authority.

The committee received public testimony on the bill. Julie Jansen, of rural Olivia, spoke against the bill. She said that levels of hydrogen sulfide can be elevated after just ten minutes of pumping manure. Jansen quoted Marvin Legator of the University of Texas Medical Branch Division of Environmental Toxicology who said that hydrogen sulfide is so damaging to human health that he couldn't define a safe level. She said the bill is "whittling away at the (air quality) law" by opening loopholes. She said that ferrous chloride can be added to the manure before pumping to reduce the hydrogen sulfide emissions.

But Jenny Ward, a dairy farmer, spoke in favor of the bill. She said that farms are in compliance with air quality standards 95 percent of the time, but only exceed the standards during the agitation and pumping process. Ward said that livestock producers are using the best and newest technology to try to comply with the standards.

Other amendments were considered by the committee. Two amendments offered by Dille were adopted. One removes an exemption for feedlots with between 10 and 50 animal units from regulation by the PCA. The other requires PCA officials to meet with operators of feedlots that are found to be first time violators of regulations so that corrective actions can be proposed. The amendment also allows up to 90 percent of the administrative penalty to be forgiven if the corrective action is taken. Dille said the amendment gives feedlot operators their day in court.

Committee Chair Dallas Sams (DFL-Staples) offered an amendment exempting livestock producers from air quality standards if they have been granted an easement by their neighbors. Sams said that swine production operations in Northwest Minnesota are required to continuously monitor the ambient air at their own expense despite the sparse population. The amendment was adopted and the bill was approved and sent to the Senate floor.

Children, Families and Learning

Grad standards discussed

The Children, Families and Learning Subcommittee on High Standards Implementation heard from several education groups during the Weds., Mar. 10, meeting. The subcommittee is chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

Mary Lillesvie, Dept. of Children, Families and Learning, reviewed the language in H.F. 15, a bill amending the state graduation standards. She said the bill provides that the high standards be maintained in the core curricular areas of reading, writing and mathematics. The bill also defines six subject areas for which there must be rigorous academic standards, said Lillesvie. The subject areas are communication skills including reading and writing, literature and fine arts; mathematics including geometry and algebra; science including biology and physical science; social studies including history, geography, economics and government; health including abstinence-based sex education and physical education; and computer science.

Judy Schaubach and Sandra Peterson, co-presidents of Education Minnesota, presented the results of a survey conducted with members of the organization. Schaubach said 603 members were surveyed and the results were clear and decisive. She said Minnesota teachers clearly support the basic standards part of the graduation rule, but want the profile of learning portion eliminated or changed.

Peterson said the profile has been successfully implemented in some schools, but it needs to work for all schools. Statewide standards would be a boost – but that hasn't happened with the profiles of learning, she said. Districts elected to take the \$14 per student incentive to implement the standards early, when most districts were not ready to implement them, said Peterson.

Minnesota Association of Secondary Vocational Administrators President-Elect Ginny Karbowski said that MASVA has supported the graduation standards from the beginning, but now believes the profile of learning can be modified to make it a better learning

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tool. Karbowski suggested that a statement of purpose be developed and disseminated which specifies that implementation of the profile of learning should recognize the variety of learning styles prevalent among our learners, focus on student learning, and encourage options rather than limit opportunities. Additionally, consideration should be given to reducing the number of required standards and, conversely, increase the number of elective standards until districts have options in place for learners to demonstrate standard attainment, she said.

"We truly believe it is more important to determine what a student knows and can do than where the student acquired the knowledge and skills," said Karbowski. She said policies must be presented that direct schools to look at learners needs and options rather than expedient implementation of the profile of learning.

Trudi Taylor, Minnesota Private College Council, urged members not to "throw out the baby with the bath water." She said there is support for the general direction of the profile of learning. Taylor said there needs to be strong financial support for implementation, especially for the induction year of the standards.

Commerce

Omnibus insurance bill heard

Sen. Deanna Wiener (DFL-Eagan) presented an omnibus insurance bill to the Commerce Committee at its meeting Thurs., Mar. 4. The committee, chaired by Sen. Sam Solon (DFL-Duluth) heard S.F. 1205, a bill that contains various amendments pertaining to the insurance industry. Most sections of the bill were passed by the Senate in 1997, but the bill died in the House.

An author's amendment that protects insurers and specifies that an individual may be disenrolled for fraud or misrepresentation was approved.

Gary Lavasseur, deputy commissioner of the Commerce Department, explained aspects of the bill. He said the bill provides for electronic filing of annual and quarterly financial statements. The bill eliminates an obsolete reference to a repealed statute and amends order of distribution from an insolvent insurer's estate to reflect "super priority" for some claims of the federal government as

established by recent case law. Lavasseur said the bill authorizes the commissioner to give continuing education credit to agents who complete home study or other non-traditional courses. It also provides a definition of usual and customary fees for health care.

A clarification of the definition of prior health coverage that qualifies for receiving credit against any preexisting condition limitation a person faces when changing coverage is part of the bill. Lavasseur said the bill also limits the preexisting condition exclusion to the first six months of coverage for qualified long-term care insurance.

Under the bill, the Health Coverage Reinsurance Association is permitted to pay its board members up to \$55 per day spent on association business, in addition to expense reimbursement.

Sen. Dick Day (R-Owatonna) offered an amendment moving the deadline for rate filing for crop insurance from Mar. 1 to Feb. 1 of the year in which a policy is issued. The amendment was adopted.

An amendment, by Sen. James Metzen (DFL-South St. Paul), struck language that requires credit hours of courses accredited by the commissioner be completed at a certain time. The amendment prevailed.

Sen. John Hottinger (DFL-Mankato) offered an amendment that updates the technical aspects of insurance company mergers to conform to practices for other Minnesota business corporations and provides standards and consumer protections in the merger of two mutual insurance holding companies. Speaking in favor of the amendment, Jeff Michel of Minnesota Life said the proposed amendment adds a consumer protection provision found currently in the laws of 11 other states. The provision states that for a period of five years following the completion of a demutualization of a mutual insurance company no person or group of persons may obtain more than 10 percent of the voting power of the reorganized company (or a parent company) without the consent of the commissioner. The amendment was adopted.

Another amendment, offered by Hottinger, permits life insurance companies to issue funding agreements to financial institutions with assets in excess of \$100 million. The amendment also prevailed.

Larry Koll, general counsel for the Self-Insurers Security Fund, spoke in support of an amendment offered by Sen. Don Samuelson (DFL-Brainerd). According to Koll, the amendment allows the Workers' Compensation Self-Insurers' Advisory Committee, which advises the commissioner of Commerce, to use its discretion as to whether it wished the Self-Insurers' Security Fund's certified public accountant to review the applications to self-insure for workers' compensation liability. He said the amendment also specifies that if a private employer purchases a workers' compensation insurance policy, the insurer is liable for all of the injuries which occurred during the period of the policy's coverage, and any liabilities caused by the employer's or insurer's bankruptcy will not be liabilities of the Minnesota Self-Insurers' Security Fund. The amendment was approved.

Sen. Edward Oliver (R-Deephaven) offered, and the panel adopted, an amendment that modifies the rules for granting waivers for associations to sell insurance policies to members within the first 30 days of their membership.

S.F. 1205 was recommended to pass and was sent to the floor.

Insurance coverage bills heard

Three bills regarding insurance coverage were heard at the Commerce Committee Tues., Mar. 9. Sen. Sam Solon (DFL-Duluth) chairs the committee.

Sen. Charles Wiger (DFL-North St. Paul) presented S.F. 208, a bill that mandates insurance coverage for cochlear implants. According to Wiger, the bill requires all health plans to provide medical benefits for cochlear implantation and associated surgical and medical costs, including follow-up rehabilitation and therapies.

Julie Ainsworth, whose two sons were born deaf and have cochlear implants, said the process involves channels strung through the cochlea. A current is sent to the nerve and sends a message to the brain, allowing the deaf person to hear. Ainsworth said that although insurance covered surgery expenses for her sons, her family is paying thousands of dollars a year for speech therapy and replacement of cords and magnets for her sons' implants. Sharaine Rawlinson was exposed to meningitis when she was 14. As a result, she lost her hearing and

underwent a cochlear implant. She said much of the money she owes on the process is for rehabilitation expenses.

Sen. Richard Cohen (DFL-St. Paul) sponsored S.F. 243, a bill that provides for health plan coverage to include eyeglasses and hearing aids when prescribed or ordered by a licensed health care provider. An author's amendment limits eyeglass coverage to those individuals who are deaf or hard of hearing and rely upon visual communication, whether that be manual communication, lip reading or other forms of visual communication. The amendment was adopted.

S.F. 1334, a bill extending the age limit for health coverage for cleft lip and cleft palate from 18 to 25, was presented by Sen. Don Samuelson (DFL-Brainerd). The bill also requires newborn infant coverage to include cleft lip and cleft palate coverage.

All three bills were laid over for further discussion.

Earlier in the meeting, Solon offered S.F. 1330, the omnibus banking bill. The bill regulates fees, charges and time periods; authorizes certain part-time banking locations and make corrections and conforming changes.

An amendment offered by Sen. William Belanger (R-Bloomington) provides for a bank operating its principal office in Marine on St. Croix to establish and maintain a branch in Chisago Lakes Township, pending approval of the commissioner of the Commerce Department. Sen. Jane Krentz (DFL-May Township) said that Security State Bank has been in operation for 80 years, and no other banks are in the township now. James Lindberg, president of Security State, said the bank has a number of customers in Chisago Lakes Township, and half of its employees reside there. The Chisago Lakes Township town board supports the branch bank, according to Robert Jennissen, vice president of Security State Bank.

Opposition to the amendment came from Craig Danielson and Randy Diers, representing the Lake Area Bank in Lindstrom. Danielson said 5,800 people in three communities are being served by four banks and two loan production offices. Diers added that the Lake Area Bank used to be called Security State Bank, and he said the branch opening can create confusion. "This move would

erode the existing customer base," he said. The amendment was adopted.

Another amendment allowing a credit union to operate part-time locations in nursing homes and senior citizen facilities was approved.

S.F. 1330 was approved and sent to the floor.

Crime Prevention

Hate crimes discussed

Members of the Crime Prevention Committee, chaired by Sen. Allan Spear (DFL-Mpls.), met Mon., Mar. 8, to discuss a bill relating to hate crimes in Minnesota.

Carried by Sen. Richard Cohen (DFL-St. Paul), S.F. 887 provides additional penalty enhancements for certain crimes motivated by bias. The bill amends current law by more specifically defining a "bias motivated offense" as an offense in which the perpetrator intentionally selects the victim, or property of the victim, by the victim's race, color, religion, sex, sexual orientation, disability or national origin. The bill also provides a list of crimes that, if motivated by bias, may have their penalties enhanced, and also lists the specific enhancements for those crimes.

Cohen also offered an amendment to the bill. The amendment directs courts to order juveniles convicted of a bias related crime to receive appropriate education concerning bias motivated offenses and to perform community service.

Referring to the amendment, Sen. Thomas Neuville (R-Northfield) asked why the courts must be mandated to deliver a specific sentence. He said the Legislature should not micromanage punishments, since every judicial district and case is different.

In response, Cohen said the nature of the crimes in question compels a prescribed penalty. He also said that appropriate education and community service is meant to have a positive impact on juveniles who receive it. The amendment was approved.

Sen. Gary Laidig (R-Stillwater) asked about the difficulty of proving bias in a crime. Margaret Chutich, a representative in the Office of the Attorney General, said bias is more difficult to prove than more concrete crimes. She said prosecutors use the same well

established tools to determine bias that they use to determine anything else, adding an extra layer to find a bias. After further discussion, the bill was approved, as amended, and sent to the Senate floor.

Sen. Charles Wiger (DFL-North St. Paul) presented S.F. 1120, a bill that makes it a gross misdemeanor offense to attempt to injure another person by pointing a beam of laser radiation at the other person's eye. Wiger said the bill is intended to deal with the small, pen-like laser pointers, originally designed for use by teachers, that have recently been used to disrupt various school related activities such as athletic events. He said the bill is necessary because the federal Food and Drug Administration (FDA)--stating that momentary exposure to the light can cause temporary flash blindness and exposure for more than ten seconds can cause retina damage--has declared the pointers a health hazard. Wiger referred to letters supporting the bill from the Minnesota Academy of Ophthalmology, the Minnesota State High School League and the Minnesota Association of Secondary School Principals. There was no testimony in opposition to the bill, and it was approved and sent to the Senate floor.

Sen. Ember Reichgott Junge (DFL-New Hope) offered S.F. 1109, a bill relating to underage consumption of alcohol. The bill awards grants to local governments to conduct liquor compliance checks, provides mandatory civil penalties to individuals who sell alcoholic beverages to persons under the age of 21 and increases the penalty for providing alcoholic beverages to persons under the age of 21. The bill also requires a minimum fine of \$100 to be assessed against underage persons purchasing alcoholic beverages.

Junge called the bill a "comprehensive proposal to keep alcohol out of the hands of young people." The bill is necessary, she said, because in Minnesota alcohol is the cause of over half the deaths of teens, is the number one cause of teen highway deaths, and contributes to teen pregnancy and crime. The bill was laid over to be discussed again at a future meeting.

Sen. Sandra Pappas (DFL-St. Paul) carried S.F. 1180, a bill that extends the time period of juvenile court jurisdiction over habitual truants to the 18th birthday of a child. Under current law, the

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jurisdiction ends upon a child's 17th birthday. The bill also provides for an immediate effective date. There was no discussion in opposition to the bill, and it was approved and sent to the Senate floor.

Several bills discussed

Members of the Crime Prevention Committee, chaired by Sen. Allan Spear (DFL-Mpls.), met Wed., Mar. 10, to discuss several bills.

Sen. Ember Reichgott Junge (DFL-New Hope) carried S.F. 1109, a bill relating to underage consumption of alcohol that was first addressed at the previous meeting. The bill awards grants to local governments to conduct liquor compliance checks, provides mandatory civil penalties to individuals who sell alcoholic beverages to persons under the age of 21 and increases the penalty for providing alcoholic beverages to persons under the age of 21. The bill also requires a minimum fine of \$100 to be assessed against underage persons purchasing alcoholic beverages.

Ken Rockler, a representative from the Minnesota Licensed Beverage Association, said the bill could be improved. He said he agreed with most of the provisions of the bill, but added that more emphasis should be placed on punishing the juveniles who purchase and the employees who sell alcohol. Rockler said he does not want to minimize the responsibility of the owner, but rather, to force the buyer and seller of alcohol to "think twice" before acting illegally.

Responding, Junge pointed to the \$100 fine on underage youth who attempt to buy alcohol. The bill was approved and referred to the Crime Prevention and Judiciary Budget Division.

Junge also offered S.F. 486, a bill that allows the administrative head of a fire department to conduct a previous employment background investigation on an applicant for a fire fighting position. The bill requires an employer to disclose information for an employee or a previous employee who is applying for a fire fighting position. The bill also describes how an employer can be court ordered to release the information and provides employers immunity from civil liability for distributing the information.

Junge said the bill is necessary because fire fighters serve in ways sensitive to public safety. She said fire fighters work

increasingly with youth, and also often enter homes of citizens. All employment information must be obtained, she said, so those hired are not public safety risks. The bill was approved and re-referred to the Judiciary Committee.

Sen. Leo Foley (DFL-Coon Rapids) presented S.F. 1008, a bill that requires chemical use assessments to be conducted on underage youth for certain alcohol related offenses. Foley said the bill is necessary to help determine which youth in violation of the law are candidates for treatment programs. By providing for assessments, he said, the bill assists in getting juveniles help as soon as possible. Foley said he has found a lot of support for the bill.

Carol Martin, a representative from Hennepin County Corrections, testified in opposition to the bill. She said the bill increases the county's current assessment caseload from 350 to 2,500 per year. The bill, she said, places a large burden on the county.

Responding, Foley said he did not dispute the numbers Martin provided. He said however, that the numbers simply point out the magnitude of the problem of underage drinking. The bill was approved and referred to the Crime Prevention and Judiciary Budget Division.

Sen. Steve Murphy (DFL-Red Wing) carried S.F. 624, a bill that establishes a Board of Firefighting Training and Education. The bill also makes recommendations regarding training, establishes standards for training and specifies the board's membership, powers and duties.

Andover Fire Department Chief Dan Winkel testified in favor of the bill. He said the bill ensures that all firefighters are properly trained, and also ensures instructors are properly trained. He said it is important to know that those you work with are suitably prepared for the firefighting job.

Sen. Thomas Neuville (R-Northfield) asked how volunteer firefighters are affected by the bill. He said he does not want to create barriers to qualifying for volunteer services.

Winkel said all firefighters will receive the same training, but on different levels. For instance, he said, firefighters in both small rural towns and in Minneapolis will learn how to properly enter a burning building, but more training in other areas

is also required of the Minneapolis firefighter.

Sen. Randy Kelly (DFL-St.Paul) asked why no educators are included on the board. He said without educators, a diversity of opinion will be lacking, and suggested it is a mistake for educators to not be included. Despite that reservation, the bill was approved and re-referred to the Governmental Operations and Veterans Committee.

Sen. Richard Cohen (DFL-St. Paul) offered S.F. 1023, a bill relating to the payment of crime victims reparations. The bill requires restitution payments held by a court that are unclaimed for more than three years be deposited in the crime victim account, amends the definition of economic loss and extends the time within which a person must file a claim to the reparations board from two to three years. The bill was approved and sent to the Senate floor.

Crime Prevention and Judiciary Budget Division

Judicial IT budget discussed

The Crime Prevention and Judiciary Budget Division spent most of the Fri., Mar. 5, meeting discussing the information technology (IT) budgetary needs of the judicial branch.

Most of the division discussion centered around a budget request for funds to install and upgrade an information system used by the entire judicial branch. Dale Good, information technology director for the Supreme Court, said there are two accountability issues at stake: the judicial system holds people accountable for their behavior, and the various parts of the justice system are accountable for the outcome of their decisions. He said information is needed to make court decisions and technology carries that information so that timely justice can be delivered.

Good presented a request for \$5.7 million. He said the money funds a redesign of the Total Court Information System (TCIS) and raises salaries of IT personnel so they won't be lured to the private sector. Good said the TCIS will be phased in over three biennia so that the risks involved in the project can be managed. Sen. Warren Limmer (R-Maple Grove) asked if any of the funding request was for the Y2K problem. Good

replied that the court system began taking remedial actions in 1989 and it shouldn't be a problem. Good also mentioned that Sen. Jane Ranum (DFL-Mpls.) is sponsoring a bill for the court system requiring that a plan be put together to integrate all levels of the court system, local law enforcement agencies, the Department of Corrections, the Bureau of Criminal Apprehension and other similar agencies in the TCIS. He said that currently there is no statewide information system allowing all 1,100 agencies to communicate with each other.

Other budget items were presented by Sue Dosal, state court administrator. Among the requests she presented was \$642,000 over the next two years to install video technology. She said that money was appropriated in the last biennium for video conferencing technology in the Ninth Judicial District. She said the new request is targeted to the 22 counties that have no resident judge or where the judges must travel long distances.

The court system is also requesting \$1.359 million in the next biennium to purchase ergonomic computer workstations, on-line legal services and software, and to train staff. Other requests include \$433,000 for staff salary increases, \$73,000 to assist pro se litigants with the appeals process, and \$100,000 to translate court forms into other languages for non-English speakers.

One budgetary request item initiated a lengthy discussion on security at the Capitol. Dosal said that after recent thefts in the Judicial Building, a study was conducted to determine what security measures should be put in place. She said that among the recommendations are the installation of more key card entrances and the stationing of a state trooper in the building. Sen. Thomas Neuville (R-Northfield) asked if the concerns arose from specific incidents or if they were general concerns. Dosal said that there have been death threats and unauthorized entrances to the building. She said that receptionists and maintenance personnel are particularly vulnerable and the best thing to do is to put preventive measures in before something happens. "There are some unhappy people out there," she said. Sen. Randy Kelly (DFL-St. Paul), chair of the division, said that the Minnesota Capitol

is the most open state capitol in the nation.

The judiciary is also requesting \$358,000 through the next two years to implement a community and court system collaboration program. Dosal said the request funds three full time positions including a research analyst. She said the judicial system is trying to find new and better ways to do their work, and they need to evaluate the effectiveness of new programs. Sen. Ember Reichgott Junge (DFL-New Hope) spoke in favor of the request. She said that rather than hiring positions to perform one kind of job, the positions will work to support the activities of the entire community justice system.

The court system is also requesting \$114,000 for the alternative dispute resolution (ADR) program. Dosal said the ADR program was first used in civil matters and is now being used in family law cases. She said that while the program is used extensively in Hennepin and Ramsey Counties, it is not used much outside the Metro Area. Dosal said the funding would be used to market the ADR program to both the bench and the bar in Greater Minnesota.

The committee took no formal action on the requests, but will consider the requests when compiling the division budget bill later in the session.

Earlier, the panel heard S.F. 32, authored by Sen. Dave Johnson (DFL-Bloomington). The bill makes it a felony to kill or injure a search and rescue dog. Kelly said the bill gives the same protection to search and rescue dogs as is given to other public safety dogs. A fiscal note prepared by the Sentencing Guidelines Commission indicated that the fiscal impact of passage of the bill is minimal. The division endorsed the bill and referred it back to the Crime Prevention Committee.

Budget requests discussed

Members of the Crime Prevention and Judiciary Budget Division, chaired by Sen. Randy Kelly (DFL-St. Paul), met Mon., Mar. 8, to discuss the budget requests of the Minnesota Courts and Board of Public Defense.

Sue Dosal, the state court administrator, addressed three budget requests of the Minnesota Courts. She said the courts request an appropriation of \$50,000 in fiscal year 2000 and \$13,000 in fiscal year

2001 to upgrade law library computer hardware and software, as well as an allocation of \$40,000 in both fiscal years 2000 and 2001 to maintain the judicial branch of the law library. The amount requested for the judicial branch is a 12.5 percent increase in funding, she said, and is needed to offset the significant increases in costs seen over the past ten years. Dosal also said the governor recommends a biennial increase of \$29,000 to be used for salary increases for judges in the Court of Appeals. She said the funding is a one time appropriation, and is necessary to implement salary increases authorized by law.

Ann Maudal, a program assistant with the Washington County Victim Offender program, discussed the Minnesota Courts budget request regarding the offender program. She said the agency requests an increase in funding for the Victim Offender Mediation program of \$220,000 in both fiscal years 2000 and 2001. The current funding level for the eleven victim offender programs in the state, she said, is \$170,000 each fiscal year, which, with the extra funds, is \$390,000 each year. Maudal said offenders going through an offender program with their victims are less likely to re-offend. She said studies show that participants are 30 percent less likely to re-offend than non-participants, and repeat offenses are likely to be fewer and less serious. The extra funding is necessary, she said, in order to allow more offenders and their victims to participate in the program.

Kevin Kajer, fiscal director with the Minnesota Board of Public Defense, addressed one budget request of the board. Kajer said the board requests an appropriation of \$2.387 million in fiscal year 2000 and \$2.457 million in fiscal year 2001 to fund employee salaries in the agency. He said the funding recommendation, borne out of a study required by the 1998 Legislature, allows Board of Public Defense employees to be paid comparably to other state employees doing similar work. In doing so, he said, the board will be able to attract and retain quality employees, compensate defenders in Greater Minnesota on par with those in the Metropolitan Area and help maintain the part time nature of the public defender system.

Bob Sykora, director of technology for the board, spoke regarding the board's funding request relating to information

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technology. Sykora said the board requests an appropriation of \$525,000 in fiscal year 2000 for a state wide connection project. He said the project will connect public defender computers with other public defender computers and with the criminal justice system. Also, he said, the project enables board employees to access e-mail, the Internet, the statewide brief bank and other statewide applications. He said approximately 50 percent of the board's staff does not currently have that access.

Economic Development Budget Division

Commerce budget heard

The budget and activities of the Department of Commerce were reviewed at the Tues., Mar. 9, meeting of the Economic Development Budget Division. The Bureau of Mediation Services budget and activities were also reviewed at the meeting.

Newly appointed Division Chair Jerry Janezich (DFL-Chisholm) said that when he refinanced his house last year, the mortgage lender attempted to charge him \$250 to not have an escrow account. Janezich asked if the department has jurisdiction over fees charged by financial institutions. Commissioner Dave Jennings said that the department looks at the overall health of financial institutions, but doesn't approve specific fees. Jennings later added that beginning August 1 of this year, the department can prohibit "fantasy fees" – fees charged for doing nothing.

Tammy McGlone, Dept. of Commerce, said the department reviews solvency, products and investments; investigates and enforces regulations and licenses various practitioners. She said the department is requesting \$90,000 above its base budget to expand its Internet capabilities and re-engineer its database. McGlone said that the department hopes to enable the filing of forms through its web site. She said that it may be possible for people to claim unclaimed property through the web site. McGlone added that the department spends \$198,000 each time it advertises unclaimed property in newspapers throughout the state.

Earlier, Lance Teachworth presented the budget request for the Bureau of

Mediation Services. He said that the bureau trains mediators for labor/management and other kinds of disputes. Janezich asked how the bureau prioritizes the disputes they mediate. Teachworth replied that they first deal with contract mediation, especially K-12 teacher contracts that are up for renewal every other year. Teachworth added that there is a good return on their budget because only about a half dozen cases out of the 162 that the bureau mediated last year were appealed to the courts. The division will use the information presented when formulating its omnibus budget bill later this session.

Election Laws

Primary election discussed

Three bills relating to when and how primary elections are conducted were considered by the Election Laws Committee at the Mon., Mar. 8, meeting. The committee is chaired by Sen. John Marty (DFL-Roseville).

Sen. Don Betzold (DFL-Fridley) offered S.F. 24, a bill consolidating the partisan primary ballot. Betzold said the bill puts all the major party candidates for a partisan office in the state primary in the same column on the primary ballot, rather than having a separate column for candidates of each major party. He said a person is permitted to vote for the candidates of more than one party at the primary election. The two candidates with the highest number of votes, regardless of party, advance to the general election, said Betzold.

"It is hoped that the change will increase voter turnout," said Betzold. Because the field of candidates on the general election ballot is narrowed to two, the winner of the general election is decided by a majority of voters, he said.

A bill changing the date of the state primary election and eliminating the precinct caucus system was offered by Sen. Cal Larson (R-Fergus Falls). The bill, S.F. 6, moves the date of the primary election to early June. The date change gives voters a better chance to hear from the candidates in the general election, said Larson. Having more time between the primary election and the general election is especially important for candidates in Greater Minnesota, he said.

Secretary of State Mary Kiffmeyer said moving the primary election date to June

addresses some current problems with the system. She said that military and overseas voters sometimes don't have enough time to return the ballot. The extra time between the primary and the general election solves that problem, she said. Kiffmeyer said that by having the election earlier, the emphasis is taken off of partisanship and placed on issues. The additional time is an opportunity for the public to learn about the candidates, she said.

Sen. Carol Flynn (DFL-Mpls.) presented S.F. 60, a bill changing several provisions relating to the primary election. The major provisions in the bill include changing the date of the primary election to June; requiring a candidate for constitutional office to demonstrate a certain level of party support; placing the word "endorsed" on the ballot by the name of a candidate endorsed by a major political party; and changing the name of the state primary to the "state party nominating election."

Flynn said that without an increase in voter participation, the mainstream public is not represented. She said the need for a candidate for a constitutional office to demonstrate a certain level of party support assures that the candidate represents the philosophy of the party. Flynn said the candidate must receive at least 15 percent of the votes on any ballot at the appropriate party endorsing convention or file a petition of support signed by a number of persons equal to at least five percent of the number of persons voting for the nomination of the office at the last state party nominating election.

Gail Huntley, associate chair, Minnesota Democrat Farmer-Labor Party, said the DFL supports moving the primary election to June. The DFL also supports changing the name of the election and having the word "endorsed" appear on the ballot next to the endorsed candidate, said Huntley.

Marty said discussion will continue on all three bills.

Early primary bill okayed

A bill advancing the date of the primary election to the first Tuesday in June was approved by the Election Laws Committee at its Weds., Mar. 10, meeting. A separate bill providing for an open primary election failed to gain committee support.

The panel continued its consideration of the primary election date change bill, S.F. 60, carried by Sen. Carol Flynn (DFL-Mpls.), from previous meetings. Most of the discussion concerned the timing of precinct caucuses and the minimum level of party support necessary to appear on the primary ballot.

A provision in the bill allows flexibility in the date of precinct caucuses. Secretary of State Mary Kiffmeyer said that although it's an excellent idea, it's not practical. She said that setting a fixed date for precinct caucuses allows equal access. In addition, she said that Saturdays are religious holidays for many and the prohibition against public meetings on caucus nights means that public entities could not meet for two weeks. The panel adopted an amendment offered by Flynn that allows Saturday public meetings during the caucus period.

Sen. John Marty (DFL-Roseville), chair of the committee, said that under the provision, the window for caucus dates could be as little as five days or as much as twelve days depending on what day the first of the month falls on. Sen. Mark Ourada (R-Buffalo) said that the flexibility of dates could make it confusing for public meetings. Sen. Linda Scheid (DFL-Brooklyn Park) said she was concerned that high school athletic tournaments or bad weather could interfere with the conventions. Flynn replied that there will always be conflicts no matter when the conventions are held.

Sen. Ember Reichgott Junge (DFL-New Hope) said that the provision requiring at least 15 percent of the vote at a convention or a petition signed by at least 5 percent of the number of voters in the last party primary election for a candidate to appear on the primary ballot had been criticized as being both too low and too high. She offered an amendment allowing parties to determine their own minimum support threshold for candidate viability as long as the minimum was at least 5 percent but no more than 30 percent. The panel adopted the amendment.

Ourada moved to strike a provision specifying that attendees of the first level of nominating conventions are automatically delegates to the next level of conventions. Scheid said that the parties can do that anyway without the provision. Kiffmeyer said that the provision

could be challenged because the Supreme Court has ruled that political parties are considered to be similar to businesses and the Legislature cannot dictate their internal operations. The Ourada motion was adopted.

The panel also removed language making a person guilty of perjury if the person signs a candidate nominating petition but didn't vote in the most recent precinct caucus or don't vote for a majority of the party's candidates at the next primary election.

Sen. Douglas Johnson (DFL-Tower) criticized the bill. He said it is not the job of the Legislature to strengthen parties, but to make it easier for people to run for office or vote. "Political parties should fix their own problems and not have the law do it," Johnson said. Ourada disagreed, saying that strong parties are good for the process. He said that he wanted people to be serious about their candidacy. Ourada added that serious candidates have to contend with the non-serious candidates in the primary race. Scheid agreed with Ourada, saying that parties should decide who gets access to the party ballot. Johnson said that the ballot belongs to the people, not the party. Ourada countered by saying that primary elections are the party's ballots, but the November election is the people's ballot. The committee approved the bill and advanced it to the Senate floor.

The committee also considered an open primary bill, S.F. 24, sponsored by Sen. Don Betzold (DFL-Fridley). Scheid spoke in favor of the bill, saying it opened the primary election up to people who can't believe they are not allowed to vote for candidates of more than one party. Flynn spoke against the bill. She said it opens the process up to more game playing. The bill failed to gain committee approval.

Environment and Natural Resources

Land sale bills heard

The Environment and Natural Resources Committee, chaired by Sen. Bob Lessard (DFL-Int'l. Falls), met Mon., Mar. 8, to hear several bills related to the sale and use of state land.

S.F. 829, authored by Sen. William Belanger (R-Bloomington), authorizes the Dept. of Human Services to sell a

parcel of surplus state land to the city of Bloomington. The bill was approved and sent to the Senate floor.

S.F. 943, authored by Sen. Jane Krentz (DFL-May Township), authorizes the public sale of tax forfeited land in Forest Lake that borders public water in Washington County. The bill was approved and sent to the Senate floor.

S.F. 1090, authored by Lessard, authorizes Koochiching County to exercise the power of eminent domain for acquisition of trust fund land. S.F. 1091, also authored by Lessard, authorizes the conveyance of tax forfeited land in Koochiching County. Both bills were approved and forwarded to the Senate floor.

S.F. 881, authored by Sen. Dave Kleis (R-St. Cloud), creates a regional parks and trails plan in Stearns, Benton, and Sherburne Counties, put together by a parks and trail coordination board created under a joint powers agreement. The bill authorizes the parks and trail coordination board to administer grants. The bill was approved and sent to the Senate floor.

Wetland bill discussed

A bill changing the classification of public wetlands was heard for the second time by the Environment and Natural Resources Committee, Weds., Mar. 10. The committee is chaired by Sen. Bob Lessard (DFL-Int'l. Falls).

S.F. 83, authored by Sen. Dan Stevens (R-Mora), was first heard at the committee's Feb. 10 hearing. The original bill transferred jurisdiction for regulation of all wetlands defined in United States Fish and Wildlife Service Circular No. 39 as types 3, 4, and 5 wetlands, to the Wetland Conservation Act (WCA), administered by the Board of Water and Soil Resources (BOWSR). Under current law, public waters wetlands are administered by the Dept. of Natural Resources (DNR). Stevens said that after the hearing he continued to work with groups to address issues raised in discussion of the bill, and developed an amendment that was a compromise to address the concerns. He said the bill simplifies and consolidates regulation of wetlands with the WCA and allows the DNR to maintain jurisdiction over those wetlands, and to revise the public waters inventory. The boundary of all wetlands, including public waters wetlands, will be delineated using the 1987 United States

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Army Corps of Engineers Wetland Delineation Manual, Stevens said. The amendment was adopted.

Ron Harnack, BOWSR, said he had concerns with the original bill but supported the amended version. "We haven't taken a giant step forward, but the bill takes a few steps and creates efficiencies," Harnack said. He said one of the improvements in the bill is providing that a public waters work permit is required for repair or maintenance of a public drainage system that fills or drains a wetland that has been in existence for more than 25 years. He said the enforcement process provided in the bill allows DNR conservation officers and other peace officers to issue a cease and desist order for illegal activity affecting public waters. Harnack said this will be more effective than the current provision where enforcement officers issue citations but the violation remains unresolved.

Kent Lokkesmoe, from the DNR, said the department also supports the bill's simplification of wetland regulation. He said the state currently has around 9,800 wetlands, and the bill will affect approximately 2,000 basins that will have a change in classification to protected water status.

Don Arnosti, from the Audubon Society, said that he opposed the original bill but now supports the amended version. Dave Weirens from the Association of Minnesota Counties, said the association also now supports the bill. Both Arnosti and Weirens said their organizations were still concerned with a provision in the bill allowing wetland banking for wetland draining or filling associated with new road construction by local road authorities in counties or watersheds with 80 percent or more of their presettlement wetlands intact. Stevens said he would continue to work with the groups to address their concerns.

The bill was approved and sent to the Senate floor.

The committee also heard three additional bills, which were approved and sent to the Senate floor. S.F. 226, authored by Sen. Steve Murphy (DFL-Red Wing), modifies the legal firearm requirements for taking big game. Murphy said the bill allows a person to take big game with a 45 caliber that is at least 1.188 inches in length.

S.F. 459, authored by Sen. Michelle Fischbach (R-Paynesville), authorizes the

public sale of tax-forfeited land that borders public water in Stearns County.

S.F. 1173, authored by Sen. Claire Robling (R-Prior Lake), approves the granting of a permit for the consumptive use of groundwater. Robling said the bill assists the operation, maintenance, and repair of the Blue Lake Wastewater Treatment Plant, located in Scott County by the Minnesota River. She said river levels affect the groundwater level and put pressure on the plant's structures.

Richard Rovang, from the Metropolitan Council, said the bill authorizes the Met Council to pump groundwater away from its Blue Lake Wastewater Treatment Plant in a volume exceeding two million gallons per day. Rovang said the bill prevents a potential that the tanks could crack, causing flooding in service tunnels and resulting in inadequate wastewater treatment and water pollution. He said the public hearings were held on the bill and there were no objections raised.

Environment and Agriculture Budget Division

Oil spill bill heard

A bill appropriating \$225,000 over the next biennium to the Minnesota Pollution Control Agency (MPCA) to purchase oil spill response equipment, was heard by the Environment and Agriculture Budget Division, Fri., Mar. 5. The division is chaired by Sen. Steven Morse (DFL-Dakota).

S.F. 304, authored by Sen. Leonard Price (DFL-Woodbury), appropriates general fund money to the MPCA to purchase the equipment and distribute it to 14 fire departments along the northern Mississippi River. Price said the bill helps protect the water quality of the river, which is an important supplier of drinking water not only for St. Paul and Minneapolis, but also for many of the suburbs.

David Brostrom, the project coordinator of the Mississippi River Defense Network, said that only 10 percent of the average oil spill is recovered, the remaining 90 percent is either lost through evaporation or into the water. He said the additional equipment helps the local clean up personnel respond quicker and thus provide more effective cleanup. The

bill also requires the MPCA to lead the training for the fire departments.

Kevin Faus, from the MPCA, said the current system in which the entity creating the spill is responsible for the cleanup, is often ineffective because the contractors used for cleanup often do not respond quickly enough. He said the department did not support the bill because the appropriation was through the general fund, and the governor's budget does not provide money for the equipment.

No action was taken on the bill.

The division then continued its overview of the Dept. of Agriculture's budget. Paul Burns, supervisor of the department's Planning Program, said the agriculture resource management program helps producers implement practices that protect water quality while helping farms remain economically viable. He said the program helps assess and analyze current management practices, and develops and promotes best management practices for using manure as fertilizer. He said the program also maintains a laboratory certification program to promote standardized manure nutrient analysis. The program also helps livestock producers participate in policy development for nonpoint source pollution and livestock and feedlot matters and provides local governments technical assistance on integrating livestock facilities into development plans, Burns said.

Larry Palmer, a project manager for the department's Administrative Support Division, said the agency is requesting \$1.2 million for FY 2000 to update its technology needs. He said \$277,000 of the request is for updating hardware and software that operate the agency's computer network, \$474,000 is to add six new positions to maintain the system, and \$449,000 is for the purchase of 71 laptops for staff to use in the field. He said the Office of Technology and the governor support the request.

Jim Boerboom, the director of the Agricultural Finance Division, said the department's Rural Finance Authority (RFA) provides financial assistance to farmers and agricultural resource businesses. He said the RFA has signed participation agreements with 380 agricultural lenders and carries an outstanding loan balance of more than \$49 million serving approximately 1,300 farmers.

Family and Early Childhood Education Budget Division

Three bills discussed

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Fri., Mar. 5, to discuss three bills.

Sen. Linda Berglin carried S.F. 934, a bill that adds to the list of funding priorities for child care grants new or existing programs or projects that serve ethnic immigrant and refugee communities. The bill, said Berglin, especially helps the growing population of Somali immigrants in the state. She said she is aware of approximately 30 Somali women who have child care licensure, but are unable to provide care out of the apartments in which they live. She said the bill allows funding for a child care center so care can be more easily obtained.

Osman Sahardeed, a representative of the Somali Community of Minnesota, testified in favor of the bill. He said the bill enables funding to be available for the establishment of a center for culturally sensitive child care, where Somali children will not have to overcome barriers relating to language, religion and dietary issues. He said those in the Somali community are not seeking a center so simple baby sitting can be provided, but so when parents go to work, they can trust their children are in a safe, educational environment.

Because the bill adds ethnic immigrant child care to a list of seven funding priorities, and does not make it the first priority, Berglin requested adding an oral amendment to establish immigrant care as a first priority. However, Sen. John Marty (DFL-Roseville) said there was at least one more item on the list that he thought deserved equal priority, and questioned the wisdom of placing one above the other. In response, Berglin said that while she did not favor instituting immigrant child care as the only child care funding priority, she also did not want it to be just one alternative out of many. If immigrant child care becomes just one more choice, she said, the Somalis may still not receive any funding. After additional debate, members agreed to lay the bill on the table for further discussion.

Berglin also presented S.F. 1129, a bill relating to prevention grants for Ameri-

can Indian Youth. The bill requires the commissioner of the Minnesota Department of Children, Families and Learning (CFL) to make grants available to non-profit organizations to fund prevention programs for American Indian Youth. Also, the bill requires the commissioner to consult with the Indian Youth Consortium on the distribution of the funds, and appropriates money for the grants. Berglin said the grants in the bill are to fund after school programs that focus on tobacco, drugs, alcohol, violence and safe sex.

Frances Fairbanks, executive director of the Minneapolis American Indian Center, testified in support of the bill. She said the urban American Indian community has many needs, as over half of the population in Minneapolis lives below poverty levels. She also said chemical dependency is a major problem in the community, because even though Indians make up only two percent of the total state population, they represent 12 percent of the total chemical dependency treatment program population. Fairbanks also said Indians are disproportionately represented in state jails, and many of the crimes committed can be traced to alcohol and drug abuse. Fairbanks said prevention now will cost the state less money than treatment and incarceration will later. The bill was approved to be included as part of the division's omnibus bill.

Sen. Linda Higgins (DFL-Mpls.) offered S.F. 742, a bill that requires the CFL commissioner to provide a grant to the non-profit organization currently operating the CLEARCorps lead hazard reduction program. According to the bill, the grant must be used to eliminate lead hazards in and outside of homes, teach family members how to live in a lead safe manner, prevent lead poisoning in children by assessing homes at risk and providing support services to persons impacted by lead poisoning. The grant must also be used to act as a resource on lead hazard reduction to other communities and to report on lead hazard reduction activities to allow replication in other communities. The bill also appropriates \$500,000 for the lead reduction project. The bill was laid over for further discussion.

Child care bills discussed

Members of the Family and Early Childhood Education Budget Division,

chaired by Sen. Pat Piper (DFL-Austin), met Tues., Mar. 9, to discuss three bills related to child care.

Piper carried S.F. 679, a bill that directs the commissioner of Children, Families and Learning to develop a plan for integrating child care and early education programs. According to the language of the bill, the plan must address issues of cost efficient delivery of services, central location of programs, integration of programs, ease of accessibility to service and non-traditional child care hours. The plan must also deal with special needs, infant and sick child care, as well as the legislative simplification of programs. There was no testimony in opposition to the bill, and it was approved and referred to the Children, Families and Learning Committee.

Sen. Becky Lourey (DFL-Kerrick) offered S.F. 1260, a bill that consolidates the Minnesota Family Investment Plan (MFIP), transition year and basic sliding fee child care assistance programs into one basic program. The bill includes transition year and sliding fee child care programs as part of the forecasted budget—MFIP child care is already included—instead of continuing them as capped allocation programs that only provide assistance until the funding runs out. Also, the eligibility requirements in the bill to receive assistance stay basically the same as in current law.

Lourey said the bill ensures that child care is obtainable for all who need it. She said because the bill places all three programs within the budget—instead of in capped allocation programs—there will always be money available to fund child care assistance. Lourey also said the bill makes it so individuals and families do not have to choose between employment and child care, since currently, child care assistance for MFIP participants is guaranteed, while those who are employed must wait for sliding fee or transitional child care. The bill, Lourey said, unifies the current system. The bill was laid on the table, to be discussed again at a later meeting.

Lourey also carried S.F. 610, a bill relating to basic sliding fee child care assistance. The bill allows full time students who work at least an average of ten hours per week and who are paid at least a minimum wage to be eligible for child care assistance. Many counties, Lourey said, require students to work

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twenty hours per week to receive child care. The bill also clarifies that work study programs must be counted as employment, removes the authority of counties to pay parents directly for eligible child care expenses, appropriates funds for basic sliding fee child care assistance and repeals language in current law that provides for expansion of unlicensed child care. The bill was laid over to be discussed again at a future meeting.

Transitional housing discussed

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Wed., Mar. 10, to discuss three bills.

Sen. Steve Kelley (DFL-Hopkins) carried S.F. 980, a bill that appropriates a \$25,000 grant to Perspective, Inc., to provide transitional housing services. Located in St. Louis Park, Perspective, Inc., provides transitional housing of up to two years for recovering chemically dependent and homeless women and their children in three twelve unit apartment buildings. Perspectives, Inc. provides various case management services for the women, as well as a number of services for the children, such as a mandatory tutoring program. Kelley said Perspectives is an effective program that has had tremendous success in integrating residents back into the community at large.

Mary Irving, a current resident, testified in favor of the bill. Irving said the program has benefitted her by providing not only affordable housing, but also a chemical free atmosphere, day care services and direction from staff case management services. She said she will soon complete an educational program that will allow her to obtain gainful employment, which she said she would not have been able to do without the support offered from Perspectives, Inc. The program, she said, has been very good to her. There was no opposition to the bill, and it will be considered for inclusion in the division's omnibus bill.

Sen. Becky Lourey (DFL-Kerrick) offered S.F. 1184, a bill that appropriates \$2 million to the department of Children, Families and Learning for child care development grants. According to the language of the bill, up to one-half of the money must be used for forgivable loans to providers seeking credit-based train-

ing, while the remaining funds must be used for grants for mentoring, training and apprenticeship programs for child care center staff and family care providers. The bill also instructs the commissioner of Children, Families and Learning to consult with representatives from a variety of child care fields to assist in awarding grants. Lourey said she has spoken with many people across the state who have taken advantage of forgivable loans. It is a program, she said, with many benefits. There was no testimony in opposition to the bill, and it was laid over to be considered for omnibus inclusion.

Sen. Linda Higgins (DFL-Mpls.) presented S.F. 1062, a bill that allocates money to fund the state wide information referral system operated by First Call Minnesota. First Call Minnesota, a non-profit organization with eleven offices throughout the state, provides information and referral services to people who need help with a specific situation but do not know where to turn for the help. According to information provided, approximately 400,000 people called their local First Call for Help last year alone.

Bill Schultz, president of First Call, testified in favor of the bill. He said First Call representatives tell people where to find the help they need by laying out a road map of all the resources available. Every possible resource, he said, is identified for callers.

Sen. Leo Foley (DFL-Anoka) asked if the bill creates a new program or grants funding for the existing program. Responding, Higgins said the goal of the bill is to fund the existing First Call program. However, Foley—and other Senators—said the bill is written in a manner that seems to create a new program instead. In order to clarify the language of the bill, it was laid over to be discussed again at a future meeting.

Governmental Operations and Veterans

Animal cruelty discussed

A proposed increase in the penalties for animal cruelty was discussed at the Thurs., Mar. 4, meeting of the Governmental Operations and Veterans Committee. The committee is chaired by Sen. James Metzen (DFL-South St. Paul).

Sen. Don Betzold (DFL-Fridley) presented S.F. 613, a bill defining acts or omissions constituting cruelty or abuse and providing for increased penalties for cruelty to animals. The bill provides for a five-year felony penalty for cruelty or the lack of nourishment, shelter, or rest resulting in great bodily harm or death of animals. The bill also provides for exceptions from cruelty to animals for commonly accepted veterinary procedures performed by a licensed veterinarian; the lawful slaughtering of animals; scientific research activities at a licensed or registered facility; commonly accepted animal husbandry practices; the taking of a wild animal in accordance with state, federal or local laws; and an act of God.

Kristen Olsen, Animal Humane Society, said the organization supports the bill because it strengthens the anti-cruelty laws by increasing the penalties for the most severe cases of harm to animals. She said that currently, Minnesota has the weakest animal cruelty penalties in the nation. "A felony option for extreme cruelty sends the important message that violence against some of society's most vulnerable beings is both unacceptable and intolerable," Olsen said.

Sen. Martha Robertson (R-Minnetonka) pointed out that the language in the bill dealing with dogs and cats left unattended in a motor vehicle was more explicit than the language in statute dealing with children left unattended in a vehicle.

University of Minnesota doctoral student Corwin Kruse opposes the bill because it "lessens the likelihood of prosecution," he said. Kruse said penalty increases do not deter the behavior, only the certainty of punishment does. Because the bill allows so many exemptions, fewer cases will be prosecuted, said Kruse.

Erin Jordahl, executive director, Minnesota Humane Society, said her organization does not support the bill. She said Minnesota has one of the oldest animal cruelty laws in the nation. Increased penalties for cruelty to animals is good, but the exemption language in the bill is uncertain and too broad, said Jordahl. The language needs to be clearly defined so that there is protection for all animals in Minnesota, she said. Wild animals would have no protection under this bill because they are included in the

exemptions and the game laws of the state set seasons, rather than deal with the cruelty issue, said Jordahl.

The bill was recommended to pass and re-referred to the Crime Prevention Committee.

The committee also heard S.F. 820, a bill regulating the duties of the Secretary of State as a licensed certification authority and specifying the consequences of accepting certain digital signatures. Sen. Steve Kelley (DFL-Hopkins), author of the bill, told members the bill is more of a "housekeeping" bill, providing solutions to some of the problems with the current statute. The bill also changes the language governing the deposit of fees collected by the secretary, said Katie Engler, Office of the Secretary of State. Engler said the proposed language creates a revolving fund for recovery of project costs and at the end of each biennium, any monies in excess of expenditures will be returned to the general fund.

The bill was recommended to pass and sent to the Senate floor.

Governmental Operations Budget Division

Secretary of State budget heard

Secretary of State Mary Kiffmeyer presented the department budget proposal at the Tues., Mar. 9, meeting of the Governmental Operations Budget Division. The division is chaired by Sen. Leonard Price (DFL-Woodbury).

Kiffmeyer said the Secretary of State serves as the chief election official of the state and has a primary responsibility to ensure that elections are conducted in a fair and impartial manner according to the law. The office is also responsible for maintaining a statewide computer network connecting all 87 county courthouses, linking the records of all registered voters, all uniform commercial code and farm lien transactions, federal tax liens, and all state and county election results, she said.

The department is a "net contributor" to the state's general fund, with generated revenues for FY 98-99 projected to exceed by \$3.6 million the amount appropriated to the office by the Legislature, said Kiffmeyer. Fees generated by the agency include filing fees for business services; fees for the certain public

information and lists; filing fees for individuals running for public office; records processing; uniform commercial code filing fees; and fees for digital signature licenses. She said the department requests a larger share of fee revenue generated by the office in order to complete implementation of a Y2K compliant computer system.

In addition to the base amount in the budget proposal, the department listed several change items including appropriations to fund Y2K compliance work after July 1, 1999; phase II of computer system development; election related workstations; upgrades to the redistricting system; and training for election officials.

Kiffmeyer said the \$543,000 appropriation for the Y2K compliance efforts after July 1 includes \$225,000 to complete the "patch" of the mainframe codes. She said the remainder is required for Y2K upgrades to mainframe peripherals and for software modifications. The work is vital to ensure there is no interruption in services provided to clients, said Kiffmeyer. The new client-server system allows room for enhancements, expanded memory, and operation at considerably less expense.

Phase II of computer system development moves four computer modules – the voter registration module, election night reporting applications, the central notification system and the tax lien module – from the mainframe computer to a client-server system. Kiffmeyer said the mainframe is antiquated and system memory is at capacity, causing the system to slow down.

An increase of \$18,000 is requested to cover the costs of travel, room rental and related expenses associated with conducting training conferences and other meetings with election officials, recounts, pre-election testing of voting equipment and post-election testing of voting equipment. Kiffmeyer said currently training is required of election judges, but not county election officials. The training is needed and has been requested, she said.

AG's Office budget heard

Attorney General Mike Hatch appeared at the Weds., Mar. 10, hearing of the Governmental Operations Budget Division to outline the budget recommendations and budget request for his office. Hatch said there has been an

increased demand for Attorney General Office legal services in recent years. He cited Medical Board licensing issues; Indian issues, such as gaming, hunting and fishing rights and law enforcement; utility deregulation issues; DWI related issues; new federal regulations; state employment law issues; an increase in murder and drug prosecutions in Greater Minnesota; and the growth of complex litigation such as school education adequacy cases as all contributing to the increased need for legal services. Hatch said that the AG's Office has three major responsibilities: law enforcement, representing state agencies and defense of claims.

The AG's Office is requesting direct appropriations of \$36.2 million for FY 2000 and \$36.3 million for FY 2001. In addition, the office receives funding through state agency partner agreements. Hatch said the plan calls for partner agency agreement funding of \$5.9 million for FY 2000 and \$6 million in FY 2001. The governor's budget includes funding for the additional caseloads the AG's Office is experience by providing \$491,000 in FY 2000 and \$998,000 in FY 2001. However, the governor's recommendation also cuts \$1.5 million from the AG's Office appropriation in FY 1999.

Hatch also said the only initiative the AG's Office is requesting for the next biennium is a technology initiative to maintain and upgrade the existing computer network, add an automated litigation support system, add imaging for document retrieval, upgrade remote access and pilot a voice recognition program. The technology initiative amount to \$991,126 for FY 2000 and \$912,391 for FY 2001, Hatch said.

In other action, the panel, chaired by Sen. Leonard Price (DFL-Woodbury), also heard the budgets of the Capital Area Architectural and Planning (CAAP) Board and the Amateur Sports Commission. Nancy Stark, executive secretary of the CAAP Board, said the board is charged with preserving and enhancing the dignity, beauty and architectural integrity of the Capitol, the Capitol grounds, the buildings adjacent to the Capitol and the surrounding area. Stark said the governor recommends maintaining the board's base budget, but has included \$25,000 each year of the biennium for improving the board's

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technology capacity in the Small Agency Infrastructure Initiative under the Minnesota Office of Technology.

Paul Erickson, executive director of the Minnesota Amateur Sports Commission, outlined the duties of the commission and detailed the budget recommendations. The commission's purpose is to elevate the economic and social benefits of amateur sports to enrich the lives of all Minnesotans, Erickson said. He said that the economic development benefits arising from the commission's activities amount to about \$50 million per year. He said the sport event hosting, facility development and sports program development provide a good return on investment for the state. Erickson said the budget recommendation is essentially a status quo budget, although the governor does recommend a \$40,000 technology grant through the Small Agency Infrastructure Initiative under the Minnesota Office of Technology. Erickson said the funds will be used to help market events.

Health and Family Security

MFIP testimony

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Fri., Mar. 5, to hear public testimony regarding a variety of bills that make changes in the Minnesota Family Investment Plan (MFIP).

Jason Walsh, coordinator of the Affirmative Options Coalition, said any changes made to MFIP must address six key issues. Walsh suggested reducing the job counselor case load, expanding education and training opportunities, stopping the 60 month time clock in certain circumstances and preserving the MFIP exit level. He also suggested eliminating the rule that counts the first \$100 of a rental subsidy as unearned income and continuing food assistance to legal immigrants.

Linden Gawboy, a representative with the Minnesota Welfare Rights Coalition, provided information regarding a survey of 200 MFIP recipients in Hennepin and Ramsey Counties. She said out of the 200 surveyed, two-thirds obtained jobs while receiving MFIP, but 95 percent reported that the jobs they secured would not support their families when additional support—such as child care, food stamps, and medical assistance—was

terminated. She said 85 percent stated that the jobs would never turn into a job that would support their family. Also, she said 80 percent of the jobs paid wages less than 120 percent of the federal poverty level, and 60 percent of the jobs paid wages below the poverty level. Gawboy also reported that two-thirds of those surveyed were not told of the option to get education—in violation of the law—and of those who did ask about education, 52 were denied their request.

Ramsey County Community Commissioner Sue Haigh addressed the need for affordable child care. Haigh said that over 7,000 individuals in the state are currently on the waiting list for child care, when two years ago, there was no wait at all. Of those waiting, she said, half report leaving their children with various friends or family members, 80 percent either have full time jobs or would have full time jobs if they could find child care and two-thirds earn between \$7 and \$10 per hour. She said child care must be made more readily available in order to enable more people to work.

Elizabeth Wirtz, a St. Paul resident currently receiving MFIP assistance, discussed one personal experience regarding her MFIP involvement. Wirtz said she had recently enrolled in an educational program in order to receive the training necessary to qualify for a better paying job. Although under the impression that the program was allowed under the MFIP guidelines, she said she tried numerous times, without success, to contact her job counselor for approval. Not until she was officially accepted into the school, she said, did her counselor inform her the program would not be accepted. Wirtz said now, instead of receiving training to allow her to obtain a good paying job, she has been forced into a low wage job with no future. Several other MFIP participants—who were denied opportunities to receive various vocational and technical education and training—told of the need for an improved emphasis on education within the MFIP program.

Traditional midwife bill heard

A bill clarifying the licensing requirements for the practice of midwifery touched off emotional testimony at the Health and Family Security evening meeting Mon., Mar. 8. The bill, S.F.

383, sponsored by Sen. Sandra Pappas (DFL-St. Paul), is designed to allow traditional midwives to be licensed by the state. Pappas said the traditional midwives are caught in something of a "catch-22" in that in order to purchase insurance, they must be licensed but currently they are an unlicensed profession.

Members, chaired by Sen. John Hottinger (DFL-Mankato), heard testimony from both those who practice traditional nurse midwifery and from those who had experienced home births with the assistance of a traditional nurse midwife. Pappas then provided a section by section analysis of the bill. The measure sets forth definitions, describes standards of practice, specifies that to be eligible for licensure an applicant must develop a medical consultation plan and specifies the requirements for licensure. In addition, the measure requires that three years after the date of initial licensure and every three years thereafter, a traditional midwife must complete a minimum of 30 hours of board approved continuing education and that at least five hours must involve adult cardiopulmonary resuscitation and either infant cardiopulmonary resuscitation or neonatal advanced life support. The measure also requires the Board of Medical Practice to appoint a seven-member advisory council on traditional midwifery and specifies the membership and duties of the advisory council.

Deanna Tillman, speaking on behalf of the bill, said that by having a traditional midwife in attendance she was able to appreciate the peace of home delivery. She added that she and her husband were very impressed with the prenatal care given by the traditional midwife. Other proponents said that the homebirth experience had been enhanced with the services of a traditional midwife. Dr. Mike Vlast, a homebirth parent and physician, said that the mortality rates were very low for homebirths and that the experience has been shown to be safe for normal deliveries.

Members discussed the provisions of the measure but could not come to agreement on language. The bill was laid over for further consideration.

The committee also heard a number of other measures dealing with the licensure of various health professions. Sen. Sheila Kiscaden, co-chair of a joint Health and

Family Services and Governmental Operations Subcommittee on Occupational licensure, said that the subcommittee has been altered to become a subcommittee of the Health and Family Services Committee and, as such, has developed a set of forms and criteria to be used in considering bills relating to health profession licensure. She urged members to consider bills in light of the criteria.

Two bills authored by Sen. Steve Kelley (DFL-Hopkins) were endorsed by the panel. S.F. 983 modifies provisions relating to the licensure of psychologists. Kelley said the bill was primarily of a housekeeping nature except for provisions that increased the penalty for unlicensed practice of psychology from a misdemeanor to a gross misdemeanor, that provide for good faith immunity for those who report suspected violations in good faith and that clarify that the prohibition on fee splitting is a prohibition on accepting kickbacks. The measure was approved and forwarded to the Judiciary Committee. The second bill, S.F. 984, clarifies language about providing access to copies of psychological tests, test materials, or scoring keys. The measure provides that a provider is not required to provide the items to any individual who has completed a test, or to an individual not qualified to administer, score and interpret the test, if the provider determines that access would compromise the testing process for the individual or others. Further, the bill specifies that if the provider makes the determination the process would be compromised, the provider is to release the information either to another provider or furnish a summary of the test results to the individual. The measure was approved and advanced to the full Senate.

S.F. 1131, authored by Sen. Linda Berglin (DFL-Mpls.), increases the Medical Assistance reimbursement rate for dentists whose practice has a disproportionate share of patients covered under a public assistance program. In addition, the bill also establishes a grant program for community clinics providing dental services. Finally, the measure allow dental hygienists to perform certain services with limited supervision. The measure was approved and referred to the Health and Family Security Budget Division.

S.F. 510, authored by Hottinger,

expands the number of dental hygienists on the Board of Dentistry. The measure was approved and re-referred to the Governmental Operations and Veterans Committee. S.F. 651, authored by Sen. Steven Morse (DFL-Dakota), makes changes to the provisions relating to the Advisory Council on Water Supply Systems and Wastewater Treatment Facilities. The bill conforms state requirements for water supply and wastewater treatment operator certification to federal requirements, removes the expiration date of the advisory council and removes obsolete references. The bill was also approved. A bill, S.F. 507, providing for certification of emergency medical technicians and medical response units was also heard. The measure, sponsored by Sen. Becky Lourey (DFL-Kerrick) was laid over for further consideration.

Patient protections discussed

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Tues., Mar. 9, to discuss two bills relating to Health Maintenance Organizations (HMOs) and the protection of patients rights.

Sen. Don Samuelson (DFL-Brainerd) carried S.F. 953, a bill that summarizes patient rights and protections. Among other things, the bill prohibits a health carrier that has given preauthorization approval for service from subsequently denying payment for the service, forbids retaliation against a provider that discloses information relating to the care of an enrollee to an appropriate regulatory agency and prevents a provider from classifying a physician recommended drug or procedure as experimental unless the provider can prove the treatment is unsafe or ineffective. The bill also states that a health carrier is liable for damages for harm caused to an enrollee by the health care treatment decisions made by its employees or representatives and defines treatment that is classified as medically necessary.

Michael Scandrett, executive director of the Minnesota Council of Health Plans, testified in opposition to the bill. He said the bill greatly expands liability risk, prohibits evaluating the necessity, cost or appropriateness of treatments, eliminates establishing provider networks, requires coverage of all experi-

mental treatment and requires physicians to take time away from patient care to discuss how they are paid. As a result, Scandrett said, health care premiums would increase approximately 20 to 30 percent, at least 60 to 70,000 Minnesota workers will lose their health care coverage and employers will pay an additional \$620 million annually to provide health care for workers who keep their coverage. Also, he said, every method used to ensure the highest quality for the lowest price will be eliminated and the quality of care will decrease.

Attorney General Mike Hatch testified in support of the bill. Hatch said most sections of the bill do not have a cost impact because the bill does not mandate more coverage, but simply refers to procedural matters. He also said the bill does not decree that all experimental treatment must be covered, as Scandrett said, but that any experimental treatment must have a proven effectiveness and be specific to the particular case in order to be approved. Hatch said also that capitation agreements between an HMO and a clinic—which pass the risk of insuring the patient to the clinic—are not outlawed under the bill. What is eliminated, he said, is the incentive under current capitation agreements for physicians not to refer to a specialist outside the primary care clinic. Hatch also said the bill will not bring more lawsuits directed at HMOS, because it is modeled after a bill in Texas that in two years has produced just one lawsuit. The bill, he said, has no impact on cost, but it does have an impact on accountability. Although several concerns about the bill were raised by various Senators, it was approved and referred to the Commerce Committee.

Sen. Steven Morse (DFL-Dakota) offered S.F. 1219, a bill that establishes a uniform complaint and appeals process for enrollees of a health care provider. Among other things, the bill requires a health plan company to provide a concise description of the utilization review process to each enrollee, compels the commissioners of health and commerce to establish a joint interagency external appeals process and provides immunity from civil liability to any person who participates in an external appeal if the action was taken in good faith. The bill also requires the commissioners to make summary data on decisions rendered

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available to the public, describes the standard internal appeal process and adds an initial review determination. Morse said a key part of the bill is that the appeals process is binding on the health care provider, but not on the consumer. The goal is to create a system that is streamlined, user friendly and something in which all citizens can have confidence, he said.

Bob Brick, a representative of ARC Minnesota, testified in favor of the bill. He said the current appeals process is confusing, time consuming and skewed in favor of the health plans companies. He said the bill gives consumers an opportunity to report their complaints in a timely manner. The bill, he said, is essential for all health care consumers. There was no testimony in opposition to the bill, and it was approved and re-referred to the Commerce Committee.

Licensure bills heard

Several bills regulating the practice of several health related occupations were heard at the Weds. evening, Mar. 10, meeting of the Health and Family Security Committee. Other bills concerning a variety of subjects were also heard at the meeting.

Sen. Jim Vickerman (DFL-Tracy) presented a bill, S.F. 1125, providing for the licensure of dental assistants. Sen. Sheila Kiscaden (R-Rochester), who co-chaired the Joint Health and Family Security and Governmental Operations and Veterans Commerce Subcommittee on Occupational Licensing, said she had concerns about the bill. She said that statutes provide for three levels of occupational regulation: registration, certification and licensing with registration being the lowest level of regulation and licensing the highest. Kiscaden said that licensing is reserved for occupations where the practitioner works autonomously and the practice could pose a threat to the well-being of the client. Committee Chair John Hottinger (DFL-Mankato) asked why licensing was chosen rather than certification for regulating dental assistants. Kathy Zweig, Minnesota Dental Assistants Association, said that licensing was the regulation level that best fit the practice and training of dental assistants. Sen. Martha Robertson (R-Minnetonka) questioned if dental assistants practiced autonomously. The panel adopted

Kiscaden's motion to lay the bill on the table for interim study.

A bill authorizing the certification of emergency medical technicians (EMT), S.F. 507, sponsored by Sen. Becky Lourey (DFL-Kerrick) also received committee consideration. Lourey said the bill puts current administrative rules concerning EMTs into statute. Mary Hedges, Emergency Medical Services (EMS) Regulatory Board, said that the rules are being revised before going into statute to make it easier for registered nurses and physician assistants to gain certification as an EMT. She said the bill is designed to address the needs of small rural ambulance services. She added that it also puts the authority for changing regulations in the hands of the Legislature rather than the EMS board. The committee adopted an amendment, offered by Robertson, authorizing the EMS board to take disciplinary action against EMTs, but rejected another Robertson amendment that would place the EMS board under the health-related licensing boards. Lourey said that the EMS board oversees training requirements, not licensing like the other health-related licensing boards. Lourey said that the health-related licensing boards is a fee supported entity, but many EMTs are volunteers and can't afford the fees. The bill was approved and referred to the Health and Family Security Budget Division.

Sen. LeRoy Stumpf (DFL-Thief River Falls) presented the last licensure bill, S.F. 1539, authorizing the Dept. of Health to license vertical heat exchanger contractors. Stumpf said that a vertical heat exchanger uses geothermal heat. Sen. Leo Foley (DFL-Coon Rapids) asked how the licensing in the bill differed from previous licensing bills. Dan Wilson, Dept. of Health, said that under the bill, contractors would be licensed rather than individuals. The bill was approved and re-referred to the Governmental Operations and Veterans Committee.

Foley presented a bill, S.F. 894, authorizing health care providers to designate a credential verification service to retain records that a health care facility considers when the provider has applied for practice privileges at that facility. Dr. Rebecca Thoman said that currently, whenever a physician moves their practice to another location or the physician's employer acquires a new facility, the physician must submit

credentialing forms to the new facility to gain practice privileges. Under the bill, she said, the physician only has to submit the information once. After that, the physician refers the facility to the credential verification entity, Thoman said.

Kathleen Meyerle, an attorney for the Mayo Clinic, spoke against the measure. She said that the bill is based on the premise that credentialing is just paperwork and ignores the quality assurance aspect of providing healthcare. She said that a physician's privileges may not be transferrable from one facility to another because of different equipment at the different facilities. Foley's motion to approve the bill and send it to the Judiciary Committee failed.

The committee also heard S.F. 1202, carried by Sen. Allan Spear (DFL-Mpls.), a bill that specifies protocol for occupational exposure to blood-borne pathogens. Spear said the bill was put together by a consortium of health organizations to address exposure to pathogens in the emergency services and corrections occupations. The committee adopted several amendments that addressed concerns about the bill raised by the Minnesota AIDS project and the Minnesota Association of Professional Employees, the union that represents state corrections employees.

Hottinger presented two bills for committee action. One bill, S.F. 1075, limits the use of information obtained as part of an HIV vaccine research trial for insurance purposes. The other, S.F. 1074, creates grants for programs to prevent and treat HIV and other sexually transmitted diseases. The first bill was approved and sent to the Commerce Committee while the latter bill was approved and forwarded to the Health and Family Security Budget Division.

The panel also approved S.F. 369, carried by Sen. Pat Piper (DFL-Austin), providing immunity to physician assistants and supervising physicians when the physician assistant renders aid in a disaster. The bill now advances to the Senate floor.

Also receiving committee approval was a bill sponsored by Kiscaden, S.F. 1268. Kiscaden said the bill requires prompt payment to home care providers by HMOs and non-profit health plans. The bill was re-referred to the Commerce Committee.

Health and Family Security Budget Division

Family Foundation discussed

Members of the Health and Family Security Budget Division, chaired by Sen. Don Samuelson (DFL-Brainerd), met Thurs., Mar. 4, to hear an overview of Gov. Ventura's 2000-01 budget proposals for the Minnesota Department of Human Services.

Much of the discussion centered around the creation of the Minnesota Family Foundation, which the governor proposes endowing with \$600 million from the state's recent tobacco settlement by the end of fiscal year 2002. The foundation, to run separate from the government, is designed to support the efforts of individuals and families to become self-sufficient, and will sunset after ten years. No more than five percent of the endowment will be spent annually.

Sen. Sheila Kiscaden (R-Rochester) raised several questions concerning the family foundation. She asked for a more clear definition of the goals of the foundation and for information regarding how the goals are decided, who will staff the foundation, how grant decisions are made and how progress is measured.

Michael O'Keefe, commissioner of the Human Services Department, said the major initiative of the foundation is to support creative solutions to self-sufficiency problems at the local level. Goals of the foundation, he said, include supporting activities that are flexible, innovative and that reduce dependence on government, supporting the efforts of working families and individuals to remain self-sufficient. The foundation is also to ensure that core public efforts—such as the Minnesota Family Investment Plan (MFIP)—have the opportunity to succeed. Other goals, he said, involve focusing resources in ways that demonstrate an impact on a single goal or set of goals and investing in activities that demonstrate success in reducing government expenditures. As far as the administration of the endowment, O'Keefe said the foundation will consist of a board of fifteen directors, four of which are appointed by the governor, four appointed by the Legislature and seven by the board itself. O'Keefe said the board will have a staff which will review

proposals for grants, but that final accountability will fall upon the board. Provisions will also be made, he said, to measure progress with independent audits of the foundation.

Responding, Kiscaden said the Legislature should be more involved in the design and implementation of foundation policies, and that foundation goals and strategies should be more clearly defined as well. Kiscaden also asked for the reasoning behind the creation of the family foundation, when, at the same time, other funding of non-profit organizations that focus on the same problems as the foundation are cut or decreased. There is, she said, an inconsistency in the governor's policy.

Tom Moss, deputy commissioner in the Human Services Department, said the lack of legislative involvement and the inconsistencies can be explained in much the same way. He said the governor wants local communities, not the state government, to make decisions regarding how money is spent in a community, and that the governor questions the overall appropriateness at the state level of laws that benefit certain counties or organizations. Also, he said a more specific goal of the foundation is to measure how many people become and stay self-sufficient through the help of the foundation.

Samuelson said he can envision a substantial amount of endowment money being spent on bureaucracy. He said that with the board and the board's staff, as well as the board and staff of any organization that receives funding, he is concerned that much of the endowment will be spent on administrative costs.

In response, O'Keefe said a built in mechanism to monitor the spending will be created, because the foundation goals focus on results and require accountability.

Moss also discussed the nine programs in the Human Services budget that are cut by the governor. Those activities, he said, reflect an attempt to re-evaluate priorities for state funding, and are eliminated because they are narrowly focused, hold a low priority or are duplicative expenditures. The cuts represent a reduction in the general fund budget of \$1.914 million in both fiscal year 2000 and 2001, and include activities such as Day Training and Habilitation Grants, Epilepsy Demo Grants,

Supplemental Nutrition Funding and Non-Profit Camping. Sen. Pat Piper (DFL-Austin) asked why, because there are hundreds of similarly specifically targeted programs in the budget, the particular nine programs are cut. Moss said the nine fit the governor's philosophy regarding the re-evaluation of expenditures, but added that the attempt to re-examine the importance of an activity was not exhaustive. He said the governor seeks to continue scrutinizing budget activity in the future.

George Hoffman, director of Reports and Forecasts in the Department of Human Services, began a presentation regarding the Nov. 1998 economic forecast. He said general fund costs for medical and economic support programs for the 1998-99 biennium are now forecast to be \$183 million (4.8 percent) less than expected. Also, he said costs for the programs for the 2000-01 biennium are now expected to be \$269 million (6.1 percent) less than expected. Hoffman also said that forecast expenditures on Temporary Assistance for Needy Families (TANF) is projected to be \$79 million (19.6 percent) less than expected for the 1998-99 biennium, and \$105 million (24.6 percent) less in fiscal years 2000-01. Reasons for the savings, he said, include a strong economy and lower than expected Minnesota Family Investment Plan (MFIP) caseloads.

Human services budget discussed

Members of the Health and Family Security Budget Division, chaired by Sen. Don Samuelson (DFL-Brainerd), met Tues., Mar. 9, to hear an overview of Gov. Ventura's 2000-01 budget recommendations for the Minnesota Department of Human Services.

Erin Sullivan Sutton, director of the Family and Children's Services division within the department, discussed the governor's proposals for the division. She said the governor recommends using federal Temporary Assistance for Needy Families (TANF) funds in the amount of \$9.7 million in both fiscal years 2000 and 2001 to continue concurrent permanency planning for children in out-of-home placement pursuant to a court order, or who have been voluntarily placed out of the home by the parents for 60 days or more. Sullivan Sutton also said the governor advocates an increase in the budget of \$942,000 in fiscal year 2000

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and \$1.986 million in fiscal year 2001 to serve 1,000 more children under the adoption assistance program.

Elaine Timmer, assistant commissioner of Continuing Care, addressed the governor's proposals for the division. Timmer said the governor recommends a decrease in the budget of \$6.862 million in fiscal year 2000 and \$8.645 million in fiscal year 2001. The change, she said, completes the downsizing of programs serving people with developmental disabilities at state operated Regional Treatment Centers (RTC) and increases staffing for the Minnesota Extended Treatment Options (METO) program and Community Services programs. Timmer said the governor recommends a decrease in the budget of \$15 million in fiscal year 2000 and \$15 million in fiscal year 2001 for Community Social Services grants, as well as a two year transfer of TANF funds in the amount of \$15 million in both fiscal years to Title XX funds. The proposal replaces the general fund monies with TANF funds. Timmer also said the governor advocates an increase in the budget of \$1 million in fiscal year 2000 and \$2 million in fiscal year 2001 to support an additional 667 families who have children with mental retardation or a related condition, and are striving to support them in the family home. Finally, Timmer said the governor recommends an increase in the budget of \$15.175 million in fiscal year 2000 and \$41.646 in fiscal year 2001 to provide staff compensation increases for nursing facilities, intermediate care facilities for the mentally retarded and most continuing care providers.

DHS budget discussed

Members of the Health and Family Security Budget Division, chaired by Sen. Don Samuelson (DFL-Brainerd), met Wed., Mar. 10, to hear an overview of Gov. Ventura's 2000-01 budget changes for the Minnesota Department of Human Services.

Deb Huskins, assistant commissioner of Economic and Community Support Strategies within the department, spoke regarding the budget changes for the division. Huskins said the governor recommends an increase in the budget of \$1.102 million in fiscal year 2000 and \$1.390 in fiscal year 2001, as well as an increase in the expenditure of federal Temporary Assistance to Needy Families

(TANF) funds of \$1.920 million in 2000 and \$2.212 million in 2001. The changes, she said, are to continue the Minnesota Food Assistance program and the food portion of the Minnesota Family Investment Program (MFIP) for legal non-citizens who are not eligible for federal food stamps. Huskins also said the governor recommends increasing the budget by \$316,000 in fiscal year 2000 and \$514,000 in fiscal year 2001. She said the governor also recommends increasing expenditures in the TANF reserve by \$2.256 million in 2000 and \$3.731 million in 2001. The initiative, she said, increases the exit level for MFIP participants in 2000 and 2001 to approximately 120 percent of 1999 federal poverty guidelines. Huskins said the governor advocates increasing TANF expenditures by \$9.880 million in fiscal year 2000 and \$10.275 million in fiscal year 2001 for enhanced employment services for MFIP participants. The change, she said, results in the lowering of job counselor caseloads to enable counselors to spend more time with each participant. Finally, Huskins said the governor recommends an increase in the budget of \$102,000 in both fiscal year 2000 and 2001 to implement a fee for child support services.

Mary Kennedy, director of Performance Measurement and Quality Improvement, discussed the budget changes for the division. Kennedy said the governor recommends an increase in the Health Care Access Fund budget of \$1.237 million in fiscal year 2000 and \$1.201 million in fiscal year 2001. The change, she said, removes co-payments on services for low income parents in MinnesotaCare as a condition to receive federal aid, amends the four month disenrollment provision for non-payment of MinnesotaCare premiums and adds a category of people affected by the barrier to canceling private insurance to access MinnesotaCare. Kennedy said the governor also recommends an increase in the budget of \$296,000 in fiscal year 2000 and a reduction of \$6.037 million in fiscal year 2001 to reflect a refinancing of Medical Assistance (MA) reimbursement to school districts. The refinancing, she said, includes developing cost based MA reimbursement rates for school based services, maximizing federal participation for the services and reimbursing school districts the federal share

of the rate. She called the initiative a significant change. Finally, Kennedy said the governor advocates increasing the general fund budget by \$1.663 million in fiscal year 2000 and \$5.291 million in fiscal year 2001, as well as an increase in the Health Care Access Fund budget of \$502,000 in 2000 and \$1.509 in 2001. The change, she said, provides for an increase in payment rates for inpatient and outpatient hospital facility services for providers under the Medical Assistance, General Assistance Medical Care and MinnesotaCare programs.

Higher Education Budget Division

HESO budget presentation

The Minnesota Higher Education Services Office (HESO) gave a budget presentation to the Higher Education Budget Division meeting Tues., Mar. 9. The division is chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls).

Ron McKinley, HESO Council board member, spoke of pre-collegiate progress and an increase in college minority partnerships. McKinley said he considers it unfortunate that K-12 education is compartmentalized from post-secondary education. He said a series of programs created by HESO go into the K-12 schools to create an interest in attending college. He said that youths from a family with one parent who has a B.A. degree are 80 percent more likely to attend university. He said children in families that are low-income or people of color do not receive information about higher education from parents, neighbors or counselors. McKinley said he had helped begin and operate Minnesota Minority Education Partnership (MMEP), a program that draws leaders of schools together with parents to discuss rationally what can be done for young people of color in communities. McKinley said MMEP collaborates with schools such as Hamline, Concordia and St. Olaf to interest minority youth in becoming teachers.

Robert Poch, director of HESO, said the agency is committed to providing financial access to post-secondary education for people in Minnesota. He said a number of issues affect access to post-secondary education. He said Minnesota has a growing diversity.

"Diversity is something to celebrate, but it also presents some challenges," he said. "Many families do not have English as a primary language," he said. Another issue, according to Poch, is rising college costs. He said economic and social barriers limit access to post-secondary education, but the explosion of knowledge is driving the demand for information.

Poch said early intervention, financial aid, access to community service and expanded use of new technologies help students achieve post-secondary education. One of the early intervention programs sponsored by HESO is Get Ready!, a program that provides counseling and information on goal-setting, careers, college costs and higher education options to students in grades 4-6 and their parents. The program is designed for families of color, low incomes or no previous post-secondary education.

HESO is requesting \$160.054 million for FY 2000 and \$167.110 million for FY 2001. The governor's recommendations are, respectively, \$141.006 million and \$144.412 million.

Sen. Sam Solon (DFL-Duluth) presented S.F. 922, a bill that clarifies and changes requirements for private career schools. Poch said the bill contains significant enhancement for consumer protection and for students attending private institutions. He said the bill makes sure students' investments are protected, should the school close. He said the bill also specifies student records be maintained for 50 years. Under the bill, civil penalties are imposed if an institution is unlicensed.

Speaking against the bill was Leslie Harter.. She said S.F. 922 does not cover computer or technology training firms.

The bill was laid over.

Hepatitis B bill studied

Sen. Steve Murphy (DFL-Red Wing) presented S.F. 467, a bill requiring student vaccinations for hepatitis B to the Higher Education Budget Division. The division, chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls), met Weds., Mar. 10.

The bill specifies that no person shall be allowed to enroll or remain enrolled in a campus of the state colleges and universities until that person has submitted proof of immunization. Under the bill, if the person has not been immunized

because of conscientiously held beliefs, the immunization shall not be required.

According to Dr. Alan Lifson, chief of acute disease for the Department of Health, one in 20 people now has or will someday have hepatitis B. He said a vaccine is available for hepatitis B that is 90 percent effective. He said the illness is transmitted by sexual contact, exposure to blood of an infected person, travel to a high-risk area, use of illicit injectable drugs or sharing of an infected person's razor, toothbrush or earrings.

Lifson said a series of three shots is required to be fully immunized. He said by the year 2000 all kindergartners will be required to have hepatitis B immunizations. He said the vaccine has been available since the 1980s and has been proven safe and effective.

Dr. Coleman Smith, medical director of the Immunization Action Coalition, said hepatitis B has the potential to be a serious disease and is a fairly common condition.

Murphy said Minnesota State Colleges and Universities (MnSCU) has related that administration of the immunization requirement will cost \$4 million. "We already require MnSCU to have a check-off system on other immunizations," he said. "It is difficult to understand why it would cost so much to record something we're doing already." Sen. Sheila Kiscaden (R-Rochester) said the schools themselves are not at risk for the massive spread of hepatitis B, unlike mumps or diphtheria. She said there is a fine line between offering and requiring immunization in order to attend a post-secondary school. "I don't want to walk down that path," she said.

The bill was approved and referred to the Health and Family Security Committee.

A bill offered by Sen. John Hottinger (DFL-Mankato) authorizes the building of the Taylor Center multipurpose facility for athletics and related academic programs on the Minnesota State University, Mankato campus. The bill was recommended to pass and sent to the Senate floor.

Sen. Steven Morse (DFL-Dakota) presented a bill on MnSCU bonding projects. S.F. 602 authorizes spending to acquire and to better public land and buildings and other public improvements for MnSCU. Robert Erickson, MnSCU

board member, said the improvements and replacements are very real issues that need attention. An amendment, deleting Southwest State University for funding, because of other available moneys, was adopted. The bill will be considered for the Higher Education omnibus bill.

S.F. 1200, a bill modifying child care grants by reducing student share, was presented by Sen. Deanna Wiener (DFL-Eagan). Susan Brady, representing the Minnesota Association of Financial Aid Administrators, spoke in favor of the bill. She said no one should be denied higher education because of financial hardships. Aviva Breen, Legislative Commission on Economic Status of Women, said prior to federal welfare reform, programs providing child care had been available. "Now there are no programs," she said. She said parents working 20 hours a week and still in Minnesota Family Investment Program (MFIP) are excluded from childcare dollars. "This bill could make a huge difference," she said.

The bill will be considered for the Higher Education omnibus bill.

Sen. David Ten Eyck (DFL-East Gull Lake) offered S.F.968, a bill that allows laboratory grants to be used to operate lab schools. The bill appropriates \$10 million in FY 2000 for purposes of the laboratory school grants. According to the bill, a lab school cooperates with interested school districts to develop innovative teacher and counselor preparation programs that enhance students' learning experience.

Krista Asche, a senior at St. Cloud State University, said she cannot stress enough how prepared she feels to go out and teach, after her participation in a lab school program. "I feel comfortable using technology," she said, referring to projects she uses with international penpals on the Internet and a book buddy mentoring program.

The bill was approved and referred to the Children, Family and Learning Committee.

Jobs, Energy and Community Development

Dedicated housing fund discussed

A bill establishing dedicated funds for affordable housing was heard by the Jobs, Energy and Community Development Committee, Thurs., Mar. 4.

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S.F. 923, authored by Sen. Sandra Pappas (DFL-St. Paul), appropriates revenues derived from mortgage and deed taxes to the Minnesota Housing and Finance Agency. Pappas said lack of affordable housing continues to be one of the major economic development issues facing the state, adding to the worker shortage problem and creating barriers in education when keeping children in school is vital for their success. Sue Haigh, Ramsey County commissioner, said the ability to move people from welfare to work often depends on the housing that is available. She said the state currently spends over 85 percent of its budget on education but only four tenths of a percent on housing issues. "Our economic development has to refocus from just creating jobs, to recruiting, retaining, and training workers," Haigh said.

Sen. Ellen Anderson (DFL-St. Paul), offered an amendment establishing the amount of mortgage and deed tax collected by the state in FY 97 as the base for the general fund, with any amount above that base credited to the community rehabilitation fund account in the housing development fund. Anderson said the state collected approximately \$94 million in FY 97 from mortgage and deed taxes and \$120 million in FY 98. She said if the bill had been enacted last year the dedicated housing fund would have been approximately \$26 million, an amount higher than usual due to low interests rates that not only encouraged buying, but also the refinancing of homes. The amendment also exempts materials and supplies used in the construction or improvement of affordable housing projects. The amendment was adopted.

Sen. Warren Limmer (R-Maple Grove) said the bill, like other legislation dealing with the affordable housing shortage, excludes the role of the private sector. He said many private contractors do not want to get involved with government programs but are eager to find ways to help solve the housing shortage problem. "They build wonderful, energy efficient, well designed homes, that are consistent with the existing architecture in the neighborhood," Limmer said.

Sen. Randy Kelly (DFL-St. Paul), said the housing issue has long been a difficult one for the state to solve. "Housing is a fundamental need. It seems like every

year this is an area we all agree is underfunded," Kelly said, "We struggle to increase funding depending on who is the governor, or the vicissitude of the economy. We all know more money should be spent on a statewide basis on affordable housing."

Sen. Dennis Frederickson (R-New Ulm) said he was concerned that the bill dedicates money without subjecting it to the Legislative appropriation process. "This may be the best place for these funds to go. But creating a dedicated fund from the general fund short circuits the appropriation process," he said.

Sen. Douglas Johnson (DFL-Tower), said Pappas' bill is one of many that have been introduced this Session that dedicate taxes for specific issues. "I don't know where we draw the line," he said, "I think the best way to govern is the annual review through the appropriation process."

Pappas said dedicated funds are discussed in the appropriation review as part of the agency's base budgets, but that by adding a dedicated fund to a department's appropriation, it indicates a Legislative priority. "It says the Legislature sees this is such an important issue that it needs to go to the top of the list," she said.

Sen. Steven Novak, chair of the committee, said there would be additional hearings on the issue. "We have already held a couple of hearings. It is an important statewide issue. This is the beginning, not the end of the housing debate for the session," he said. The bill was approved and forwarded to the Local and Metropolitan Government Committee.

S.F. 873, authored by Sen. Linda Berglin (DFL-Mpls.), requires that 50 percent of the state appropriation for opportunities industrialization centers (OIC) be used to match federal funds for welfare to work programs. She said the state currently has five centers that serve areas with high unemployment. Givonna Reed, from the Summit Academy OIC, said that in 1997-1998 the center placed 173 people in jobs with an average wage of \$9.09 per hour. The bill was approved and forwarded to the Economic Development Budget Division.

S.F. 337, authored by Sen. Becky Lourey (DFL-Kerrick), authorizes state colleges and universities to accept federal money for the construction of a technology center at Pine Technical College.

The bill stipulates that the construction of the center is contingent upon receiving federal money. Sen. Janet Johnson (DFL-North Branch) offered an amendment deleting the other provision of the bill requiring the Dept. of Trade and Economic Development to review plans for a technology corridor along Interstate 35 from the Twin Cities to Duluth. The amendment was adopted. The bill was re-referred to the Higher Education Budget Division.

Corporate subsidy bill heard

A bill regulating corporate subsidies was heard by the Jobs, Energy and Community Development Committee, Fri., Mar. 5. The committee is chaired by Sen. Steven Novak (DFL-New Brighton).

S.F. 607, authored by Sen. John Hottinger (DFL-Mankato), requires the author of a bill relating to new, or increases in existing, tax expenditures prepare a purpose statement along with estimates of impact analysis before a committee hearing on the bill. The bill establishes several requirements before a subsidy is awarded including holding public hearings, setting wage and job goals, and requiring that the subsidy satisfy a specific public purpose. The bill imposes a penalty on a Minnesota community that offers a business subsidy to a business located in another Minnesota community and that subsidy is the primary reason the business chooses to relocate. Hottinger said the bill was introduced last session but not acted upon, and since that time he has continued to meet with economic development, business, and labor officials, state agencies, and other interested parties to work to improve the bill.

Bernard Brommer, president of the Minnesota AFL-CIO, said the union has long recognized and supported the role of government in economic development. He said the AFL-CIO is in favor of the bill because it holds government and business accountable for the subsidies granted, increases the amount of information that must be disclosed in economic development projects, and creates an enforcement mechanism to ensure job and wage goals are met. "To quote what the governor said earlier in the week, 'the free ride is over,'" Brommer said.

Kristine Jacobs, executive director of the JOBS NOW Coalition, said the minimum cost of meeting basic needs for

a family of four in Minnesota is \$38,540, while the federal poverty guideline figure is \$16,450. She said that in order to cover the cost of basic needs in Minnesota both parents in a family of four need to work full-time with an hourly wage of \$9.27. She said more than a third of the state's workers earn less than that wage.

Sen. Linda Runbeck (R-Circle Pines) said she opposed the portion of the bill setting wage standards because jobs created by economic development projects are better than no jobs at all. The bill requires businesses that receive government subsidies pay at least poverty level wages for at least 90 percent of all new jobs created as a result of the subsidy. "To try and legislate the living wage is outrageous," she said.

Sen. Arlene Lesewski (R-Marshall) said wage standards for jobs created in Greater Minnesota are different from those created in the Metro Area. "Many of the constituents in my area would welcome a \$7 an hour job," she said, "To mandate wages will totally dry up economic development dollars in rural Minnesota."

Tom Hesse, representing the Minnesota Chamber of Commerce, said the chamber supported the portion of the bill establishing greater disclosure and accountability in business subsidies but opposed the portion setting the wage standards for jobs created. "The market can better determine a livable wage," he said. He said the chamber would continue to work with Hottinger on the bill.

The bill was approved and sent to the Local and Metropolitan Government Committee.

The committee also heard S.F. 684, authored by Novak, authorizing the Public Utility Commission to establish and delegate powers to subcommittees and to designate lead commissioners. The bill allows a filing with the commission to be deemed approved after sixty days of the filing unless someone requests the filing be set aside for action by the commission. The bill was approved and forwarded to the Senate floor.

Prelease deposit bill heard

A bill regulating the use of prelease deposits by landlords was heard by the Jobs, Energy and Community Development Committee, Tues., Mar. 9.

Sen. Steven Novak (DFL-New Brighton), the committee chair, offered

S.F. 1253 restricting the use of prelease deposits on units with a monthly rent of \$800 or less. Novak said a prelease deposit is money given to a landlord from a prospective tenant to hold a residential unit before a lease has been agreed to, in order for the landlord to refuse to consider other tenants for the same unit. He said the bill also provides a civil remedy of twice the deposit paid to a person that pays a prelease deposit in the event a landlord violates the provision.

"It is not a renters' market right now. There are a number of hard working people with low incomes who are having difficulty finding a place to live," Novak said, "These deposits tie up the limited amount of money renters have and put them in a very difficult situation."

Nancy Mischel, an attorney from the Legal Services Advocacy Project, said the bill distinguishes prelease deposits from application fees, and damage and security deposits required by many landlords. She said the problem of prelease deposits is that a prospective tenant turned down by a landlord often has difficulty getting the deposit returned or returned in a timely manner. She said the delay in getting the deposit back ties up the money of people who can't afford to put down fees in applying for other housing.

Tom White, an attorney practicing in housing issues, spoke in support of the bill saying it addressed the problem of disclosure, defining what a prelease deposit is. He said it was important that landlords and tenants get all their terms in writing. "Some landlords take advantage of tenants just like some tenants take advantage of landlords. If the law can help clarify the issue, it will solve a lot of problems in advance before they end up in conciliation court," White said. He said the average prelease deposit is equal to the first month's rent amount and that he supported the penalty portion of the bill because it adds "teeth to the law."

Jack Horner, from the Minnesota Multi-Housing Association, said while the association supports the disclosure portion of the bill, it was concerned about prohibiting the use of prelease deposits altogether. "A lot of time people want to put deposits down to make sure they lock in an apartment," Horner said, "This impedes and restricts the right to make a contract between people." He said the bill's \$800 rent

limit was arbitrary and there was no correlation between the amount of rent and the level of sophistication of the prospective tenant. He said the association was also concerned about the penalty provision of the bill. "The amount of the penalty is extraordinarily high, twice the deposit, for someone who may forget, or may not have heard of the law," he said.

Sen. Randy Kelly (DFL-St. Paul) offered an amendment allowing prelease deposits on any rent amount but imposing a \$200 deposit limit. The amendment also requires that a landlord must return the prelease deposit to the tenant within three business days if the tenant is rejected for a unit, or once the rental agreement is signed. The amendment was adopted.

Sen. Linda Higgins (DFL-Mpls.) offered an amendment stipulating that a landlord who accepts a prelease deposit cannot look for other prospective tenants for the same unit until either the lease is signed, or the application is rejected. No action was taken on the amendment or the bill but Novak said the issue would be discussed further at a future hearing.

S.F. 990, authored by Sen. Ellen Anderson (DFL-St. Paul) appropriates \$180,000 over the next fiscal year to the city of St. Paul for a pilot program for education and dispute resolution services for landlords and tenants. Jim Anderson from the Ramsey County Dept. of Human Services said the program provides a single point of access for dispute resolution information and helps landlords and tenants avoid taking disputes to conciliation court where the current filing charge is \$130. He said the program would become self supporting from the fees it collected. The bill was approved and forwarded to the Economic Development Budget Division.

Judiciary Committee

Court reporting bill heard

A bill prohibiting certain contracting arrangements for court reporting services was presented at the Judiciary Committee meeting Fri., Mar. 5. The committee, chaired by Sen. Jane Ranum (DFL-Mpls.), heard S.F. 278, authored by Sen. John Hottinger (DFL-Mankato).

The bill prohibits certain ongoing contractual arrangements between court reporters and attorneys or parties in-

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volved in legal proceedings. Hottinger said a court reporter may have an agreement with an insurance company, for example. The reporter charges the company less for the services he or she performs, and then must charge the other party involved a higher fee. "Court reporters provide a service designed to be neutral," Hottinger said. "At the very least, there should be some disclosure of the financial inequity."

The bill does not apply to court reporters working in a courtroom setting as an employee of the court. Under the bill, a contract for court reporting services between a freelance court reporter, firm or entity and an attorney, law firm, party to a legal proceeding or party having a financial interest in a legal proceeding, is prohibited. It does not apply to contracts with government entities. The bill limits charges for copies of transcripts to two-thirds of the cost charged for the original and first copy. According to Hottinger, the attorney, law firm or party who requests the services of a court reporter is responsible for paying the cost of the original and first copy, if ordered, unless otherwise agreed to by the parties, or ordered by the court or presiding officer. The bill specifies that transcripts must have at least 25 lines per full page and at least 52 characters per full line of testimony.

The bill contains remedies for a violation of the contract policy. Hottinger said a court or presiding officer who obtains knowledge of a violation must declare the record for which the reporting services were provided void and order that the legal proceeding be reconducted using a court reporter, firm or entity that is not engaged in a prohibited contract. Under the bill, all parties who violate the policy are liable for the costs of reconducting the proceeding.

Sen. Don Betzold (DFL-Fridley) offered an amendment that deletes the part of the bill that refers to the application of remedies and the enforcement provisions dealing with the powers of the attorney general and related civil remedies. The motion was adopted.

Sen. Allan Spear (DFL-Mpls.) said he has trouble understanding what problem needs to be corrected. "This bill does not pertain to actual courtroom situations," he said. "It pertains to the deposition, and the deposition is initiated by one of the parties in litigation."

Hottinger responded that the deposition is a very important document, and it is inherently unfair for the party who does not instigate the deposition to have to pay more for the copy.

Robert Johnson, lobbyist, and Jan Ballman, court reporter, representing the Minnesota Association of Verbatim Reporters & Captioners, spoke on behalf of the bill. Johnson said the issue is about judicial standards. He said the judge, jury and court reporter form a three-legged stool, and it is the belief of the consumer that a court reporter is not employed by any side.

Ballman said court reporters are required to be neutral. "The appearance of conduct is as important as the conduct itself," she said. She said the issue is not an economic one, but an issue regarding the integrity of the court reporting profession. She said disclosure is not a solution.

Speaking against the bill was Robert Tennesen, a Minneapolis attorney. He said the bill prohibits long term contracts and discourages competition. "Court reporters and lawyers usually have a friendly relationship," Tennesen said. "The legislation could provide the appearance of conflict." Tennesen said the rules of civil procedure already protect the integrity of court reporting, and the legislation is unnecessary.

Sen. Leo Foley (DFL-Coon Rapids) moved that the bill be laid over temporarily. The motion was approved.

Betzold presented S.F. 552, a bill requiring the revisor of statutes to reorganize and recodify the data practices law. Betzold said people don't understand the law as it now stands.

Michelle Timmons, revisor of statutes, said her objective is to try and identify any cross-references that haven't been previously noted. "We can do it as an interim project without hiring additional staff," she said. The bill was approved and sent to the floor.

Betzold also presented S.F. 1094, a bill that changes provisions of the Uniform Probate Code. The bill was recommended to pass, and sent to the floor.

Seatbelt liability bill heard

Sen. Leo Foley (DFL-Coon Rapids) presented a bill, S.F. 303, to the Judiciary Committee Mon., Mar. 8. The committee, chaired by Sen. Jane Ranum (DFL-Mpls.), heard the bill that amends the

statute dealing with the admissibility of evidence regarding the use of seatbelts or child passenger restraint systems.

Current law provides that seat belt use evidence is not admissible in any lawsuit involving personal injury or property damage resulting from the use or operation of a motor vehicle. Foley said the bill provides an exception in product liability cases involving a defective seatbelt or child passenger restraint system. In those cases, the law does not prohibit the introduction of evidence pertaining to the use of a seatbelt or child passenger restraint system in the action.

"A very small number of people are affected by the evidence ban, but those who are, are affected seriously," Foley said. He said the bill is identical to one that passed both bodies in 1997 but was vetoed by the governor.

Jeanne Engan-Duranska testified in favor of the bill. She said her daughter, Jodie Carlson, was injured in a one-car rollover in 1995. She said there was no alcohol involved in the accident; the driver in whose car her daughter was riding braked when an animal ran in front of the car. Carlson was ejected through the metal frame near the roof of the car where the seat belt attaches to the door. Because the lawsuit filed in the case contains a "seat belt" concern, the lawsuit has been thrown out of court entirely, according to Engan-Duranska. She said Minnesota is the only state that has a gag rule on admissibility of evidence regarding seat belts.

"We need to get the gag rule removed and let a jury decide if the car manufacturer is responsible," Engan-Duranska said. She said the manufacturers have to be held accountable.

Sen. Deanna Wiener (DFL-Eagan) asked the reason for the governor's veto. Sen. Allan Spear (DFL-Mpls.) said the governor had thought it unfair to carve out this area without getting rid of the whole gag rule. Foley said he understands that the current governor is willing to sign the bill. The bill was recommended to pass and sent to the floor.

Sen. Steve Kelley (DFL-Hopkins) presented S.F. 727, a bill previously heard in the Commerce Committee. The bill provides for continuity of contracts affected by introduction of the euro as a single currency in Europe. "There is concern that someone involved in a bad bargain might use the introduction of the

euro as a means of getting out of the contract, and the bill prevents that," Kelley said. Under the bill, the introduction of the euro or the tendering of the euro in connection with an obligation does not affect the underlying rights and obligations under a contract.

A sunset amendment, with an expiration date of Dec. 31, 2002, incorporating an immediate effective date, was adopted. The bill was approved and sent to the floor.

Ranum authored S.F. 1115, a bill that modifies the legal procedure used for collecting taxes by the Department of Revenue. The bill was approved and sent to the floor. Ranum also presented S.F. 1116, a bill that eliminates the filing of duplicate documents and updates the law governing court administrators. "The bill removes some language we don't believe is necessary any longer," said Larry Anderson, senior court manager for the Hennepin County District Court.

The bill was recommended to pass and referred to the floor.

S.F. 660, a bill governing the cost of identification for persons with serious and persistent mental illness, was offered by Sen. Don Betzold (DFL-Fridley). Betzold said the bill specifies the cost of a Minnesota identification card is 50 cents for individuals suffering from a persistent mental illness. He said these individuals need a reduced fee, since they often cannot hold jobs and are living on a low income. The bill was approved and re-referred to the Transportation Committee.

Betzold also presented S.F. 1039, a bill requiring the publication of public access procedures. The bill requires responsible authorities to prepare public access procedures in written form and update them not later than Aug. 1 of each year. Under the bill, government entities who enter into a contract with a private person to perform a government function must include in the contract terms that the private person is subject to the requirements of the Data Practices Act in performing those functions. The bill was approved and re-referred to the Government Operations Committee.

DWI reporting bill debated

A number of bills were brought before the Judiciary Subcommittee on Data Privacy and Information Policy Mon., Mar. 8. The subcommittee is chaired by Sen. Don Betzold (DFL-Fridley).

Sen. John Marty (DFL-Roseville) offered S.F. 443, a bill that allows health professionals to report to proper police authorities any instances in which the professional treats a person for an injury resulting from a motor vehicle accident where there is evidence the person was an occupant of a motor vehicle and has ingested alcohol or a controlled substance. The bill provides immunity for persons reporting in good faith, and provides that the "Tennessee Warning" need not be given in these situations. Under the bill, a health care professional is not required to inform an individual who is asked to supply private or confidential data that the data may be used to make a report. Marty said health professionals are currently prohibited from reporting information on DWI patients to law enforcement authorities.

David Feinwachs, counsel for the Minnesota Hospital and Health Care Partnership, said public hospitals currently abide by the Tennessee Warning. He said the Partnership takes no position on the bill, but is concerned with complications that may arise from eliminating the Tennessee Warning.

Marty offered an amendment specifying that the health professional must have reason to believe the person he or she reports on was driving the vehicle involved in the accident. The amendment was adopted.

Michael Stockstead, representing the Minnesota Professional Firefighters Association and emergency medical services personnel, said the organizations object to information in the bill including members of fire departments and emergency medical service personnel as health professionals who may report on DWI patients. O.J. Doyle, speaking on behalf of the Minnesota Ambulance Association and the American College of Emergency Physicians, said the groups support the recommended legislation.

Dr. Benjamin Whitten, representing the Minnesota Medical Association (MMA), supports the bill. He said the MMA members decided almost unanimously that the worst thing they can do is turn their backs on a patient and not identify a possible chemical dependency problem. Don Gemberling from the Department of Administration said he is concerned that the bill does not define what can be reported. He said information gathered for a medical purpose can

become public for a legal purpose.

Robert Tennesen, a former state Senator and Minneapolis attorney who is the author of the Tennessee Warning, said "We've forgotten the basic principles of what privacy is about. We're asking for doctors to be investigators for the police departments, and I don't think that's an appropriate role for the medical profession to play." He said if information is gathered from citizens, they should be told what the information will be used for.

Marty said the bill provides health professionals an opportunity to report that they are treating a person who they think has been drinking and driving. He said they are under no obligation to report, but some doctors are illegally reporting the information now.

The bill was forwarded to the Judiciary Committee without recommendation.

Marty also sponsored S.F. 997, a bill that clarifies and modifies access to data on employees reporting violations of law. The language of the bill was approved for incorporation into the omnibus bill.

Betzold presented S.F. 1167, a bill that modifies provisions dealing with employment and training data in the Department of Economic Security. The bill was amended into the omnibus bill.

Betzold also offered S.F. 1040, a bill that incorporates some of the recommendations from the Information Policy Task Force report. Betzold said the bill specifies the public is not to be charged when inspecting data, but should be charged for photocopies and downloading Internet information for its own use. The language was amended into the omnibus bill.

Under the bill, the requirement of the Tennessee Warning is met in respect to educational data if, at the beginning of each academic year, the responsible authority provides a complete notice covering possible data collection instances that could occur during the year. With respect to personnel data, the notice requirement is met if, at the beginning of the employment relationship, the notice is given. An amendment deleting the information regarding personnel data was approved. An amendment striking language that stated no further notice is required except when data are collected from a student and the data may be used to discipline the student was adopted. The language of this

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part of the bill was adopted into the omnibus bill.

A portion of S.F. 1040 requires responsible authorities in any government entity to report to the commissioner of administration whenever the entity acquires any form of a surveillance device. A motion to incorporate the language into the omnibus bill failed.

Betzold presented S.F. 654, a bill regarding government data practices. Portions of the bill have already been adopted into the omnibus bill. Subcommittee members considered language in the bill that repeals the statute governing criminal history data. The bill makes all criminal history data accessible to the public, unless classified under other law. The bill was not approved, and was withdrawn for further amendments.

S.F. 653, a bill codifying a temporary data classification of the Department of Administration relating to sites where the Pollution Control Agency is studying the cause of malformation in frogs, was presented by Betzold. The measure is the vehicle for all the data privacy measures. The omnibus bill was recommended to pass and referred to the Judiciary Committee.

S.F. 212, a bill authored by Sen. Sheila Kiscaden (R-Rochester), classifies data on customers of municipal utilities as private or nonpublic data. The bill was referred to the Judiciary Committee with no recommendation.

AL child support system repealed

The lion's share of the Tues., Mar. 9, meeting of the Judiciary Family Law Subcommittee was devoted to discussion of a bill repealing the administrative law child support process and replacing it with a child support magistrate system. The bill, S.F. 23, authored by Subcommittee Chair Leo Foley (DFL-Coon Rapids), is a response to a recent Supreme Court decision that held that the current administrative law child support process is unconstitutional. Foley said that the bill is designed to preserve the expedited, family friendly characteristics of the administrative law process, while at the same time placing the process firmly in the judicial branch to avoid problems with constitutionality.

Sue Dosal, Supreme Court administrator, said the bill is the result of work done by the State Court Administration Child Support Workgroup and, though there is

still a long way to go, the resulting language represents a step forward in cooperation amongst all groups. She said the bill seeks to maintain the goals of the administrative process: to be expedited, to be cost effective, to be fair to the parties, to address local concerns, to allow for federal financial participation, to be user friendly, to ensure consistent decisions statewide, to comply with federal law and to maintain the simple uncontested process and focus on problem cases. Further, she said the bill is very similar to the administrative law judge procedure, but that the position of magistrate is created to replace administrative law judges. Dosal said that everyone was very mindful of the importance of making a seamless transition to the new process.

The bill requires the Supreme Court to establish an expedited child support hearing process, provides for the appointment of child support magistrates, outlines the training and qualifications of magistrates, requires the Supreme Court in consultation with the Conference of Chief Judges to adopt rules to implement the new process, provides that the public agency responsible for child support enforcement is joined as a party in each case in which the agency is providing services, specifies the role on nonattorney employees in child and medical support and parentage proceedings, further spells out the mechanics of the process and repeals the administrative process.

Discussion centered around the roles of the various parties in child support proceedings. Sen. David Knutson (R-Burnsville) offered an amendment clarifying that the Department of Human Services is the unit responsible for administering the state's child support enforcement program as set out in the state's IV-D state plan. The amendment also specifies that the public authority is a real party in interest in any IV-D cases where there has been an assignment of support. The debate primarily concerned the role of county attorneys and the Dept. of Human Services. Knutson altered the amendment to delete the language specifying the Dept. of Human Services as the unit responsible in the state's IV-D plan and changed language throughout the amendment to specify that the IV-D attorney is the county attorney. The amendment also contains language providing due process for

genetic testing. The amendment was adopted. The bill was approved and referred to the full Judiciary Committee.

In other action, members also approved and referred to the full committee a bill reviving the summary dissolution process. Foley, chief author of the measure, said that S.F. 487 corrects an oversight that allowed the summary dissolution process authorization language in the statutes to expire.

Members also approved a bill making technical changes in the law enacted last year setting up the putative father's adoption registry. The measure S.F. 834, sponsored by Knutson, was approved and referred to the full committee.

A bill providing for covenant marriages also generated considerable debate. S.F. 883, authored by Sen. Steve Dille (R-Dassel), sets forth the requirements for a covenant marriage, requires pre-marital education, limits the grounds for dissolution or separation of a covenant marriage and requires postmarital counseling prior to filing a petition or pleading for dissolution or separation of a covenant marriage. The bill also provides that the marriage license fee for those choosing a covenant marriage be set at \$15.

The measure was laid on the table.

A second bill sponsored by Dille, S.F. 884, was advanced to the full committee. The bill provides for a reduced marriage license fee for couples who undergo pre-marital education. The bill originally set a \$15 fee but was amended to set a \$20 fee. Of the \$20 fee, \$15 is to go to the county, \$2 is to go to the MN ENABL program and \$3 is to go for supervised visitation facilities.

Child welfare bill discussed

Members of the Judiciary Committee devoted the entire Weds., Mar. 10, afternoon meeting to discussion of a draft containing the Department of Human Services child welfare proposals. The draft was offered as an amendment to S.F. 569, carried by Committee Chair Jane Ranum (DFL-Mpls.), a bill authorizing counties to establish programs for alternative responses to child maltreatment reports under the Child Abuse Reporting Act.

Ranum said the S.F. 569 reflects the work of the Task Force on Maltreatment of Minors. Under the bill, alternative responses may include a family assessment and services approach under which

the local welfare agency assesses the risk of abuse and neglect and the service needs of the family and arranges for appropriate services, diversions, referral for services, or other response identified the county community social service plan. Further, the bill specifies that upon receipt of a report under the Child Abuse Reporting Act, the local welfare agency in a county that has established an alternative response program must determine whether to conduct an investigation or to use an alternative response in order to prevent or provide a remedy of child maltreatment. However, the bill specifies that the county must conduct an investigation of reports, that, if true, would mean that the child has experienced, or is at risk of experiencing, serious physical injury, sexual abuse, abandonment, or neglect that substantially endangers the child's physical or mental health. In addition, under the measure, the county is required to begin an investigation if at any time when it is using an alternative response the county determines that an investigation is required.

Members adopted an amendment, offered by Ranum, allowing the commissioner of human services, in consultation with county representatives, to develop guidelines defining alternative responses. The panel also adopted an amendment providing that the requirements of the bill are effective only to the extent that new federal funding is earned by a county from providing residential services for children with severe emotional disturbance to cover the increased cost to the county of using the alternative response program and providing that the county community social service plan must address the extent that the county will use the alternative response program based on the availability of new federal funding or other revenue sources to fund the additional cost.

The committee then began consideration of the amendment, offered by Sen. Sheila Kiscaden (R-Rochester), containing the Dept. of Human Services child welfare proposal. The amendment, which Kiscaden had originally planned on introducing as a separate bill, contains numerous provisions relating to child welfare. Erin Sullivan Sutton, Dept. of Human Services, said the bill is designed to better promote safety and permanence in child protection; permanence and

adoption laws; and to expand the availability of claiming Child Welfare Targeted Case Management to contracted staff and American Indian Tribes. Kiscaden offered an amendment to the amendment further defining neglect and physical abuse and providing that county multidisciplinary child protection teams must designate a member as the lead person of the team responsible for coordinating its activities with battered women's programs and services. The amendment to the amendment was adopted. Members took no formal action on the amendment or the bill; both were laid over for further consideration.

Assorted bills heard

Several bills were presented at the Judiciary Committee meeting Weds., Mar. 10. Sen. Jane Ranum (DFL-Mpls.) chairs the committee.

Sen. Pat Piper (DFL-Austin) offered S.F. 556, a bill that makes changes to municipal liability. Under the bill, the definition of municipality is amended to include a municipal power agency. The bill amends the immunity provision in the municipal tort claims act relating to park and recreation areas and adds trails to the immunity provisions.

Frank McAnulty, an attorney with Dorsey and Whitney, said the bill specifies that there is no liability except in cases involving a willful act done for the purpose of causing injury. He said the bill extends the protection of limits on liability to injuries off trail, and the bill removes all reference to private ownership. McAnulty said municipal power agencies are considered government bodies for some purposes and private entities for others. He cited a recent example in which an open meeting law did not pertain to a municipality.

Speaking against S.F. 556 was Joe Krumley, Minnesota Trial Lawyers Association. He said he sees some major problems with the bill. He said that when municipalities enter the private area, they should not have immunity. Krumley said the liability of people on adjacent land is strongly impacted by the bill. "The bill says a municipal power agency can be aware of a danger, yet not be held liable as long as the agency does not willfully harm anyone."

Ranum asked if knowing of a danger and not warning someone would not constitute willful harm. "The bill

specifies a willful act done for the purpose of causing injury," Krumley replied. He said if the agency does not commit an act of willful harm, the agency is immune.

The bill was temporarily laid on the table for further consideration.

S.F. 760 was presented by Sen. William Belanger (R-Bloomington). The bill authorizes local governments to collect certain penalties and fines imposed for violations of water and planning laws in the same manner as taxes. An amendment adding an appeals process was adopted. The bill was approved and sent to the floor.

Sen. Ember Reichgott Junge (DFL-New Hope) authored S.F. 796, a bill that amends the Control Share Acquisition Statute provision under which a corporation may "opt out" of the statute. According to Junge, a proposal to amend the corporation's articles or bylaws to opt out of the statute has to be approved by a disinterested committee of the board of directors that is not affiliated with, or related to, the acquiring person. Junge said the bill covers a loophole in the law that can be used for a hostile takeover of a company. The bill was approved and sent to the floor.

Jung also presented S.F. 551, a bill that specifies domestic abuse provisions. Susan Gaertner, Ramsey County Attorney, spoke on behalf of the bill. She said the bill provides that if a protection hearing is requested by the petitioner, personal service of the ex parte order may be made upon the respondent at any time up to the time set for the hearing, provided that the respondent may request a continuance of up to five days at the time of the hearing if less than five days notice was provided. She said current law requires personal service to be made not less than five days prior to the hearing in all cases.

Sen. Don Betzold (DFL-Fridley) asked if the provision can create a tool for mischief. "Can someone use this to delay service as late as possible?" questioned Betzold. Gaertner said the object is to assure the safety of the victim. An amendment, offered by Sen. Sheila Kiscaden (R-Rochester), requesting collaboration between battered women's programs and welfare agencies to provide for the safety of children of battered women was adopted. Another amendment offered by Kiscaden specifies the

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Juvenile Court may intervene to help a protected parent provide for the safety of his or her child. The amendment prevailed. An oral amendment, offered by Betzold, requiring notice to a respondent of at least 12 hours prior to a hearing prevailed. The bill was approved and sent to the floor.

S.F. 891, authored by Sen. John Hottinger (DFL-Mankato), was presented by Betzold. According to Betzold, current law provides that if someone is injured on snow or ice in front of a municipal building, for example, the county and the city can be sued. The bill provides that only the owner of the entity can be sued. The bill was recommended to pass and sent to the floor.

Sen. David Ten Eyck (DFL-East Gull Lake) offered S.F. 233, a bill providing that a recent decision in the Minnesota Supreme Court regulating public service corporation easements over private property applies to every easement over private property acquired by a public service corporation, regardless of when it was acquired or created.

Concern over safety conditions and the ability to respond to crises relating to a pipeline was raised by Dan Gunderson, director of public affairs for B.P. Amoco. Jim Neilson, representing the Minnesota State Bar Association, spoke in favor of the bill. Neilson said the bill provides for definite and specific descriptions for certain easements and was intended to be retroactive.

The bill was recommended to pass and referred to the floor.

K-12 Education Budget Division

Crime levy increase discussed

The K-12 Education Budget Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met Fri., Mar. 5, to hear bills relating to increasing the crime levy, school calendar flexibility, and the Collaborative Urban Educator Program.

Sen. David Knutson (R-Burnsville) offered S.F. 893, a bill increasing the maximum amount that may be levied for crime-related costs and modifying the use of the levy proceeds. Knutson said in addition to the increase in the levy amount, the bill allows school districts to directly pay for other crime prevention, drug abuse, and violence prevention

measures taken by the school district. Alan Hopeman, business manager, Rosemount-Apple Valley School District, told members that most of the schools in the district have police liaison officers. He said there is strong community support for having the officers there because preventing problems is easier than eradicating problems. Hopeman said more resources are needed in order to have a preventative approach and the district needs the flexibility in how the resources can be used.

A similar bill, S.F. 731, authored by Sen. Dean Johnson (R-Willmar), increases the maximum amount that may be levied for crime-related costs. The committee recommended both bills be included in the K-12 omnibus bill.

A bill giving school districts flexibility in the school calendar to accommodate construction projects was presented by Sen. Linda Scheid (DFL-Brooklyn Park). The bill, S.F. 1217, specifies that a district may begin the school year on any day before September 1 to accommodate a construction or remodeling project of \$400,000 or more affecting a school facility. Scheid said that many districts come before the Legislature annually to get permission to change the school start date due to construction in the district. The bill grants the districts the start time flexibility and prevents the districts from having to bring each individual request before the Legislature. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Sandra Pappas (DFL-St. Paul) presented S.F. 344, authorizing grants for continuation of the Collaborative Urban Educator Program. The purpose of the program is to increase the number of teachers from under-represented populations by providing funds to teacher preparation programs that prepare persons of color to teach in urban schools, said Pappas. Bill Staley, Concordia College of Education, said the program at Concordia works with people who do not have a degree, but do have a lot of experience in the schools as educational assistants. Staley said currently, there are 27 students in the program, but with continued funding the program will expand to 40 students. The bill was recommended for inclusion in the K-12 omnibus bill.

A bill providing a fund transfer for the White Bear Lake School District was

offered by Sen. Charles Wiger (DFL-North St. Paul). The bill, S.F. 1156, provides that the district may transfer up to \$650,000 from its debt redemption fund to its general fund without making a levy reduction. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Don Betzold (DFL-Fridley) offered S.F. 928, a bill providing for the Dept. of Children, Families and Learning to consult with all school districts and consider the minimum number of days of instruction in a school year necessary to ensure student academic achievement. The bill provides that the department submit a report of the findings and recommendations to the Legislature by Feb. 15, 2000. The bill failed to win approval by the division.

Policy bill reviewed

A bill relating to the policy of the Dept. of Children, Families and Learning was discussed in the Tues., Mar. 9, meeting of the K-12 Education Budget Division. The division is chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

Tom Melcher and Rose Hermodson, Dept. Children, Families and Learning, reviewed portions of the department policy bill. The bill, S.F. 1133, reflects the changes and additions included in the governor's proposal. Hermodson discussed sections of the bill relating to nonpublic pupil transportation aid; learning year pupil units; general education revenue; basic revenue; basic skills revenue; and sections relating to class size reduction.

Pogemiller, chief author of the bill, reviewed with the committee a summary of 21 studies on school class size and student success. Most studies cited in the summary concluded that reducing class size does enhance student achievement and teacher success. Three studies concluded that class size does not enhance student achievement and three studies presented a mixed view on whether small classes enhance student achievement.

Hermodson said the governor's budget includes \$150 million for class size reduction in grades kindergarten through three. The bill provides that a district is eligible for class size reduction revenue if the school board adopts a biennial class size reduction, learning and development plan, and the plan is approved by the commissioner. She said the plan must

include the actual class size for K-3 for FY 99; the number of additional classroom teachers to be employed each year of the biennium to reduce class size below the FY 99 level; the proposed class size for K-3 for each year of the biennium; the school board policy on class size for K-3; and a description of how the district will provide a class of 17 or lower for reading and mathematics instruction in K-3. Hermodson said the plan will be reviewed annually.

Hermodson said that if a district cannot achieve the preferred lower class size, then the district should focus on reducing class size for reading and mathematics programs. She said that every school district is different and the commissioner will work with each district once an individual plan is developed.

The portions of the bill relating to nonpublic pupil transportation aid and basic skills revenue were recommended for inclusion in the K-12 omnibus bill. The section of the bill relating to increasing the number of hours used in computing pupil units was not approved for inclusion in the K-12 omnibus bill. Discussion will continue on the sections of the bill relating to class size reduction.

Sen. Paula Hanson (DFL-Ham Lake) offered S.F. 867, a bill providing technical amendments to the K-12 statutes. The bill deletes obsolete language, clarifies other language, and adjusts rates for certain levies due to property tax reform and change in class rates. The bill was recommended for inclusion in the K-12 omnibus bill.

Pesticide in schools discussed

The K-12 Education Budget Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met Weds., Mar. 10, to discuss several bills, including one requiring schools to give notice to parents when pesticides are used at school facilities.

The bill, cited as the Parents' Right to Know Act of 1999, is authored by Sen. Janet Johnson (DFL-North Branch). S.F. 814 also requires notice be given to parents and employees when a school district has no insurance against events resulting from pesticide use or when a school does not have an integrated pest management plan. Johnson explained that an integrated pest management plan is a managed pest control program that is designed to minimize the risk to human

health and the environment and to reduce the use of chemical pesticides.

Johnson said under the bill, school districts are exempt if insured against events resulting from pesticides, does not apply certain toxicity category pesticide products to its property, and has adopted an integrated pest management plan. Tessa Hill, Kids for Saving the Earth, said people are subjected to pesticides everyday in water, food, and even the schools we send children to. "We don't want to use our kids as guinea pigs. We can't afford to take a wait and see attitude," said Hill. Bob Meeks, Minnesota School Board Association, said the intent of the bill is good, but that the bill has some gaps. He said the bill won't work to accomplish the intended outcome. No formal action was taken on the bill.

Sen. Jane Ranum (DFL-Mpls.) presented S.F. 748, a bill incorporating the recommendations of the Juvenile Out-of-Home-Placement Task Force. Ranum said the bill addresses task force concerns including a lack of educational programming oversight by the Dept. of Children, Families and Learning; the lack of minimal education requirements for general education students served in correctional and care treatment facilities; the lack of integration with resident districts; and the inequity for general and special education in out-of-home placements.

The portions of the bill relating to care and treatment instructional aid; financial responsibility when placement is in another district; education and transportation costs in placement of children without disabilities; full state payment; out-of-state tuition; and providing a uniform billing system for the education costs of out-of-home placed students were all recommended for inclusion in the K-12 omnibus bill. Remaining sections of the bill were recommended to pass and re-referred to the Health and Family Security Committee.

Sen. David Knutson (R-Burnsville) offered S.F. 892, a bill reducing the threshold of average age of building space for the alternative facilities program from 20 years to 15 years. The bill provides that an independent or special school district qualifies to participate in the alternative facilities bonding and levy program if the district meets certain criteria and the average age of building

space is 15 years or older. Knutson said the change allows more districts to qualify. The bill was recommended for inclusion in the K-12 omnibus bill.

A bill modifying provisions relating to medical assistance reimbursement for special education services was offered by Sen. Martha Robertson (R-Minnetonka). The bill, S.F. 944, allows districts to access federal funds and third party funds, said Robertson. The sections of the bill relating to license and rules; implementation; special education base revenue; and monitoring Medical Assistance services for disabled students were recommended for inclusion in the K-12 omnibus bill.

Local and Metropolitan Government

Amortization ban bill heard

A bill prohibiting the use of amortization by a municipality to terminate lawful land use, was heard by the Local and Metropolitan Government Committee, Mon., Mar. 8. The committee is chaired by Sen. Jim Vickerman (DFL-Tracy).

S.F. 854, authored by Sen. Keith Langseth (DFL-Glyndon), prohibits local units of government from enacting, amending, or enforcing an ordinance using amortization, a process in which nonconforming land use is terminated over a period of time, allowing a landowner to recoup an investment made on property as opposed to an immediate termination of use. Peter Coyle, an attorney representing the Coalition Against Amortization, said the bill, one of many offered this session, was a response to a Court of Appeals decision upholding a ruling in favor of the city of St. Louis Park, in its use of an amortization ordinance against Apple Valley Ready Mix (AVR). "This is a matter of simple fairness," Coyle said, "The use of amortization is unfair to business owners, and it is equally unfair to the employees who lose their jobs." He said the bill requires local units of government use the condemnation process if they want to close a lawful business.

Dick Anfang, from the St. Paul Building and Construction Trades Council, said the possibility of abusing the amortization process is great. "This is a job security issue. Amortization is extremely unfair to any business, any

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company that falls out of the good graces with their city," Anfang said. He said allowing amortization gives local governments a cheap method to relocate businesses.

Sherry Munyon, representing the Minnesota Automobile Dealers Association, spoke in favor of the bill saying it ensures that businesses are properly compensated when they are forced to close their doors. She said that local auto dealers are concerned that cities will begin to use amortization to force dealers to relocate in favor of businesses that pay higher property taxes.

Remi Stone, from the League of Minnesota Cities, spoke against the bill. "Amortization is a valuable tool for the Legislature to preserve," she said, "This bill doesn't overturn the AVR decision, it overturns 30 years of case law." Stone said current law allows local units of government to make local planning decisions balancing the needs of individuals with the needs of the community.

Bill Bash, the mayor of Long Lake, also opposed the bill. "We need to be able to decide how to use our land for its best use. If we don't, it drags down the property value of everybody else," he said.

Jay Benanav, St. Paul City Council member, said although St. Paul has used the amortization process only once to remove a business, it should remain an option for the city to use. "The bill takes a power away from St. Paul. Amortization is an important tool. If you don't allow us to use the law, I don't know how we would break the legs off of a business like an adult book store," he said.

Sen. John Hottinger (DFL-Mankato) offered an amendment requiring the owners of a business be given a reasonable amount of time to recoup their investment prior to a termination due to amortization. Hottinger said the amendment also requires amortization ordinances contain a procedure for individual assessments of the amortization period, and allows the owner and all other interested parties a public hearing to submit additional information to the governing body. He said the amendment was an attempt to find a middle ground between the current law and Langseth's bill. Sen. Steve Kelley (DFL-Hopkins) said although he supported Hottinger's amendment as an improvement over the

original bill, he thought due process as required by the United States Constitution, covered concerns raised by the bill. "We ought to leave the law the way it is and let the courts decide. This just complicates the job of the courts," Kelley said. The amendment failed.

The bill was approved and forwarded to the Senate floor.

S.F. 723, authored by Sen. Linda Higgins (DFL-Mpls.), authorizes the Metropolitan Council to include non-voting members representing the Minnesota and Wisconsin counties adjacent to the Metropolitan Area. The bill also requires the council to include these non-voting members on to the Transportation Advisory Board. The bill was approved and forwarded to the Government Operations and Veterans Committee.

Sen. Michelle Fischbach (R-Paynesville), offered S.F. 156, authorizing the Paynesville Area Hospital District to annex the city of Richmond into the district. Fischbach said the current law requires territory to be annexed to a hospital district be contiguous to the existing district. She said the city of Richmond is not contiguous to the existing Paynesville Hospital District. Kelley offered an amendment requiring a resolution by the city council of Richmond allowing the annexation into the hospital district. The amendment was adopted. The bill was approved and forwarded to the Senate floor.

S.F. 77., authored by Sen. Steve Murphy (DFL-Red Wing), authorizes Goodhue County's levy limit base for taxes levied in 1998 to be increased by \$422,323 due to an agreement reached between the county and Northern States Power Company. The bill was approved and forwarded to the Senate floor.

S.F. 338, also authored by Murphy, authorizes Goodhue County to sell, lease, or convey county owned land abutting Lake Byllesby to the adjoining property owners by private sale. The bill was approved and sent to the Environment and Natural Resources Committee.

Airport bill heard

A bill providing financial assistance to the cities adjacent to the Minneapolis-St. Paul International Airport in order to mitigate the impacts of airport expansion, was heard by the Local and Metropolitan Government Committee, Weds., Mar. 10. The committee is chaired by

Sen. Jim Vickerman (DFL-Tracy).

S.F. 1221, authored by Sen. Dave Johnson (DFL-Bloomington), authorizes the establishment of airport impact zones and tax increment financing (TIF) districts in the cities of Bloomington, Minneapolis, and Richfield. Johnson said that the decision was made in 1996 to expand the airport in its current location rather than build a new airport. He said the expansion rather than relocation saved the state over \$2 billion in construction costs but had a detrimental impact on the residents who live adjacent to the new runway being built. "The decision was beneficial to the state but the burden shouldn't fall disproportionately on the residents who live nearby," Johnson said.

He said criticism raised that people who lived by the airport should expect noise was not fair. "In 1963, when I was born, there were 216,000 takeoff and landings. In 1997 there were 491,273. It is a markedly different place. It's like building a house by a road and suddenly there is a superhighway next to your home," Johnson said.

Bill and Audree Dufree whose house is adjacent to the new runway, said because of the increased noise, they have no choice but to move. "We have lived in the house for 34 years, raised all our children there. It is the only home we've ever owned. We wanted to retire there," Bill Dufree said.

Johnson said the bill authorizes Bloomington, Minneapolis, and Richfield to issue general obligation bonds to finance the costs of airport mitigation measures in an approved airport TIF district. The bill also establishes an airport impact fund in the state treasury to deposit revenue derived from sales tax imposed upon sales and uses on property owned by the Metropolitan Airports Commission.

The bill was approved and sent to the Children, Families and Learning Committee.

S.F. 758, authored by Sen. Leonard Price (DFL-Woodbury), appropriates \$4.950 million in each of the next two fiscal years to the Dept. of Natural Resources for payment of a grant to the Metropolitan Council for the Metropolitan Area regional parks maintenance and operation.

Trudy Dunham, acting chair of the Metropolitan Parks and Open Space

Commission, said the Metropolitan Regional Park System was created because urbanization and development threatened open space areas in the Metro Area. She said currently there are 46,500 acres including 103 miles of trails open for public use and that 17.2 million people visit the parks system each year. The governor's budget recommends \$6 million for the next biennium for parks operations and maintenance. Price said the bill increases that amount by \$3.9 million.

John VonDeLinde, the director of the parks and recreation for Anoka County, said the Metropolitan Regional Parks System supports and enhances tourism in Minnesota. He said the bill preserves the benefits of the system in the face of increasing use, reduces long term redevelopment costs by investing in preventative maintenance, and accommodates increased costs by expanding the system.

The bill was approved and sent to the Environment and Natural Resources Committee.

S.F. 607, authored by Sen. John Hottinger, regulates business subsidies by providing additional oversight by the Dept. of Trade and Economic Development, and increases the requirement of the tax expenditure report prepared by the Dept. of Revenue. "The bill puts sunshine on the business subsidy process," Hottinger said.

Sen. Claire Robling (R-Prior Lake), offered an amendment deleting the bill's provision requiring that 90 percent of the jobs created by business subsidies pay at least poverty level wages. Hottinger said he did not agree with the concept of the amendment because he felt the wage goals were important but said that there were other important issues in the bill that needed to be addressed and therefore he would not oppose the amendment. Sen. Sandra Pappas (DFL-St. Paul), said she thought jobs created by government subsidies to businesses should have wage standards. The amendment was adopted.

Hottinger offered an amendment deleting the section of the bill dealing with penalties on local units of government offering subsidies to businesses located in another Minnesota jurisdiction. He said he would continue to work on that part of the bill. The amendment was adopted.

The bill was approved and sent to the Economic Development Budget Division.

Property Tax and Local Government Budget Division

Property tax exemption heard

The Property Tax and Local Government Budget Division met Thurs., Mar. 4, to discuss several bills. The division is chaired by Sen. Sandra Pappas (DFL-St. Paul).

Sen. Steven Novak (DFL-New Brighton) presented S.F. 767, a bill exempting personal property of an electric generating facility from property taxation if the facility was operational and exempt from property taxation under current law January 2, 1999, and is sold to a Minnesota electric utility. The bill also provides that property used to increase the generation capacity at such an electric generating facility be exempt.

David McMillan, representing Minnesota Power, said his company is interested in the legislation because it affects the economic viability of the company. He said several paper manufacturers have asked Minnesota Power to consider owning the generating plants in the manufacturing facilities. McMillan said generating electricity is not the main business of the paper plants, therefore allowing Minnesota Power to purchase the generating facilities benefits the competitiveness of the manufacturing plants.

Mike Noble, Minnesotans for an Energy Efficient Economy, told members that when the Legislature provided exemptions like this before, it was as an incentive to get cleaner burning, newer generators that have an environmental benefit. Noble said he wasn't speaking against the bill, but he was concerned about the policy issue of granting an exemption without the incentive attached. The bill was laid over for further discussion.

Sen. Roger Moe (DFL-Erskine) presented S.F. 492, a bill advancing the dates for sending notices of proposed property taxes. The proposal moves the date when taxing jurisdictions other than school districts must certify levies to September 1, and moves the date when schools districts must certify levies to Sept. 15. The Dept. of Revenue Tax Research Division advised that the change in dates creates several problems, including the need to get truth in taxation instructions out earlier to the

county auditors and the taxing jurisdictions; counties might have to make operational changes to meet the new deadlines; school districts may not meet the deadline because of when school district levy limits are certified by the Dept. of Children, Families and Learning; and counties may have difficulty getting data files, including market values and net tax capacities, ready in time for mailing the notices. No formal action was taken on the bill.

A bill repealing the requirement that proceeds from the sale or rental of tax-forfeited property must first be used to retire any existing indebtedness was offered by Sen. David Ten Eyck (DFL-East Gull Lake). The bill, S.F. 401, is offered in response to local officials stating that they know best how to retire debt, said Ten Eyck. The law has been on the books since 1935 and needs to be updated, he said. The bill was recommended for inclusion in the omnibus bill.

Sen. Becky Lourey (DFL-Kerrick) offered S.F. 761, a bill authorizing Carlton County to levy up to \$1,000 annually for cemetery purposes in and for the unorganized township of Sawyer. Lourey said the bill provides funding for maintenance of the cemetery in Sawyer. The levy begins with taxes payable in 2000 and ends with taxes payable in 2009. The bill was recommended for inclusion in the omnibus bill.

Five bills heard

The Property Taxes and Local Government Budget Division met Tues., Mar. 9, to hear five bills.

S.F. 949, authored by Sen. Dennis Frederickson (R-New Ulm), provides that agricultural property owned by a shareholder of a family farm corporation and leased to the family farm corporation by the shareholder, qualifies for treatment as agricultural homestead property, if the owner is actually residing on the property and is actively engaged in farming the land on behalf of the corporation. Bob Ranweiler, a certified public accountant from New Ulm, said the Dept. of Revenue has interpreted current law as allowing each family farm corporation one homestead occupied by a shareholder who is residing on the land and actively engaged in farming of the land owned by the corporation, but the owner of agricultural property that is classified as a homestead may not receive

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homestead treatment on any other agricultural property in Minnesota. Ranweiler said the bill makes technical changes to clarify the law. Frederickson said that information from county assessors shows that relatively few family farm corporations currently rent their own nonhomestead agricultural property to the corporation. The bill would be considered for inclusion in the omnibus tax bill.

S.F. 946, authored by Sen. Jim Vickerman (DFL-Tracy), exempts personal property that is part of a simple cycle combustion turbine electric generation facility that exceeds 250 megawatts of installed capacity from taxation. Vickerman said the bill is targeted at the Lakefield Junction project in Martin County, a plant that will provide additional electricity in the area. He said the bill provides personal property tax exemption on the generation plant only.

Todd Rapp, a representative from Northern States Power Company (NSP), said NSP supports the bill but encourages the Legislature to do a more comprehensive reform of the personal property tax on all Minnesota generation plants. He said the state's approach creates a two tier system of taxation of energy producers where some are treated as monopolies while others are treated as industrial companies. He said the cost of personal property taxes paid by NSP gets passed on to its customers, with the average cost being equal to the cost of one month's bill. The bill was approved and sent to the Local and Metropolitan Government Committee.

S.F. 392, authored by Sen. Paula Hanson (DFL-Ham Lake), creates a new property tax class consisting of unimproved real estate other than agricultural land, if at least 200 contiguous feet of the property borders public land, the property is located within 400 feet from the ordinary high water elevation of public waters, and the property has been in the possession of the owner, owner's spouse, parent, or sibling for at least seven years. Hanson said the bill, which she called the "blue waters bill," helps maintain one of the state's hallmark resources by providing incentive to lakeshore property owners. Dick Wray, president of the Minnesota Seasonal Recreational Property Owners Coalition, said the bill deters overdevelopment of shorelines.

"The bill addresses the issue of lake shore pollution on a near term basis as opposed to a long term basis," Wray said. No action was taken on the bill.

S.F. 864, sponsored by Sen. Claire Robling, (R-Prior Lake), amends the provision of law pertaining to the apportionment of the proceeds received from the sale or rental of tax-forfeited land by striking the requirement that the proceeds be used first by local government units to retire an existing debt. Barb Marshall, county commissioner from Scott County, said the bill allows greater flexibility for counties to respond to local community needs. No action was taken on the bill.

Sen. Cal Larson (R-Fergus Falls) offered S.F. 1007, authorizing the governing body of a political subdivision to defer payments of property taxes and to abate the interest and penalty that would otherwise be applied if the property meets the requirements that currently apply to local grants of abatement of taxes. David Hauser, county attorney for Otter Tail County, said that the issue addressed by the bill came up when county residents questioned a request for abatement by a business because they felt they would be paying the property taxes for the business. "It is important to give some relief to businesses, but they should be responsible for taxes on their property," Hauser said. "The bill allows deferred payments, in essence a tax free loan to the business in the amount of their property tax." Wayne Stein, the county auditor, said the bill gives the county greater flexibility when considering economic development issues. The bill was recommended for inclusion in the omnibus tax bill.

Tax Conference Committee

Rebate discussion continues

The Tax Conference Committee, chaired by Sen. Douglas Johnson (DFL-Tower) and Rep. Ron Abrams (R-Minnetonka), met Thurs., Mar. 4, to hear an overview of the governor's revised tax rebate proposal.

Matt Smith, commissioner of the Dept. of Revenue said the governor's latest proposal increases the total amount to be rebated by \$228 million, adding \$153 million for filers that were included in the Senate's plan but ineligible in the governor's original proposal and the

House plan, \$50 million for increased rebates per filer, and raises the caps on the maximum amount of a rebate by a total of \$25 million. Smith said under the revised proposal, the average amount of a rebate for a Minnesota family increases from \$774 to \$843, while the average amount for an individual filer increases from \$377 to \$424. He said the governor is proposing raising the caps from \$2,000 to \$5,000 for joint filers and from \$1,000 to \$2,000 for single filers.

Smith said the department is in the process of selecting a vendor to process and mail out rebate checks. He said the department recently advertised a request for proposal and a vendor will be selected in the next few weeks. The soonest the checks could be mailed out is August, in order to give the selected vendor enough time to properly test the computerized transfer of data from the department to the vendor, Smith said.

Transportation

Several bills presented

A number of bills were brought before the Transportation Committee at the meeting Thurs., Mar. 4. The committee, chaired by Sen. Carol Flynn (DFL-Mpls.), heard bills on a transportation projects commission, directional signs and a highway route.

Sen. Janet Johnson (DFL-North Branch) presented S.F. 512, a bill that had previously been discussed in the committee. The bill creates a Major Transportation Projects Commission to prioritize major transportation projects in which the Department of Transportation (MnDOT) is involved.

Jim Wafler, president of the Highway Construction Industry Council, spoke in favor of the bill. He said it offers a potential for better highway planning and can enable projects to be completed in their entirety, rather than piecemeal. He said that costs over time on a project increase dramatically, and the longer a projects waits the more expensive it becomes.

"A concern has come up that the commission might get involved in politics," he said. "There is politics no matter what we do." He said the concept has merit, and that the bill should be approved.

Bill Schreiber, director of intergovernmental policy at MnDOT, said MnDOT

has serious concerns about legislation standing on its own without funding to support it. He said there is concern if Legislators get involved that some of the smaller transportation projects may not get done. "They'll start out with a list of major projects," he said.

Sen. William Belanger (R-Bloomington) said he has concerns with the bill. "We've been saying for years we want legislators to stay out of transportation projects," he said. He said he sees the commission as an opportunity for a Legislator who has a project in his or her district. He also expressed concerns about funding.

Fred Corrigan, executive vice president of the Minnesota Transportation Alliance, said all these concerns have been taken into consideration. He said he thinks there needs to be a way to engage Legislators in the projects. He said he does not believe the legislation is trying to undermine MnDOT.

Belanger said the funding for projects has not happened because the other Legislative body has refused to pass transportation funding bills. He said the governor has said he wants departments to quit planning and start building. Belanger said the building cannot be done without funding.

Richard Thomas, representing Associated General Contractors (AGC), said the current way of completing transportation projects is not working. He said the commission could relieve a logjam of projects. "By consolidating projects, we can give more bang for the buck," he said. He said some are concerned the commission will be another layer of bureaucracy, a concern shared by the AGC, but the organization urges passage of the legislation.

Johnson said that MnDOT submits the list of projects, so no new projects will be coming from Legislators. She added that the commission has the choice of authorizing or not authorizing a project. "If a project is not authorized, MnDOT can't build it," she said.

The bill was approved and referred to the Transportation Budget Division.

Sen. Charles Wiger (DFL-North St. Paul) offered S.F. 111, a bill that mandates a directional sign on I-694 for Century College. Wiger said Century is a year-round community facility with 25,000 students, and there should be a directional sign for the college. He said

another difficulty is that Century Ave., on which the college is located, is known by several different names. Dr. Charles Hayes, president of Century, said it took him an hour to find the college when he came for his interview. "I would suggest this committee seriously look at this problem. We just want equitable treatment," he said.

Sen. Arlene Lesewski (R-Marshall) presented S.F. 1101, a bill requiring the erection of directional signs at the intersection of trunk highways 23 and 30, displaying directions to the New Life Treatment Center. Lesewski said the New Life Treatment Center is a drug and alcohol treatment center. She said people have a difficult time locating the center.

Al Pint, Metro Division traffic engineer for MnDOT, said the department has established criteria for signing. He said Century College has not applied to the signal variance committee, a committee that can determine the college's qualifications. "So many interchanges are clearly signed already," he said. He said there are some exceptions to the sign policy, such as the University of Minnesota, because of its large attraction for out-of-state visitors. Pint said Metro State and St. Thomas were allowed signs through a legislative process. Pint suggested Century College contact the surrounding communities about signage. Hayes said the college has done so, but the communities are concerned about cost.

Both bills were laid over.

Sen. Kenric Scheevel (R-Preston) presented H.F. 157, a bill that modifies the route of Laura Ingalls Wilder Historic Highway. The bill was approved and recommended for the Consent Calendar.

Transportation Budget Division

MnDOT staff shortage reported

Employee shortages in the construction and maintenance divisions of the Department of Transportation (MnDOT) were discussed at the Transportation Budget Division meeting Tues., Mar. 9. The division is chaired by Sen. Janet Johnson (DFL-North Branch).

"We had four trucks parked in a garage last night with a storm this size," said Bob Hilliker, American Federation of State, County and Municipal Employees

(AFSCME), referring to the recent heavy snowstorm. He said there were not enough employees to operate the trucks.

He said there has been much discussion about lowering license plate fees and gas tax. "We are concerned that if fees are lowered, it takes money out of the MnDOT budget," he said. Hilliker said other divisions of MnDOT have grown, and yet snowplows that should be on the road sit unused because of staff shortages in the maintenance and construction divisions.

Jim McBroom, a MnDOT employee and president of his local union, said in the last six years MnDOT has lost 84 technicians who design signal systems, design highways and do survey work. He said much of the work is now sent out to consultants. "When it comes back, it is not done correctly and has to be redone," he said.

Kevin Scherek, a MnDOT maintenance worker in Virginia, said that throughout the state temporary employees with no experience are being hired and used to drive large trucks and snowplows. He said MnDOT should hire full-time employees who know their jobs. Scherek said a lot of work, such as paving and message-making on roads, crosswalks and railroad crossings is no longer done by MnDOT. It is contracted out. "We have technicians and bridge workers helping us blow snow," he said. "They're not comfortable with that."

"This is an area I think MnDOT should not cut," said Johnson. "We're always comparing ourselves to other states, and I'm starting to feel a deficiency. We need to address some of our local maintenance problems."

Sen. Mark Ourada (R-Buffalo) said that extra people are sometimes temporarily needed to work with MnDOT during a heavy snowstorm. He said some of the temporary employees are seasonal workers and live on unemployment compensation. When they are temporarily employed by MnDOT, any money they earn is automatically deducted from their unemployment. "Has MnDOT looked at removing that rule?" he asked. Norm Ashfeld, maintenance superintendent, said MnDOT has no flexibility in most cases. The number of employees hired is dictated by the budget.

S.F. 471, a bill appropriating money to the Mississippi River Parkway Commission of Minnesota (MNMRPC), was

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presented by Sen. William Belanger (R-Bloomington). The bill appropriates \$95,000 for the biennium ending June 30, 2001, to the commission to support the increased promotion of tourism and economic development along the Great River Road. Don Frerichs, chair of MNMRPC, said funding is no longer available from MnDOT. He said the one-time special appropriation request will be used to leverage additional funds from private industry sources in cooperation with communities along the Mississippi River and Great River Road, and public and private industry sector groups. The funding will provide for vacation guides, history books about the Great River Road, road maps and a web page.

Language was added to the bill specifying the money be appropriated from the general fund, and that the appropriation be given to the Legislative Coordinating Commission for the MNMRPC. The bill was approved and referred to the Jobs, Energy and Community Development Committee.

Johnson offered S.F. 695, a bill that allows payment of a prorated license fee. Under the bill, vehicle purchasers can pay a registration tax prorated on a monthly basis for the remainder of the registration period during which the purchase takes place. The bill also allows a dealer to withhold registration tax due on a vehicle in the year after it is acquired for sale and/or demonstration.

Sherry Munyon, representing the Minnesota Automobile Dealers Association, spoke for the bill. She said it does away with unnecessary consumer cost. The bill was laid over.

Floor action

Hemp bill advances

A bill classifying industrial hemp as an agricultural crop gained preliminary passage at the Mon., Mar. 8, Senate floor session. S.F. 122, sponsored by Majority Leader Roger Moe, also requires growers of industrial hemp to register with the commissioner of agriculture. Moe said that allowing hemp to be grown will open up new markets for Minnesota farmers. "It is an emerging market and it will add another option for farmers here in Minnesota," Moe said. He said industrial hemp is used in a variety of products including fertilizer, carpet, cosmetics, soaps, clothing, paper and the

auto industry. Currently, Moe said, industrial hemp cannot be grown as an agricultural product because it is listed as a controlled substance, it is listed as a noxious weed and there is no state provision to allow the growing of industrial hemp.

Sen. Claire Robling questioned whether industrial hemp could be grown as a hallucinogenic. Moe said that industrial hemp has two distinguishing qualities from marijuana—the level of THC (the hallucinogenic chemical in marijuana) is defined as being .03 percent or less while marijuana contains 4 to 20 percent THC and the way the plant grows is different. Sen. Charles Berg (IND-Chokio) urged members to support the measure and said that the use of industrial hemp for paper was a particularly good market.

A bill requiring special primaries and elections to be conducted by mail also generated floor debate. Sen. Linda Scheid (DFL-Brooklyn Park) said the bill, S.F. 519, is designed to increase participation at special elections that are otherwise ignored. She said that by making it easier for citizens to vote, more people would participate in special elections. However, Sen. Mark Ourada (R-Buffalo), argued that he was concerned with the integrity of the process. Scheid countered that the bill included safeguards and that the primary concern was allowing more people to vote. The measure was given preliminary passage on a 30-28 roll call vote.

Several other bills were granted preliminary passage on General Orders. S.F. 333, authored by Sen. Randy Kelly (DFL-St. Paul), provides criminal penalties and forfeiture sanctions for persons who transfer, possess, or use the identity of another with the intent to commit unlawful activity. Sen. Warren Limmer (R-Maple Grove) offered, and members adopted, an amendment requiring credit reporting agencies, upon receiving an inquiry, to report the fact to the consumer. H.F. 56, carried by Sen. Don Betzold (DFL-Fridley), modifies the limitations provision governing health provider actions. H.F. 544, sponsored by Sen. LeRoy Stumpf (DFL-Thief River Falls) is a resolution urging the Office of the United States Trade Representative to forcefully and promptly address and resolve violations of international trade agreements and discriminatory practices

by the Province of Ontario and Canadian officials that are injuring Minnesota boarder lakes tourism business. S.F. 540, authored by Sen. Linda Berglin (DFL-Mpls.) authorizes the use of enterprise zone incentive grants by Minneapolis and St. Paul.

S.F. 257, carried by Robling, permits special elections in cases of specific vacancies in statutory cities. S.F. 663, sponsored by Sen. Jane Krentz (DFL-May Township), establishes a 25 mile per hour speed limit in school zones. H.F. 137, carried by Sen. Janet Johnson (DFL-Forest Lake), exempts collector watercraft from watercraft license display requirements. S.F. 609, authored by Sen. Leonard Price (DFL-Woodbury), requires new landscape irrigation systems to have rain checks. S.F. 184, authored by Sen. Jane Ranum (DFL-Mpls.), recodifies, clarifies and relocates laws relating to juvenile delinquency and child protection. S.F. 129, authored by Sen. David Knutson (R-Burnsville), enacts the Uniform Child Custody Jurisdiction and Enforcement Act.

Two bills were granted final passage on the Senate Calendar. H.F. 49, sponsored by Kelly, makes changes relating to health coverage for survivors of police officers and firefighters killed in the line of duty. H.F. 302, sponsored by Sen. Jim Vickerman (DFL-Tracy), authorizes ambulance services to participate in shared service purchasing. Finally, two bills were granted final passage on the Consent Calendar. H.F. 454, sponsored by Sen. Arlene Lesewski (R-Marshall), modifies requirements for nursing home administrators. S.F. 649, authored by Sen. Steven Morse (DFL-Dakota), directs the city of Minneapolis to authorize certain workers and apprentices to participate in a deferred compensation plan.

Bills debated

Three bills on General Orders sparked debate at the Thurs., Mar. 11, floor session, but the authors of all three measures delayed action on the bills before bringing them to a vote for preliminary passage. S.F. 160, authored by Sen. Dan Stevens (R-Mora), provides that agency and department heads must be confirmed by the Senate within one year of appointment. Stevens offered an amendment specifying that the commissioner must leave office if not confirmed within 18 months. However, Sen. Don

Betzold (DFL-Fridley) said that any time constraints may be a disservice to the agency or department head. Sen. Ember Reichgott Junge (DFL-New Hope) urged Stevens to delay action on the bill until the Rules and Administration Subcommittee on Permanent and Joint Rules completes work on the Permanent Rules of the Senate. Stevens agreed to progress the measure.

H.F. 371, removing the limit on the amount a local government may contribute for historical work, also touched off debate. In this case, the debate was over a motion by Chief Author Michelle Fischbach (R-Paynesville), to restore the bill to the language approved by the House. Members argued that the body should debate the bill as it was approved by a Senate Committee. Fischbach agreed to progress the measure.

Finally, members began discussion of a bill relating to the order of final argument in criminal trials. S.F. 198,

authored by Sen. Randy Kelly (DFL-St. Paul), specifies that the prosecution has the right to reply in rebuttal to the closing argument of the defense in criminal trials. The measure differs from the bill discussed earlier in the Session in that it does not provide for the defense to speak in surrebuttal. Debate on the issue was cut short because of time limitations. The measure remains on General Orders.

In other action, members granted final passage to all but three measures given preliminary passage at the Mon., Mar. 8, floor session. The three bills, S.F. 333, providing penalties for persons who use the identity of another with the intent to commit a crime; S.F. 609, requiring new landscape systems to have rain checks; and S.F. 129, enacting the Uniform Child Custody Jurisdiction and Enforcement Act, were not voted upon and will be considered at the next floor session.

Three bills on the Consent Calendar were granted final passage. H.F. 453,

sponsored by Sen. Linda Higgins (DFL-Mpls.), directs the city of Minneapolis to authorize participation by certain workers and apprentices in a deferred compensation plan. S.F. 1176, authored by Sen. Janet Johnson (DFL-Forest Lake), makes technical changes to the Waste Management Act. H.F. 157, carried by Sen. Kenric Scheevel (R-Preston), modifies the route of the Laura Ingalls Wilder Historic Highway.

Majority Leader Roger Moe (DFL-Erskine) took a few moments at the end of the session to acknowledge the resignation of Sen. Steven Morse (DFL-Dakota). Morse's letter of resignation was received by the governor and communicated to the Senate during the session. Moe expressed his regret at the resignation and said that Morse has been an able legislator with tremendous energy. He concluded by wishing Morse well in his new career with the Dept. of Natural Resources.

Preview

Monday, March 15

Rules and Administration Subcommittee on Senate Information Systems

Chair: Sen. Leonard Price

8 a.m. Room 107 Capitol

Agenda: Update of 1998-99 projects; review of existing policies; Senate budget request.

The Senate is in Session at 10 a.m.

Election Laws Committee

Chair: Sen. John Marty

12 noon Room 112 Capitol

Agenda: S.F. 746-Lessard: Permitting November election in Grand Rapids Township. S.F. 1020-Junge: Eliminating presidential primary. S.F. 87-Marty: Public "right-to-know." S.F. 1144-Scheid: Secretary of State bill.

Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

12 noon Room 107 Capitol

Agenda: S.F. 1542-Stumpf: Changing

repeal date of Sustainable Forest Resources Act. S.F. 1405-Stumpf: Public sale of tax-forfeited land in Roseau County. S.F. 1170-Stumpf: Private sale of tax-forfeited land that borders public water in Red Lake County. S.F. 921-Lessard: Public sale of tax-forfeited land in Itasca County. S.F. 815-Lessard: Public sale of tax-forfeited land in Itasca County. S.F. 421-Lessard: Public sale of tax-forfeited lands in Itasca County. S.F. 803-Solon: Requiring fishing guide license on the St. Louis River estuary. S.F. 972-Frederickson: Modifying migratory waterfowl refuge provisions. S.F. 1352-Frederickson: Allowing certain land to be enrolled in more than one state or federal conservation program.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: S.F. 1389-Betzold: Data classifications. S.F. 451-Vickerman: Regulating security interests in crops. H.F. 346-Hottinger: Prohibiting certain contracting arrangements for freelance court reporting services. S.F. 653-Betzold:

Omnibus data practices bill. S.F. 212-Kiscaden: Providing data privacy for certain public utility customers. S.F. 1060-Knutson: Regulating service of process and certain notice requirements. S.F. 938-Kelley, S.P.: Granting immunity from liability to complainants who cooperate with the Board of Psychology.

Commerce Committee

Chair: Sen. Sam Solon

2 p.m. Room 112 Capitol

Agenda: S. F. 778-Sams: Motor vehicle release of security interest within five days. S.F. 1485-Scheid: Modifying provisions of board of architecture, engineering, land surveying, etc. S. F. 39-Johnson, D. J.: Modifying eligibility for premium reduction on completion of accident prevention course. S. F. 171-Higgins: Regulating residential real estate transactions.

Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: S.F. 613-Betzold: Animal cruelty. S.F. 1202-Spear: Procedures for

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occupational exposure to bloodborne pathogens in EMS and correctional settings. S.F. 1537-Anderson: RASSL bill.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

2 p.m. Room 125 Capitol

Agenda: Dept. of Administration budget overview.

Local and Metropolitan Government Committee

Chair: Sen. Jim Vickerman

2 p.m. Room 107 Capitol

Agenda: S.F. 916-Robling: Cedar Lake area water and sewer district establishment. S.F. 1135-Johnson, D.J.: Local government units firearms regulation. S.F. 1188-Kelley, S.P.: Uniform Municipal Contracting Law dollar limit increase. S.F. 1225-Wiger: Metropolitan Council financial report requirement elimination. S.F. 1524-Pogemiller: Metropolitan Council federal empowerment zone designation grant match appropriation.

Crime Prevention and Judiciary Budget Division

Chair: Sen. Randy Kelly

4 p.m. Room 112 Capitol

Agenda: To be announced.

Environment and Agriculture Budget Division

Chair: Sen. Jane Krentz

4 p.m. Room 107 Capitol

Agenda: Dept. of Agriculture budget overview.

K-12 Subcommittee on High Standards Implementation

Chair: Sen. Lawrence Pogemiller

4:30 p.m. Room 125 Capitol

Agenda: To be announced.

Health and Family Security Committee

Chair: Sen. John Hottinger

6 p.m. Room 123 Capitol

Agenda: S.F. 131-Berglin: Expanding MinnesotaCare to 275 percent for single adults. S.F. 383-Pappas: Licensure requirements for the practice of mid-

wifery. S.F. 467-Murphy: Hepatitis B immunization requirement for MnSCU students. S.F. 511-Lourey: Expanding MinnesotaCare eligibility for single adults. S.F. 527-Samuelson: Physical therapist licensure. S.F. 762-Lourey: Modifying eligibility for persons with continuation coverage. S.F. 877-Berglin: Providing coverage for language interpreter services under state health care programs. S.F. 880-Lourey: Exemption from the MinnesotaCare four month uninsured requirement. S.F. 933-Berglin: Employer subsidized health coverage program. S.F. 1099-Kiscaden: Modifying training requirements for nursing assistants. S.F. 1395-Lourey: Modifying the definition of gross income under MinnesotaCare.

Tuesday, March 16

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8 a.m. Room 15 Capitol

Agenda: S.F. 1312-Higgins: Encouraging businesses and other organizations to donate materials to help children read. S.F. 1411-Janezich: Child care improvement grants. S.F. 991-Novak: After-school enrichment; clarifying Ramsey County's role in the after-school program. S.F. 1620-Piper: Transferring TANF funds to the child care and development fund for the basic sliding fee child care assistance program.

Higher Education Budget Division

Chair: Sen. LeRoy Stumpf

8 a.m. Room 107 Capitol

Agenda: To be announced.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: S.F. 1560-Neuville: Technology integration grant for Le Center. S.F. 1514-Dille: Technology integration grant for ISD 466. S.F. 597-Wiger: Facilities task force bill. S.F. 1301-Wiger: Facilities management. S.F. 1302-Wiger: Facilities management and local match. S.F. 1532-Kelley S.: Space requirements for alternative facilities bonding.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: S.F. 509-Hottinger: Senior Drug Program. S.F. 780-Piper: Medical marijuana act. S.F. 875-Berglin: Eliminating the annual fee and increasing asset limit. S.F. 876-Berglin: Eliminating the annual fee and expanding eligibility. S.F. 926-Wiener: Expanding the Senior Drug Program.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: SF XXX-Novak: 500k - renewable development account. S.F. 1630-Dille: Poultry litter S.F. 233-Ten Eyk: Easement.

The Senate is in Session at 12 noon.

Transportation Committee

Chair: Sen. Carol Flynn

After Session Room 112 Capitol

Agenda: To be announced.

Governmental Operations and Veterans Committee

Chair: Sen. James Metzen

12 noon Room 15 Capitol

Agenda: S.F. 810-Wiener: Powers and duties of the legislative audit commission and the legislative auditor. Program evaluation report on state building code; S.F. 1209-Wiener: Relating to state building code; S.F. 624- Murphy: Establishing the board of firefighter training and education; S.F. 510-Hottinger: Expanding the number of dental hygienists on the board of dentistry; S.F. 1699-Price: Authorizing payment by electronic means; S.F. 1700-Price: Office of technology.

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

2 p.m. Room 107 Capitol

Agenda: S.F. 1025-Lesewski: Southwest State University to conduct a feasibility study of expanding agriculture education. S.F. 1092-Dille: Changing veterinary practice requirements. S.F. 1492-

Langseth: Potato aphid research. S.F. 1041-Hanson: Warehouse law.

Commerce Committee

Chair: Sen. Sam Solon

2 p.m. Room 112 Capitol

Agenda: S. F. 1219-Berglin: Establishing a uniform complaint resolution process for health plan companies. S. F. 953-Samuelson: Modifying certain health insurance coverage and treatment requirements.

Economic Development Budget Division

Chair: Sen. Jerry Janezich

2 p.m. Room 123 Capitol

Agenda: S.F. 798-Kelly, R.C.: Grant to St. Paul for the creation of a holding pond for flood mitigation. S.F. 80-Stevens: Money for marketing and infrastructure changes, fishing/border limitations in Ontario Waters/Mille Lacs Lake.

Health and Family Security Budget Division

Chair: Sen. Don Samuelson

4 p.m. Room 112 Capitol

Agenda: H.F. 40-Samuelson: Nursing home restraint bill.

Property Taxes and Local Government Budget Division

Chair: Sen. Sandra Pappas

4 p.m. Room 15 Capitol

Agenda: S.F.1175-Cohen: Increasing the maximum household income for senior citizen property tax deferral. S.F.885-Marty: Alternative property tax refund formula. S.F.1191-Pappas: Modifying the property tax refund schedule. S.F.1086-Oliver: Additional property tax refund to certain homeowners. S.F.976-Novak: Changing the class rate for manufactured home parks. S.F.1141-Hottinger: Decreasing the class rate for manufactured home parks.

Legislative Commission on Pensions and Retirement

Chair: Rep. Harry Mares

5 p.m. Basement Hearing Room State Office Building

Agenda: H.F. 410/S.F. XXX: Correc-

tional transfer of MSRS-general service credit in certain instances. H.F. 435/S.F. 235-Metzen: MSRS-General; purchase of Laborer 1 Classification swervice credit. H.F. 1080/S.F. 1254-Neuville: PERA-P&F; Grandparent coverage for certain Rice County correctional employees. H.F. 1179/S.F. 1426-Stumpf: Teacher plans; prior military, out-of-state and maternity service credit purchases. H.F. 589/S.F. 772-Pogemiller: Tax sheltered annuities; expansion of vendors for employer matching contributions. H.F. 227/S.F. 266 -Johnson, D. E.: MSRS; Early retirement benefits for state fire marshals. H.F. 1180/S.F. 1077-Pogemiller: Statewide plans; extension of "Rule of 90." S.F. 650-Pogemiller: Teacher plans; extension of "Rule of 90" and benefit accrual rate increase. H.F. 436/S.F. 409-Pogemiller: State Patrol and PERA-P&F; early retirement reduction factor downsized. H.F. 569/S.F. 722-Morse: MSRS-Correctional; early retirement reduction factor downsized. H.F. 1077/S.F. 319-Pogemiller: MERF; death-while-active survivor coverage changes. H.F. 471/S.F. 56-Stevens: St. Cloud Police; inclusion in 1997 special ad hoc post-retirement adjustment. H.F. 845/S.F. 842-Morse: MNSCU IRAP; part-time teaching benefit changes. H.F. 115/S.F. 179-Johnson, D.E.: Willmar and Litchfield Volunteer Rescue Squad pension plans authorized.

Tentative

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

6 p.m. Room 107 Capitol

Agenda: Bills remaining from morning meeting.

Judiciary Committee

Chair: Sen. Jane Ranum

6 p.m. Room 112 Capitol

Agenda: S.F. 1371-Anderson: Requirements of recording contracts for deed. S.F. 985-Knutson: Prohibiting business discrimination on the basis of national origin. S.F. 443-Marty: Reporting requirements for health professionals concerning injuries resulting from alcohol or controlled substance-related

accidents. S.F. 1485-Scheid: Architecture, engineering, land surveying, landscape architecture, geoscience, and interior design board provisions modifications. S.F. 1202-Spear: Procedures for occupational exposure to blood-borne pathogens in EMS and correctional settings.

Transportation Committee

Chair: Sen. Carol Flynn

6 p.m. Room 118 Capitol

Agenda: To be announced.

Governmental Operations and Veterans Committee

Chair: Sen. James Metzen

6:30 p.m. Room 15 Capitol

Agenda: To be announced.

Wednesday, March 17

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8 a.m. Room 15 Capitol

Agenda: S.F. 1517-Lourey: Male responsibility program. S.F. 610-Lourey: Basic sliding fee child care assistance; eligibility criteria; prohibiting counties from paying parents directly for child care expenses; appropriating money. S.F. 1408-Hottinger: Appropriating money for the South Central Children's Project.

Higher Education Budget Division

Chair: Sen. LeRoy Stumpf

8 a.m. Room 107 Capitol

Agenda: To be announced.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: S.F. 850-Pappas: Basic system support grants for libraries. S.F. 853-Neuville: Library services for the blind. S.F. 988-Robertson: Expanding learning academy training. S.F. 1415-Runbeck: Internet access for schools and libraries.

Governmental Operations and Veterans Committee

Chair: Sen. James Metzen

10 a.m. Room 15 Capitol

Agenda: To be announced.

Preview

Transportation Committee

Chair: Sen. Carol Flynn

10 a.m. Room 112 Capitol

Agenda: To be announced.

The Senate is in Session at 12 noon.

Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

12 noon Room 107 Capitol

Agenda: S.F. 913-Johnson, D.J.: Underwater video equipment use prohibition. S.F. 1288-Lessard: Exempting trappers from blaze orange requirements. S.F. 1449-Price: State park bill. S.F. 1528-Price: Harmful exotic species provisions. S.F. 669-Johnson, J.B.: County authority to issue administrative penalty orders sunset removal.

Judiciary Committee

Chair: Sen. Jane Ranum

After Session, Room 15 Capitol

Agenda: Bills from the Family Law Subcommittee.

Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: S.F. 32-Johnson, D.H.: Search and rescue dogs. S.F. 903-Neuvill: County attorney notification of DOC determinations to refer inmates for possible SDP commitment. S.F. 954-Kiscaden: Local recovery of DWI forfeiture expenses. S.F. 955-Kiscaden: Allocation of DWI forfeiture proceeds. S.F. 1523-Pogemiller: Hennepin County domestic murder review panel. S.F. 1536-Anderson: Forfeiture law changes. S.F. 1604-Ten Eyck: Sanctions conference procedure for probation violations.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

2 p.m. Room 125 Capitol

Agenda: Department of Administration budget overview continuation.

Local and Metropolitan Government Committee

Chair: Sen. Jim Vickerman

2 p.m. Room 107 Capitol

Agenda: S.F. 234-Higgins: Sunset date

for Metropolitan Radio Board. S.F. 946-Vickerman: Electric generation peaking facilities exemption from personal property tax. S.F. 1246-Price: Washington County; delay an expiration date on certain "droplist" legislation. S.F. 1279-Stevens: No net loss of private land. S.F. 1463-Krentz: Authorizing creation of a township capital reserve fund.

Environment and Agriculture Budget Division

Chair: Sen. Jane Krentz

4 p.m. Room 107 Capitol

Agenda: To be announced.

Health and Family Security Budget Division

Chair: Sen. Don Samuelson

4 p.m. Room 112 Capitol

Agenda: Public testimony on the Health and Human Services budget.

Taxes Subcommittee on Income and Sales Tax

Chair: Sen. Steve Murphy

4 p.m. Room 15 Capitol

Agenda: S.F. 105-Janezich: Exempt construction materials used in building community pavilion from sales and use tax. S.F. 258-Johnson, D.J.: Exempt admission to regional high school league tournaments. S.F. 896-Johnson, D.J.: Exempt the purchases of materials and supplies used in renovating a municipal building in Babbitt. S.F. 474-Murphy: Exempt vitamin, mineral, and whole food supplements. S.F. 566-Ten Eyck: Exempt equipment and materials used to make improvements to certain resorts. S.F. 705-Pappas: Exempt state agency libraries. S.F. 728-Kelley, S.P.: Exempt sales of gold and silver coins and bullion. S.F. 795-Kelley, S.P.: Filing of sales tax returns and remittance of tax by material suppliers. S.F. 1335-Samuelson: Exempt the purchase of construction materials used in building a community center. S.F. 1385-Kleis: Exempt the purchase of construction materials used in building the Central Minnesota Events Center. S.F. 1390-Johnson, D.E.: Exempting the purchase of certain property used in constructing a multipurpose center in the city of Granite Falls. S.F. 1447-Ten

Eyck: Deep Portage Environmental Learning Center construction materials sales and use tax exemption. S.F. 325-Samuelson: Modify subtraction for health insurance; adjust long-term care credit. S.F. 456-Pappas: Provide a subtraction from taxable income for certain amounts paid for health insurance. S.F. XXX-Larson: Exempt materials used for construction of Fergus Falls Community Center from sales and use tax.

Health and Family Security Committee

Chair: Sen. John Hottinger

6 p.m. Room 112

Agenda: To be announced.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

6 p.m. Room 123 Capitol

Agenda: S.F. 1010-Cohen: Providing incentives for a voluntary inclusionary housing policy for Metropolitan Area. S.F. 808-Kelly: Providing funding for housing in the city of St. Paul. S.F. 1103-Hottinger: Providing funding for educating employers about HIV/AIDS in the workplace. S.F. 1222-Anderson: Creating an affordable housing endowment fund using tobacco settlement payments. S.F. XXX-Novak: Housing.

Crime Prevention Committee

Chair: Sen. Allan Spear

7:30 p.m. Room 15 Capitol

Agenda: S.F. 484-Neuvill: Criminal penalties, vehicle forfeiture when owner knowingly permits a revoked driver to operate the vehicle. S.F. 902-Samuelson: Chronic DWI offender treatment requirements. S.F. 1382-Spear: Reinstatement of gross misdemeanor for third or subsequent DWI within 10 years. S.F. 1711-Kelly, R.C.: Chronic DWI facility at Camp Ripley, DWI felony. S.F. 1722-Foley: Admissibility of DWI preliminary breath test. S.F. 1723-Foley: Eliminating DWI offender's right to an independent BAC test. S.F. 1724-Foley: Eliminating alternate driver's license revocation period for 0.20 blood alcohol content DWI offenders. S.F. 1725-Foley: Gross misdemeanor for violation of alcohol-related driver's license restrictions.

Thursday, March 18

The Senate is in Session at 8 a.m.

Children, Families & Learning Subcommittee on Teacher Preparation

Chairs: Sen. Sandra Pappas and Sen. Deanna Wiener

10 a.m. Room 107 Capitol

Agenda: Committee bills.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: To be announced.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: S.F. 1524-Pogemiller: Federal empowerment zone designation grant. S.F. 1311-Kelley, S.P.: Demonstration projects through telecommunication technology. S.F. XXX: Workers' compensation Advisory Council bill. S.F. XXX-Higgins: MHFA housekeeping bill. S.F. 1529-Johnson, D.H.: Tourism.

Governmental Operations and Veterans Committee

Chair: Sen. James Metzen

12 noon Room 15 Capitol

Agenda: To be announced.

Transportation Committee

Chair: Sen. Carol Flynn

12 noon Room 112 Capitol

Agenda: To be announced.

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

2 p.m. Room 107 Capitol

Agenda: S.F. 1257-Johnson, J.B.: Adding organic farmers to review panels for sustainable agriculture grants and loans.

Commerce Committee

Chair: Sen. Sam Solon

2 p.m. Room 112 Capitol

Agenda: S. F. 1342-Hottinger: Modifying liquor direct shipment law. S. F. 841-Scheid: Alternative insurance benefit plan for small employers. S. F. 1075-

Hottinger: Limiting use of health information secured as part of HIV vaccine research for insurance underwriting.

Economic Development Budget Division

Chair: Sen. Jerry Janezich

2 p.m. Room 123 Capitol

Agenda: To be announced.

Health and Family Security Budget Division

Chair: Sen. Don Samuelson

4 p.m. Room 112 Capitol

Agenda: Public testimony on the Health and Human Services budget.

Tentative

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

6 p.m. Room 107 Capitol

Agenda: Bills remaining from morning meeting.

Environment and Agriculture Budget Division

Chair: Sen. Jane Krentz

6 p.m. Room 318 Capitol

Agenda: To be announced.

Tentative

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

6 p.m. Room 123 Capitol

Agenda: Bills remaining from morning meeting.

Health and Family Security Committee

Chair: Sen. John Hottinger

6 p.m. Room 112 Capitol

Agenda: To be announced.

Transportation Committee

Chair: Sen. Carol Flynn

6 p.m. Room 118 Capitol

Agenda: To be announced.

Governmental Operations and Veterans Committee

Chair: Sen. James Metzen

6:30 p.m. Room 15 Capitol

Agenda: To be announced.

Friday, March 19

Children, Families and Learning Committee

Chair: Sen. Pat Piper, Sen. Lawrence Pogemiller and Sen. LeRoy Stumpf

8 a.m. Room 15 Capitol

Agenda: To be announced.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

Meet immediately after full CFL Room 112 Capitol

Agenda: To be announced.

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8:30 a.m. or immediately after full CFL Room 15 Capitol

Agenda: S.F. 1621-Piper: Department of Children, Families & Learning; Office of Community Services omnibus budget.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: To be announced.

Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

12 noon Room 107 Capitol

Agenda: To be announced.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: S.F. 950-Betzold: Revisor's bill.

Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: S.F. 748-Ranum: Juvenile residential facilities education standards. S.F. 1002-Higgins: Methamphetamine laboratory interdiction. S.F. 1327-Wiger: Juvenile sex offender community notification system. S.F. 1482-Kelly, R.C.: Rush City prison RFP. S.F. 1639-Kelly, R.C.: Criminal disqualifications for taxi cab driver licensure.

Local and Metropolitan Government Committee

Chair: Sen. Jim Vickerman

2 p.m. Room 107 Capitol

Agenda: To be announced.

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Party	Phone	Name	Room	Dist.
DFL	296-5537	Anderson, Ellen R.	G-24 Cap.	66
R	6-5975	Belanger, William V.	113 SOB	41
IND	6-5094	Berg, Charles A.	G-51 SOB	13
DFL	6-4261	Berglin, Linda	309 Cap.	61
DFL	6-2556	Betzold, Don	306 Cap.	48
DFL	6-5931	Cohen, Richard J.	317 Cap.	64
R	6-9457	Day, Dick	147 SOB	28
R	6-4131	Dille, Steve	103 SOB	20
R	6-2084	Fischbach, Michelle L.	149 SOB	14
DFL	6-4274	Flynn, Carol	120 Cap.	62
DFL	6-4154	Foley, Leo T.	G-9 Cap.	49
R	6-8138	Frederickson, Dennis R.	139 SOB	23
DFL	6-3219	Hanson, Paula E.	328 Cap.	50
DFL	6-9246	Higgins, Linda I.	226 Cap.	58
DFL	6-6153	Hottinger, John C.	120 Cap.	24
DFL	6-8017	Janezich, Jerry R.	328 Cap.	5
DFL	6-9261	Johnson, Dave	111 Cap.	40
R	6-3826	Johnson, Dean E.	117 SOB	15
DFL	6-8881	Johnson, Douglas J.	205 Cap.	6
DFL	6-5419	Johnson, Janet B.	G-9 Cap.	18
DFL	6-2889	Junge, Ember Reichgott	205 Cap.	46
DFL	7-8065	Kelley, Steve	321 Cap.	44
DFL	6-5285	Kelly, Randy C.	323 Cap.	67
R	6-4848	Kiscaden, Sheila M.	135 SOB	30
R	6-6455	Kleis, Dave	143 SOB	16
R	6-4120	Knutson, David L.	133 SOB	36
DFL	6-7061	Krentz, Jane	235 Cap.	51
R	6-4351	Laidig, Gary W.	141 SOB	56
DFL	6-3205	Langseth, Keith	122 Cap.	9
R	6-5655	Larson, Cal	153 SOB	10
R	6-4125	Lesewski, Arlene J.	131 SOB	21
DFL	6-4136	Lessard, Bob	111 Cap.	3
R	6-2159	Limmer, Warren	127 SOB	33
DFL	6-0293	Lourey, Becky	G-9 Cap.	8
DFL	6-5645	Marty, John	325 Cap.	54

Party	Phone	Name	Room	Dist.
DFL	6-4370	Metzen, James P.	303 Cap.	39
DFL	6-2577	Moe, Roger D.	208 Cap.	2
DFL	6-4264	Murphy, Steve	301 Cap.	29
R	6-1279	Neuville, Thomas M.	123 SOB	25
DFL	6-4334	Novak, Steven G.	322 Cap.	52
R	6-4837	Oliver, Edward C.	121 SOB	43
R	6-1282	Olson, Gen	119 SOB	34
R	6-5981	Ourada, Mark	145 SOB	19
DFL	6-1802	Pappas, Sandra L.	120 Cap.	65
R	6-5252	Pariseau, Pat	109 SOB	37
DFL	6-9248	Piper, Pat	G-9 Cap.	27
DFL	6-7809	Pogemiller, Lawrence J.	235 Cap.	59
DFL	7-8060	Price, Leonard R.	235 Cap.	57
DFL	7-8061	Ranum, Jane B.	306 Cap.	63
R	6-4314	Robertson, Martha R.	125 SOB	45
R	6-4123	Robling, Claire A.	151 SOB	35
R	6-1253	Runbeck, Linda	107 SOB	53
DFL	7-8063	Sams, Dallas C.	328 Cap.	11
DFL	6-4875	Samuelson, Don	124 Cap.	12
R	6-3903	Scheevel, Kenric J.	129 SOB	31
DFL	6-8869	Scheid, Linda	317 Cap.	47
DFL	6-4188	Solon, Sam G.	303 Cap.	7
DFL	6-4191	Spear, Allan H.	120 Cap.	60
R	6-8075	Stevens, Dan	105 SOB	17
DFL	6-8660	Stumpf, LeRoy A.	G-24 Cap.	1
DFL	6-4913	Ten Eyck, David J.	G-24F Cap.	4
R	6-6238	Terwilliger, Roy	115 SOB	42
DFL	6-5650	Vickerman, Jim	226 Cap.	22
DFL	7-8073	Wiener, Deanna L.	303 Cap.	38
DFL	6-6820	Wiger, Charles W.	325 Cap.	55

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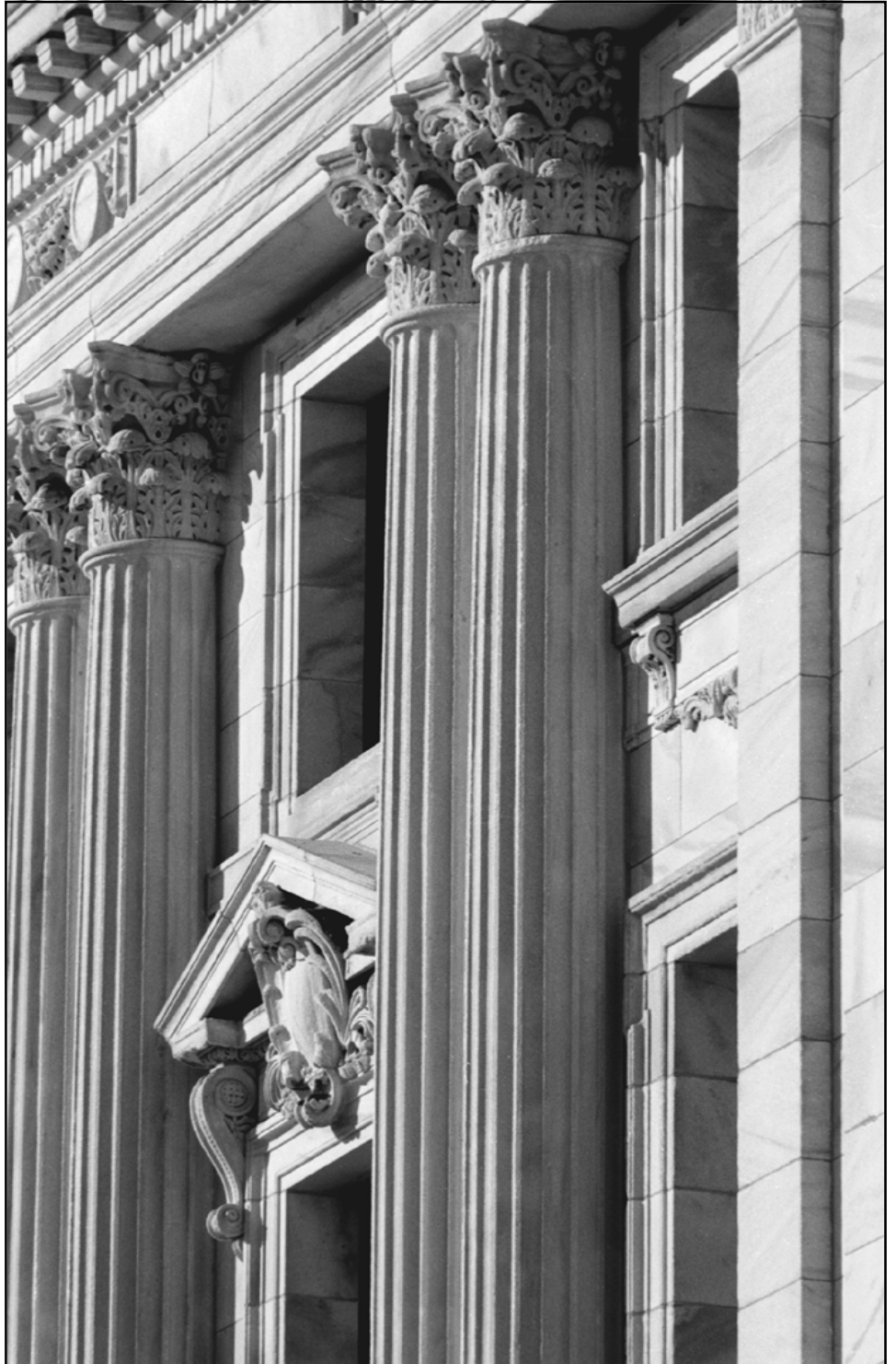
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Photo by Andrea G. Murrill



March 19, 1999

Senate Highlights

Medical marijuana bill heard

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Wed., Mar. 17, to continue their discussion of a bill relating to the medical use of marijuana.

Sen. Pat Piper (DFL-Austin) carried S.F. 780, which permits the medical use of marijuana by a patient in order to relieve the effects of the patient's debilitating medical condition. The bill also states that the patient must have documentation from a physician to be permitted use, establishes immunity for a physician from being penalized for recommending use and prohibits prosecuting any person for possession of marijuana for medical purposes. According to the language of S.F. 780, the purpose of the bill is to allow Minnesotans with debilitating medical conditions to benefit from the medical use of marijuana.

At a previous meeting, Commissioner of Public Safety Charlie Weaver indicated the governor's support for the bill, but added there are some problems regarding public safety. He also said the bill forces people to be at odds with federal law. According to Piper, al-

though she and Weaver have discussed the issues of concern at length since that time, a solution was not reached. For that reason Piper requested the bill be laid over.

Sen. Roger D. Moe (DFL-Erskine) presented S.F. 225, a bill that makes a number of changes to the nursing statutes pertaining to advanced practice registered nurses. Among other things, the bill requires advanced practice nurses to be certified by a national certification organization before practicing, changes sections relating to prescribing authority and adds to the list of grounds for disciplinary action. Also, the bill adds to the nursing statutes definitions for advanced practice registered nurse, consultation, nurse practitioner practice, referral, registered nurse anesthetic practice, prescribing and collaborative management.

Shirley Brekken associate director of the Minnesota Board of Nursing, testified in support of the bill. She said the bill is necessary because it defines the different categories of nurses, and because the current law is outdated. She said 34 other states have similar legislation and the bill is in the public's best interest.

Dr. Judy Shank, president of the

Minnesota Medical Association, testified in opposition to the bill. She said the definition of collaborative management--the process in which an advanced practice registered nurse consults with a health care professional to jointly manage the care of patients--allows advanced practice registered nurses to practice medicine. The language, she said, does not appropriately recognize the differences between doctors and nurses. Dr. Judy Meisner also testified in opposition to the bill, calling the bill a disingenuous attempt to expand the practice of nurses. The bill, she said, provides for as little physician input as possible.

Sen. Sheila Kiscaden (R-Rochester) offered an amendment that refines the definition of collaborative management and states that registered nurse anesthetists must provide their clinical services at the same hospital or clinic as the health care professional. Shank said the amendment is closer to meeting her needs and the amendment was adopted. Both sides agreed to continue discussing ways to improve the bill. The bill was approved and sent to the Senate floor.

Transportation funding bill

The Transportation Committee, chaired by Sen. Carol Flynn (DFL-Mpls.), met Weds., Mar. 17. The committee heard a bill on transportation funding and a bill on modifying disabled parking.

Flynn presented S.F. 1668, a bill that provides a transportation funding package. The bill provides a stable and dedicated source of funding for highways and transit through several initiatives, Flynn said. Under the bill, the registration tax on passenger automobiles is reduced from 1.25 percent of the vehicle's base value to 1 percent, and the depreciation schedule is accelerated to provide a tax reduction of 10 percent each year. Flynn said the revenue loss to the highway user tax distribution fund (HUTDF) is replaced through a transfer of 30 percent of the proceeds from the sales tax on motor vehicles (MVET). "This transfer is estimated to approximately replace the lost revenue dollar-for-dollar," Flynn said.

She said under the bill the current gas tax rate is indexed by the percentage increase in the consumer price index each year, beginning April 1, 2000.

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Twenty percent of the proceeds from MVET are dedicated to a transit assistance fund for both transit operating and capital needs, beginning Jan. 1, 2000. Flynn said that the bill provides that beginning in FY 2001 the existing general fund appropriations for Greater Minnesota and Metropolitan Transit, with the exception of the Metro Mobility appropriation, would be made from the transit assistance fund. She said six months of revenue will be allowed to accumulate in the transit assistance fund. Flynn stated that a constitutional amendment dedicating 30 percent of MVET proceeds to the HUTDF and 20 percent to the transit assistance fund is proposed for the November 2000 election. She said if the amendment is not adopted, the reduction in the vehicle registration tax and the transfer of the MVET proceeds to the HUTDF and transit assistance fund are repealed.

The bill provides an appropriation of \$60 million from the transit assistance fund for the Hiawatha Avenue Corridor Light Rail Transit (LRT) project. The appropriation is not available, however, until July 1, 2001. Flynn said funds are authorized for the reconstruction and replacement of key bridges on the trunk highway system. The bill authorizes the Metropolitan Council to issue \$52 million in bonds for FY 2000 and 2001.

An oral amendment, offered by Sen. Sandra Pappas (DFL-St. Paul), to delete the reduction in vehicle registration tax was defeated.

Sen. Randy Kelly (DFL-St. Paul) said he has reservations about setting aside \$60 million for the Hiawatha Corridor LRT because St. Paul is not being considered. "We're all paying for it, and we need to look at a more regional project," he said. Flynn said she agreed on a regional project, but that LRT has to begin somewhere. "We need to build this one, and see if it works," she said. The bill was recommended to pass and referred to the Transportation Budget Committee.

Pappas presented S.F. 1145, a bill that modifies parking privileges for disabled persons. The bill makes parking privileges available for a person transporting a disabled person in a vehicle with a disability certificate or license plates. Under the bill, the parking privileges are available only for the disabled person's benefit. Pappas said the bill appropriates

\$138,000 in FY 2000 and \$40,000 in FY 2001 from the HUTDF to the commissioner of public safety for disabled parking records management and enforcement. Pappas said \$98,000 of this is for computer programming.

Pappas offered an amendment that allows a disabled person to park long-term in a parking space that is limited to two-hour parking. Margot Imdieke Cross, Minnesota State Council on Disability, said the parking privileges only apply when the disabled person is actually the driver or passenger in the vehicle. She said it is often difficult to find handicapped parking downtown, and with the short-term parking limits a handicapped person does not have the ability to get anything done before the parking time is up. The amendment was adopted. The bill was recommended to pass and referred to the State Government Finance Committee.

Property tax reform discussed

Changes in the property tax system were the chief items of discussion at the Tues., Mar. 16, meeting of the Property Tax and Local Government Budget Division. Members, chaired by Sen. Sandra Pappas (DFL-St. Paul), heard testimony from representatives of the Minnesota Senior Federation on several proposals to alter the formula for property tax refunds, provide additional refunds to low income homeowners over 65, modify the refund schedule and increase the maximum income for senior citizen property tax deferral.

Marlowe Hamerston of the Metropolitan Area Senior Federation said the current property tax system is forcing seniors from their homes. He said that older Minnesotans on fixed incomes have seen the market value on homes they bought 30 years ago rise to the point where they are paying 19 to 25 percent of their income in property taxes. He urged members to reform the property tax system by limiting the percentage of income that would go for property taxes. Robert Nethercutt, Minnesota Senior Federation, provided members with a survey indicating that property tax reform is a leading concern for Minnesota seniors. Ralph Barr and Don Lampland also testified and related their experiences seeing the value of their homes skyrocket and the resulting increases in property taxes.

The division took no action on any of the four measures before the panel. However, the witnesses indicated varying levels of support for all four. S.F. 885, sponsored by Sen. John Marty (DFL-Roseville), provides an alternative property tax refund formula in addition to the current formula with the taxpayer receiving the greater amount after calculating the refund with both formulas. Under the measure, the alternative formula refunds the full amount of tax that is in excess of a certain percentage of income, with no maximum limit. S.F. 1086, authored by Sen. Edward Oliver (DFL-Deephaven), provides an additional property tax refund to seniors over the age of 65 who have lived in the homestead for at least 10 years. In addition, the measure specifies that no additional refund is given if the taxpayer's income exceeds one-half of the maximum income to qualify for the regular refund. S.F. 1191, carried by Pappas, modifies the property tax refund schedule. The measure replaces the two separate schedules for homeowners and renters with a single schedule and eliminates maximum refund amounts. New income thresholds and copayment percentages are established for eight income brackets that extend eligibility to a maximum income of \$85,000. S.F. 1175, authored by Sen. Richard Cohen (DFL-St. Paul), increases the maximum household income for eligibility in the senior citizen's property tax deferral program and reduces the annual maximum property tax amount from five to three percent.

In other action, the panel also discussed a proposal to lower the property tax class rate for manufactured home parks. S.F. 976, authored by Sen. Steven Novak (DFL-New Brighton), reduces the class rate from two percent to one percent. Novak said the bill provides equity between residential homeowners and manufactured home owners. The measure also contains provisions adjusting the homestead and agricultural credit aid so that local units of government do not lose revenue under the bill. A second measure, S.F. 1141, carried by Sen. John Hottinger (DFL-Mankato), also reduces the class rate from two percent to one percent, but does not contain the HACA offset. No action was taken on either measure.

Agriculture and Rural Development

Cervidae hunting preserves gain

A bill permitting the harvesting of farmed cervidae on licensed shooting preserves was debated at the Thurs., Mar. 11, meeting of the Agriculture and Rural Development Committee. Sen. Dallas Sams (DFL-Staples) chairs the committee.

Sen. LeRoy Stumpf (DFL-Thief River Falls) said his bill, S.F. 720, provides for up to ten licensed cervidae shooting preserves in the state. Cervidae, which include elk and red deer, are raised for the purposes of producing fiber, meat or animal by-products, as pets, and as breeding stock. According to the bill, only farmed cervidae from herds in the accredited program of the Board of Animal Health may be transported to and released in a licensed cervidae shooting preserve. The bill also provides that the cervidae may be harvested by firearms or archery on the preserve. The committee adopted an amendment substituting the word "harvest" for the words "take" and "hunt" in the bill.

Donovan Olson, elk farmer and member of Minnesota Elk Breeders, said that shooting preserves in other states are very successful. He said the bill provides that elk harvested on the preserves may be used for personal consumption and the supply will be safe because the animals have to be registered in a manner approved by the Board of Animal Health, said Olson. Larry Winter, president, Minnesota Elk Breeders, said the elk operations of breeding and shooting should remain separate. He said it is better to raise them in one location and then harvest them in another.

Mike LaFleur, Izaak Walton League, said that there is a lot of natural movement of all animals across the landscape, not just elk. When you fence off large parcels of land, the natural movement of the animals is harmed, he said. "The state has a tremendous amount of public land and wildlife management areas. We'll lose the commitment to public hunting if we allow the preserves," said LaFleur. The bill was recommended to pass and re-referred to the Environment and Agriculture Budget Division.

Sams offered S.F. 907, a bill appropriating grant money for additional research

on soybean diseases and genetics. The bill provides for research on crop diseases including soybean cyst nematode, white mold, phytophthora root rot, and iron deficiency chlorosis. Sams said that last year more acres of soybeans were planted in Minnesota than any other crop. Brad Nelson, Freeborn County farmer, said the soybean disease, white mold, enters the plant through the flowers or through a wound in the stem of the plant. He said there are no varieties of soybean resistant to the disease. The bill was laid over for further discussion.

A bill appropriating money for county agriculture inspection was offered by Sen. Jim Vickerman (DFL-Tracy). The bill, S.F. 932, appropriates \$1.1 million from the general fund to provide funding for the program in FY 00. Dean Williams, county agriculture inspector from Slayton, Minnesota, said the program is mandated by the state, but the counties are paying for it. The proposal is a reimbursement of expended funds, he said. The bill was recommended to pass and re-referred to the Environment and Agriculture Budget Division.

Six bills heard

The Agriculture and Rural Development Committee considered six bills covering a variety of topics during its Tues., Mar. 16, meeting.

Sen. Steve Dille (R-Dassel) carried S.F. 1092, a housekeeping bill for the Board of Veterinary Medicine. Dr. Roland Olson, executive director of the board, said the bill updates veterinarian licensure procedures. He said that many states have adopted a uniform license system so that a disciplined veterinarian can't escape sanctions by moving to another state. Olson added that the bill gives cease and desist order authority to the board so that disciplinary actions don't have to be referred to the courts.

Carl Baer, an attorney in Bemidji, said he had concerns with some of the provisions in the bill. He said the bill makes it a crime to supervise veterinary medicine without a license, but it doesn't define what "supervise" means. Baer also raised concerns about giving the board the authority to issue a cease and desist order. He said that under the bill, it would take at least 120 days to resolve a complaint, but a veterinary practice couldn't survive that long without doing any business. Sen. Charles Berg (IND-

Chokio) asked what problems the board was trying to address with the authority. Olson said the board was trying to weed out veterinarians that peddle veterinary drugs and "puppy mills." Olson added that the board's attorney suggested that it ask for cease and desist order authority so that it could act faster. Dille said that veterinarian license fees have increased in recent years because of the legal costs to weed out illegal practitioners, but moved to remove the cease and desist provision from the bill. The committee adopted the Dille's motion. The committee also adopted Dille's motion to remove the veterinary medicine practice supervision provision. The panel then approved the bill and advanced it to the Senate floor.

Sen. Keith Langseth (DFL-Glyndon) sponsored a bill, S.F. 1492, appropriating \$200,000 to the University of Minnesota (U of M) to conduct research on potato aphids. Bruce Kleven, representing the Red River Valley Potato Growers Association, said that the aphids carry the PVY potato blight virus and are a problem in seed potato production areas. He added that pesticides have been ineffective because they kill beneficial insects, thus allowing the aphids to reproduce exponentially. Kleven said the appropriation is to study the traffic patterns of the aphids so that they can be controlled. Langseth said that the use of natural aphid predators would also be studied. The committee adopted an amendment appropriating another \$1.775 million to the U of M to study various diseases of soybeans, approved the bill as amended, and re-referred it to the Committee on Children, Families and Learning so it could be considered for inclusion in the higher education appropriation bill.

The committee considered S.F. 1025, sponsored by Sen. Arlene Lesewski (R-Marshall). The bill appropriates \$500,000 to Southwest State University (SWSU) to study the feasibility of creating a Center for Applied Rural and Regional Research and expanding the current agriculturally oriented curricula. Doug Sweetland, president of SWSU, said the study will look at adding programs at the campus that are not offered by the University of Minnesota and jointly offering other major programs with the university. Dr. Joe Amato, a faculty member at SWSU, said the

proposed center at the campus will study rural issues such as the changing labor force, future water resources, and changing demographics in rural areas. Sweetland added that the appropriation is a one time grant, and the school will not need subsequent operations appropriations. The panel endorsed the bill and referred it to the Committee on Children, Families and Learning for possible inclusion with the higher education bill.

The committee considered the first of two bills offered by Sen. Paula Hanson (DFL-Ham Lake), S.F. 1211. Bob Johnson, former Anoka County Attorney, said the bill requires liability insurance companies to pay the cost of defending against claims arising from the use of agricultural chemicals. He said the issue came to light when a group of Anoka county farmers realized that their liability insurance policies excluded damages from agricultural chemical pollution and they would have to pay legal defense costs on their own even if the chemicals were used according to the directions. Concerns about the bill were raised when discussion turned to coverage for damages resulting from a lawsuit. Sen. Kenric Scheevel (R-Preston) asked if farmers should be required to purchase coverage for agricultural chemical pollution if they are given coverage for legal costs. Lesewski said that the premiums for the additional coverage would escalate because claims would be filed to pay damages resulting from lawsuits that are filed because the coverage became available. A motion by Hanson to send the bill out of committee without a recommendation failed.

Hanson said her other bill, S.F. 1041, updates the language of the warehouse law. Todd Iverson, Minnesota Northwest Warehouse Association, said the bill defines "household goods" and "household goods warehouse operator" to distinguish them from a business's own warehouse. The committee adopted an amendment allowing a warehouse to carry liability insurance rather than deposit a bond, approved the bill and forwarded it to the Senate floor.

Committee Chair Dallas Sams (DFL-Staples) presented his bill, S.F. 1790, to the committee. Sams said the bill provides for a temporary 30 day milk producer permit after a producer has been identified as the source of adulterated milk. He said that once the producer's

milk is free from contaminants, the producer must complete -- within the 30 day period -- a review of a 10 point protocol on how to prevent future contamination of milk. When the producer completes the review, the producer permit is restored, Sams said. Responding to questions posed by Dille, Doug Engebretson, Dept. of Agriculture Dairy Division, said that annually 300-330 loads of milk are tainted with such substances as agricultural antibiotics. He added that the contamination is serious because a person is who is allergic to penicillin could suffer a life threatening injury. The panel approved the bill and advanced it to the Senate floor.

Animal cruelty bill debated

The Agriculture and Rural Development Committee, chaired by Sen. Dallas Sams (DFL-Staples), met Weds., Mar. 17, to discuss a bill relating to animal cruelty.

Sen. Don Betzold (DFL-Fridley) offered S.F. 613, a bill increasing penalties for cruelty to animals and defining acts or omissions constituting cruelty or abuse. The bill provides a gross misdemeanor penalty for knowingly instigating cruelty to animals and a felony penalty for a second conviction within three years. The bill provides for exceptions from cruelty to animals for commonly accepted veterinary procedures performed by a licensed veterinarian, lawful slaughtering of animals, scientific research activities, commonly accepted animal husbandry practices, and the taking of wild animals in accordance with or in violation of game and fish laws. The committee heard testimony from proponents and opponents representing animal interests.

Speaking as a concerned citizen, Kristen Olsen said the bill is needed because Minnesota's penalties for animal cruelty are the weakest in the nation. She said the bill brings the state in line with the 30 other states that have felony provisions for intentional cruelty. A felony penalty for extreme cases of animal cruelty will better protect animals, as well as our communities, from violent individuals, said Olsen.

Ben Pomeroy, Minnesota Veterinary Medical Association (MVMA), said the animal cruelty laws in the state need to be strengthened without harming the agricultural community. He said the MVMA recognizes the need for more education programs to increase the sen-

sitivity of the veterinary profession and animal owners on animal welfare issues.

Minnesota Council of Dog Clubs member Karen Elvin told members the council opposes S.F. 613 because animal cruelty is not clearly defined in the bill. Elvin said the bill also fails to define what reasonable animal care is. She said the current law should be recodified and put in present day language so that it is clear and easy to understand.

Erin Jordahl, Minnesota Humane Society, said the society does not support the bill. She said that with the exemptions in the bill, many animals are not protected at all. The exemptions in the bill result in a lack of prosecution for bad behavior that those who are committed to responsible animal care want to discourage, she said. Public policy and public sentiment support the idea that penalties for cruelty to all animals need to be raised, she said. The bill fails to meet that public expectation, said Jordahl. The committee recommended the bill to pass and be sent to the Senate floor.

Sen. John Hottinger (DFL-Mankato) presented S.F. 1102, a bill allowing foreign ownership of agricultural land operated for the production of poultry or poultry products. Hottinger said the bill creates a very narrowly defined exemption for foreign ownership of agricultural land. The bill provides for foreign ownership of agricultural land if the land is used in the production of chicken eggs and chicken egg-related products, he said.

Sen. Kenric Scheevel (R-Preston) voiced concerns with foreign ownership of agricultural land. He said if one exception is made, requests for other exceptions will follow. Sen. Becky Lourey (DFL-Kerrick) said the exception for foreign ownership should be narrowly defined. She said the bill helps the "little guy" in the agriculture business by allowing him to partner with foreign owned companies who want to do business in the state. The bill failed to gain approval.

Children, Families and Learning

High standards discussed

The Children, Families and Learning Subcommittee on High Standards Implementation met Thurs., Mar. 11, to discuss issues surrounding the implemen-

Committee update

tation of high standards. The subcommittee is chaired by Sen. Lawrence Pogemiller (DFL-Mpls.). Representatives from several education organizations presented views on the profiles of learning.

Vernae Hasbargen, Minnesota Rural Education Association, said she is confident that the Dept. of Children, Families and Learning will resolve issues of concern including uniform record keeping, fewer content standards, adequate staff training, and better communication. She said that a CFL survey found 8 of 10 teachers feel they can apply the standards in their classrooms, but fewer than a third feel prepared to grade student projects and other work tied to the profile of learning. The department must continue vital training in assessing student performance, said Hasbargen.

Bob Meeks, Minnesota School Board Association, presented results of a survey conducted by the association. Of the teachers responding to the survey, over 47 percent said the graduation rule should be changed and improved. Only nine percent of respondents think the graduation rule should be eliminated. Survey results showed that 76 percent of teachers think that parents and community members have not been adequately educated about the graduation standards.

Teacher prep discussed

The Children, Families and Learning Subcommittee on Teacher Preparation discussed ideas for action relating to teacher training at the Thurs., Mar. 11, meeting. The subcommittee is co-chaired by Sen. Sandra Pappas (DFL-St. Paul) and Sen. Deanna Wiener (DFL-Eagan).

Wiener said the issues surrounding teacher preparation include identifying the needs of beginning teachers; identifying the needs of teachers teaching in urban environments, determining if the new teacher licensure rules accurately reflect new curriculum models and teaching practices, assessing which staff development activities address the ongoing needs of teachers, and examining the manner in which licensure requirements can assure the timeliness of pre-service training and on-going professional development.

Sen. Lawrence Pogemiller (DFL-Mpls.) suggested the committee look at the

existing teacher preparation and staff development programs at MnSCU, the University of Minnesota, and private colleges. He said the goal is to have properly prepared teachers who can get the job done. The money should go to the institution or program that can best meet that need, said Pogemiller.

Joe Nathan, director, Center for School Change, discussed the findings of a report on teacher supply and demand. Nathan said the report concludes that Minnesota currently does not face an overall teacher shortage, but the projected supply does not match the demand for teachers in some specific curricular areas, such as special education, math and science. He said the report also found that the supply of teachers of color does not appear to meet the demand. The state should examine ways it can create incentives to attract teachers in high demand area, including those representing certain racial/ethnic groups, he said.

Nathan said a national study lists the five main reasons teachers leave the field as unsatisfactory preparation, the absence of mentoring, inadequate salary, bureaucracy, and a feeling that education and teachers receive too much criticism and not enough reward for the work they do. He said the state should examine reasons teachers leave the profession other than retirement, analyze the information and publicize the findings. "We do not have enough high quality teachers. If we don't address the problem, it will get significantly worse," said Nathan.

High standards debated

Discussion on the implementation of high standards continued at the Mon., Mar. 15, meeting of the Children, Families and Learning Subcommittee on High Standards Implementation. The subcommittee, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), heard testimony from several students, teachers and parents.

Pete Ziegler, curriculum director, Yellow Medicine East School District, said graduation standards represent one of the most powerful options for school reform. He said the reasons graduation standards are needed include the erosion of the Carnegie Unit and the common curriculum, variation in current grading practices, lack of attention to educational outputs, and the success of standards in other countries.

North High student Abby Hafner said the high standards are good for her because she is not a good test taker. She said having performance count more has been good for her. "We work in small groups. I learn a lot by working with my classmates who sometimes see things differently than I do," said Hafner.

Lori Olsson, parent, North St. Paul-Maplewood-Oakdale School District, said the school district she is in has been preparing for the implementation of the profile of learning for several years, and is implementing it with well thought out assignments and activities. She said the requirements needed to meet the standards are difficult, detailed and have clear objectives. "I actually know what my child is supposed to be learning rather than just know what he's doing," said Olsson. She urged the committee to look at districts that have put in considerable time and effort to implement the standards right and stay the course. "The profile of learning will slow the progress of LEP students and result in poorer education for the majority of mainstream students," said Jeff Dufresne, LEAP English Academy, St. Paul Public Schools. He said a possible compromise is to align the graduation standards with the existing credit-based required/elective classes that have existed for years and are understandable to teachers, parents, and administrators. Local school districts should be allowed to determine if, when, and how many performance packages should be used, said Dufresne. If the performance packages are retained in the profile of learning, they should be aligned with specific classes and the number of required packages reduced, he said.

"Saying something is a high standard doesn't make it a high standard," said Evelyn Eubanks, Minneapolis parent. The profile of learning graduation standards are especially harmful for students of color, she said. More attention needs to be paid to academics in the classroom, said Eubanks.

Betsy Dickman, elementary teacher, said the profile of learning performance packages are not grade appropriate, making it almost impossible for students to do the tasks properly. She said an example is a package asking second grade students to give moral and value judgments to pieces of art. College students even struggle with these concepts, said Dickman.

Commerce

Insurance and liquor bills heard

Members of the Commerce Committee, chaired by Sen. Sam Solon (DFL-Duluth) met Thurs., Mar. 11. A continuation of testimony was heard on mandated insurance coverage, and an omnibus liquor bill was presented.

S.F. 243, a bill sponsored by Sen. Richard Cohen (DFL-St. Paul) requires health plan coverage to include eyeglasses and hearing aids. An amendment to the bill limits eyeglass coverage to individuals who are deaf or hard of hearing and rely upon manual communication, lip reading, or other forms of visual communication. The amendment was adopted.

Tom Lehman, representing Blue Cross/Blue Shield, spoke against the bill. He said that even with the amendment, there is a dramatic premium impact. He said he sees a 15-20 percent premium increase for seniors, who would be the highest users of hearing aids and eyeglasses.

Cohen said he would like to see calculations and figures, rather than a broad assertion about cost increases. "What does a total premium for this age group cost?" he asked. Layman said the average cost is \$100 to \$150 a month, and that will raise by \$20 to \$30 a month under the bill.

Sen. Allan Spear (DFL-Mpls.) asked why hearing aids should raise premiums any more than other devices, such as pacemakers or artificial limbs. Layman said the federal government does not cover the cost of hearing aids and eyeglasses. Mike Hickey, of the National Federation of Small Businesses, said small businesses are greatly affected by the legislation. "You're putting the cost on us," he said, "and only 40 percent of the people are impacted by this need."

Sen. Linda Scheid (DFL-Brooklyn Park) said she thinks businesses end up paying the cost if there is no coverage for hearing and eyesight needs, also. "I don't know how we put a cost on a person's quality of life," she said.

An amendment limiting hearing aid coverage for those over 18 to more severe hearing losses was offered by Sen. Linda Runbeck (R-Circle Pines). The amendment prevailed. S.F. 243 was recommended to pass and sent to the Health and Family Security Committee.

A bill presented by Sen. Charles Wiger (DFL-North St. Paul) requires health plans to provide medical benefits for cochlear implantation and associated surgical and medical costs, including follow-up rehabilitations and therapies. S.F. 208 was approved and forwarded to the Health and Family Security Committee.

Sen. Don Samuelson (DFL-Brainerd) presented S.F. 1334, a bill that extends the current age limit of 18 for coverage of cleft lip and cleft palate. The bill extends the age limit for coverage to 25. The bill was approved and sent to the Health and Family Security Committee.

Solon offered S.F. 1331, a bill that extends the tour boat liquor license season. The bill also became the vehicle for the omnibus liquor bill. The bill provides liquor regulating legislation that affects beer franchise agreements, liquor licenses and fees. Sen. Dallas Sams (DFL-Staples) offered S.F. 1392 that authorizes Detroit Lakes to issue one additional on-sale license in addition to the number authorized by law. Sen. Bob Lessard (DFL-Int'l. Falls) authored S.F. 262, a bill authorizing International Falls to issue a temporary on-sale license to the All-Class Reunion Committee of International Falls High School in connection with the reunion to be held there in 2000.

Spear sponsored S.F. 31, a bill authorizing Minneapolis to issue an on-sale liquor license to the Brave New Workshop. An amendment specifying the license apply to only the sale of beer and wine was adopted. S.F. 88, authored by Sen. Arlene Lesewski (R-Marshall), authorizes Marshall to issue five on-sale intoxicating liquor licenses in addition to the number authorized by law. Sen. Gary Laidig (R-Stillwater) carried S.F. 1401, a bill authorizing Stillwater to issue two on-sale licenses in addition to the number authorized by law. Under the bill, the licenses may not be issued in the central business district. Sen. Sandra Pappas (DFL-St. Paul) offered S.F. 840. The bill authorizes St. Paul to issue an on-sale liquor license to the Fitzgerald Theatre. She also sponsored S.F. 959, a bill that authorizes St. Paul to issue a temporary on-sale intoxicating liquor license to the Twin Cities Marathon, Inc. The license pertains to beer and 3.2 beer on the grounds of the State Capitol on the day of the marathon. An amendment requiring the beer and 3.2 beer must be produced by a Minnesota brewery was

adopted.

Sen. Becky Lourey (DFL-Kerrick) authored a bill, S.F. 612, that allows Proctor to issue one on-sale intoxicating liquor license in addition to the number authorized by law.

Tom Berthiaume, owner of the Acadia Café in Minneapolis, requested a limited beer and wine license at the café's location. He said Minneapolis law currently prohibits a license due to the café being within 300 feet of a school. Berthiaume said the Loring-Nicollet-Bethlehem (LNB) Program contains a small alternative high school near the café. "LNB has been contacted and has no objection to our plans for a limited beer and wine license," Berthiaume said. Sen. Linda Berglin (DFL-Mpls.) offered an amendment to S.F. 1331 that allows the Acadia Café to be licensed. The amendment was adopted.

Cohen presented S.F. 1425, a bill that authorizes the Board of Regents to allow the sale of alcoholic beverages at Northrop Auditorium. Cohen also authored S.F. 412, a bill providing a temporary liquor license to Macalester College. The license is provided for the Macalester Scottish Fair and the annual alumni reunion weekend. An amendment allowing Eden Prairie to issue four on-sale intoxicating liquor licenses in addition to the number authorized by law was approved.

Solon moved to delete a provision of the omnibus bill that allows a wholesaler to maintain an action before a jury in Minnesota against a brewer for violation of the beer wholesaling law.

Jim Farrell, representing the Minnesota Licensed Beverage Association, said that Legislators should slow down on approving liquor licenses. "Do you realize how quickly you have been giving these licenses away?" he asked. He said there are 11 liquor licenses currently on the shelf in St. Paul. He said the Brave New Workshop is responsible in its request, and he has no comment regarding Marshall and Proctor. He expressed concern at a liquor license being granted to the Fitzgerald Theatre and the Twin Cities Marathon. He said giving a theatre a liquor license because it is being done in Minneapolis is not a good enough reason to justify the action. The aforementioned bills were incorporated into the omnibus bill. S.F. 1331 was recommended to pass and sent to the floor.

Committee update

Accident prevention bill heard

Sen. Douglas Johnson (DFL-Tower) presented a bill that modifies eligibility for premium reduction on completion of an accident prevention course to the Commerce Committee at the meeting Mon., Mar. 15. The committee is chaired by Sen. Sam Solon (DFL-Duluth).

Under S.F. 39, all drivers who complete an accident prevention course receive a premium reduction of their auto insurance. Current law applies the premium reduction to any driver over the age of 55 who completes such a course. Johnson said that with increased education and training, there will be fewer accidents, fatalities, injuries and convictions. He said that currently, only 12 percent of drivers 55 and over take advantage of the program. "This is a win-win situation," Johnson said. He said accident reductions increase insurance company's profits, and the companies pay higher taxes to the state.

Deb Osgood of the Minnesota Safety Council testified in favor of the bill. She said the agency prides itself on its safe driving courses, and there is a demand for them. Many employers, according to Osgood, are requiring their employees to participate in such courses. Opposing the bill was Bob Johnson, Insurance Federation of Minnesota. He said the federation had at first reluctantly supported the 55 Alive program, which offers discounts to drivers 55 and over who take accident prevention driving courses. He said the program had proven to reduce accidents. "However, it's a refresher course for drivers," he said. He said there is a difference in supplying discounts to 16-year-olds who have just obtained their licenses. "Our quarrel is the mandate with an impact on such a large number of people," he said. S.F. 39 was approved and sent to the floor.

Sen. David Ten Eyck (DFL-East Gull Lake) authored S.F. 673, a bill relating to contract stacking. The bill stipulates that no network organization shall require a health care provider to participate in a network under a category of coverage that differs from the existing contract between the network organization and the provider. The bill also establishes a consent procedure which network organizations must use if they wish to apply an existing contract with the provider to a different category of coverage. Under the bill, a network

organization must not terminate an existing contract with the provider or fail to honor the contract in good faith based solely on the provider's decision not to accept a proposed new category of coverage. S.F. 673 establishes remedies for providers in the event a network organization violates this section.

Kendra Calhoun of the Minnesota Chiropractic Association said the bill offers a fair opportunity for chiropractors to assess contract work. Dr. Martin Carron, a St. Paul chiropractor, said the legislation offers a negotiation process, and he can transfer his services to other networks. "I need to be able to decide if a case is something I would do," he said. The bill was recommended to pass and forwarded to the Health and Family Security Committee.

S.F. 171, a bill regulating residential real estate transactions, was offered by Sen. Linda Higgins (DFL-Mpls.). The bill requires a closing agent to deliver to the appropriate county office within 20 days of closing the deed mortgage, assignment of mortgage and certificate of real estate value. Miller said the bill also requires a seller of residential real estate to disclose to a prospective purchaser in the purchase agreement the purchase price with regard to any sale of the same real estate within the previous six months and the estimated market value used to determine property taxes payable in the current year.

An amendment providing a \$100,000 appropriation for an education campaign on the fraudulent practice known as mortgage flipping, and establishing penalties for the practice, was adopted. "This is a one-time appropriation, available until spent," Higgins said. The bill was approved and sent to the Crime Prevention Committee.

Sen. Linda Scheid (DFL-Brooklyn Park) presented S.F. 1485, a bill that modifies provisions of the Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and Interior Design. The bill sets the fee for licensure for the affected professionals, sets the criteria for continuing education, sets penalties for non-compliance and increases the board's civil penalty authority from \$2,000 to \$10,000. Under the bill, licensed professional engineers must earn a minimum of 30 professional development continuing education hours per biennial renewal.

David Prusan, American Society of Civil Engineers, said he supports the bill and the 30-hour professional development requirement. "All but one state require 30 hours, and it is helpful to have continuity from state to state," he said. Glen Wots, American Society of Engineers, spoke against the 30-hour requirement. "We're interested in continuing education, but let's take it a little more slowly," he said. Sen. James Metzen (DFL-South St. Paul) amended the bill to require 24 hours of professional development hours. The amendment prevailed. The bill was approved and re-referred to the Judiciary Committee.

S.F. 778, authored by Sen. Dallas Sams (DFL-Staples), was also heard. The bill reduces the time period that secured parties have to execute releases of security interests in motor vehicles upon satisfaction of the lien. Under the bill, the time is reduced from 15 to 7 days. Sherry Munyon, Minnesota Auto Dealers Association, said the bill represents a compromise between auto dealers and bankers. The bill was recommended to pass and sent to the floor.

Patients' rights bill heard

Sen. Don Samuelson (DFL-Brainerd) presented a bill on patients' rights and protections to the Commerce Committee at the meeting Tues., Mar. 16. The committee, chaired by Sen. Sam Solon (DFL-Duluth), heard testimony on S.F. 953, which regulates coverages and the classification of treatment and specifies the duties of certain carriers and providers of health care.

Attorney General Mike Hatch spoke in favor of the bill. He said the bill specifies that a physician who receives an incentive not to treat must disclose that fact to the patient. Hatch said that if a treatment is medically necessary and the Health Plan Company (HPC) refuses to cover it, the HPC should be liable if the patient suffers damages.

Robert Leach, State Board of Medical Practices, spoke in support of the measure. He said that for a number of years the board has received complaints that medical care has been denied or altered by individuals not licensed to practice in Minnesota and who, according to Leach, are not accountable to anyone. He also said physicians licensed in other states with lower standards are making decisions on the health care of Minnesota

patients. He said the HPC should be held accountable.

Leach said the board has received calls from physicians who have recommended a procedure only to have it denied by the health care plan.

Sue McCloskey, a small business owner, said there are consequences of the legislation that will impact small businesses. She said she has seen a 21 percent increase in the health insurance she provides her employees, and she cannot afford more increases. "Don't right one wrong by creating other wrongs," she said.

Sen. Allan Spear (DFL-Mpls.) said he did not understand why a physician is held liable for malpractice, but an HPC is not. Tom Layman, Blue Cross/Blue Shield, said too many unnecessary treatments are being done. "Currently our policies allow us to say no if a treatment is experimental. This bill won't allow that," Layman said. He said premiums will go up, and more people will be uninsured because of the high cost of premiums.

An amendment, by Sen. John Hottinger (DFL-Mankato), exempting indemnity companies was approved. Michael Scandrett, executive director of Minnesota Council of Health Plans, said he believes the bill is a serious change in state policy. He said he believes that if HCPs are held liable for refusing certain treatments, the quality of treatment will go down and costs will rise. "All of these projections won't do anybody any good if they can't afford insurance," he said.

An amendment offered by Samuelson that states a transfer of liability from a health carrier to a health care provider is prohibited was approved. An amendment, offered by Sen. Linda Runbeck (R-Circle Pines), defining medically necessary care, as determined by licensed health care providers, and helping to restore, maintain, establish or improve the enrollee's health or function, was adopted. Another amendment by Runbeck exempting HCPs from liability failed.

"Exposure to liability is one of the greatest behavior modifiers," Spear said. He said if HCPs are held liable, they will more carefully review their decisions.

An amendment, offered by Sen. Dick Day (R-Owatonna), removes coverage for approved clinical trials. The amendment prevailed.

The bill was approved by a one-vote margin, and re-referred to the Judiciary Committee.

Earlier, S.F. 1219, a bill establishing a uniform complaint and appeals process, was presented by Sen. Linda Berglin (DFL-Mpls.) The bill establishes an external appeal process to patients and health care professionals for health care that has been denied. Berglin said the bill provides people who have been denied health care they feel they should be getting an opportunity to have it reviewed by an entity familiar with proper medical procedures.

Berglin offered an amendment exempting indemnity insurance companies. The amendment prevailed. The bill was recommended to pass and re-referred to the Health and Family Security Committee.

Sen. Deanna Wiener (DFL-Eagan) presented a bill, S.F. 1522, that modifies review and complaint procedures for health plans. "I want to make sure our consumers have good protection," Wiener said. "My bill looks at standardizing an internal review process." An amendment, offered by Hottinger, exempts a health plan offered by an indemnity insurance company. The amendment was adopted. The bill was recommended to pass and re-referred to the Health and Family Security Committee.

Crime Prevention

Animal cruelty bill discussed

Members of the Crime Prevention Committee, chaired by Sen. Allan Spear (DFL-Mpls.), met Mon., Mar. 15, to discuss a bill relating to animal cruelty.

Sen. Don Betzold (DFL-Fridley) carried S.F. 613, which defines acts or omissions constituting cruelty or abuse and provides for increased penalties for cruelty to animals. The bill provides for a five year felony penalty for cruelty or the lack of nourishment, shelter, or rest resulting in great bodily harm or death of animals. The bill also provides for exceptions from cruelty to animals for commonly accepted veterinary procedures performed by a licensed veterinarian; the lawful slaughtering of animals; scientific research activities at a licensed or registered facility; commonly accepted animal husbandry practices; the taking of a wild animal in accordance with state,

federal or local laws; and an act of God. Betzold said the bill is necessary because Minnesota has some of the lowest penalties in the nation regarding cruelty to animals.

Andrea Wiebers, a licensed psychologist, testified in favor of the bill. She said research shows there is a link between cruelty to animals and eventual violence against humans. Recent studies, she said, show that those who abuse animals are five times more likely to commit acts of violence toward humans than those who do not abuse animals. She also said the FBI reports that most serial killers have a history of animal cruelty. She said in order to reduce violence in the general society, cruelty to animals must be taken seriously.

Corwin Kruse, from the Department of Sociology at the University of Minnesota, testified in opposition to the bill. He said the attempt to provide tougher penalties in the bill does not prevent cruelty. Also, he said the scope of the bill leaves wild animals out, and only deals with domesticated animals such as cats and dogs. This makes the bill meaningless, he said, because sadism against animals is more common amongst wild animals. Kruse said all animals are covered under current law, and must be covered under any subsequent animal cruelty law. Minnesota Humane Society representative Erin Jordahl also said the bill excludes wild animals.

Responding to the claims of Kruse and Jordahl, Sen. Gary Laidig (R-Stillwater) said wild animals are not excluded because of the bill. He said there are rules against the wanton waste of game animals in both current state and federal law. Sen. Ember Reichgott Junge (DFL-New Hope) said that although the opposition thinks the bill creates new exceptions, she believes the bill provides the same exceptions as in current law. She said the bill is not retreating on current law, but rather, simply adds to the current law. The bill was approved and re-referred to the Agriculture and Rural Development Committee.

Sen. Ellen Anderson (DFL-St.Paul) offered S.F. 1537, a bill that repeals ten statutory provisions in current law. The bill repeals a law declaring the sovereign right of the state of Minnesota to use for the best interests of its residents the moisture contained in the clouds and atmosphere within its state boundaries,

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and also repeals laws relating to itinerant carnivals, rustling and livestock theft, sodomy and fornication. Anderson said that while the job of the Legislature is to create law, it should also have the job of eliminating laws that are outdated.

Tom Prichard, president of the Minnesota Family Council, testified in opposition to the bill. Prichard said the state prohibits such things as bestiality, drug use, incest and child pornography, and added that it is entirely appropriate to also prohibit fornication and sodomy. He said there are negative consequences of fornication, as children born out of wedlock are 30 times more likely to live in poverty. He also said that sodomy is the primary vehicle for transmitting sexually transmitted diseases (STDs). The standards, he said, serve as societal standards for what is right and wrong.

Sen. Warren Limmer (R-Maple Grove) said his community is not ready to eliminate language regarding sodomy and fornication, and moved to amend the bill to delete the references. He said also that the laws may be used to uncover bigger problems. Sen. Thomas Neuville (R-Northfield) said the references should be kept because although the morality of society is changing, there is nothing to say the morality won't return to the other direction. He said also that society pays a huge price for children born out of wedlock, and because of the tremendous impact, even though the laws relating to sodomy and fornication are not prosecuted now, perhaps one day, if the morals of society change again, they will be.

Anderson said it is a mistake to use the law to endorse values, and added that the moral issues surrounding the laws should be addressed elsewhere. Also, she said it is not respectful to the law to retain laws that are not enforced. The amendment failed, by a vote of eight to six, and the bill was approved and referred to the Transportation Committee.

Spear presented S.F. 1202, a bill that establishes procedures for responding when emergency medical services personnel or corrections employees suffer potential exposure to blood borne pathogens. The bill creates consent and testing procedures, protects the privacy of the potential source of exposure, prohibits the use of test results in criminal procedures and makes unauthorized release of results on tested individuals a

misdeemeanor. The bill also repeals existing protocol. The bill, said Spear, addresses areas that were either not dealt with or were not adequately dealt with in the past. He said the bill also addresses long time issues of contention, and has fairly broad support from the major stakeholders. The bill was approved and referred to the Judiciary Committee.

Forfeiture bill discussed

Members of the Crime Prevention Committee, chaired by Sen. Allan Spear (DFL-Mpls.), met Wed., Mar. 17, to discuss a bill relating to the police forfeiture of vehicles.

Sen. Ellen Anderson (DFL-St. Paul) carried S.F. 1831, which states that a motor vehicle is not subject to forfeiture based solely on the owner's knowledge of the act or omission upon which the forfeiture is based, if the owner took reasonable steps to terminate use of the vehicle. The bill also clarifies existing language in the DWI forfeiture law that allows a claimant to contest an administrative forfeiture, as well as the provision in the criminal code's forfeiture law that allows a claimant to contest an administrative forfeiture of property related to controlled substances. The bill also states that the limitations and defenses that apply to administrative forfeiture apply to judicial determination as well.

Lisa Lodin Peralta, a representative of the Association of Criminal Defense Lawyers, testified in support of the bill. She said the bills helps to administer justice for innocent people who do not have an opportunity to challenge forfeiture in court. The bill, she said, ensures that the judicial system has sufficient safeguards to protect property owners.

Patrick West-Hest, assistant Ramsey County Attorney, opposed one section of the bill. He said the county objects to applying the same limitations and defenses to a judicial determination as an administrative forfeiture. Current law, he said, allows the forfeiture of a vehicle only if the controlled substance found in the vehicle exceeds \$100. The concept of an innocent owner in that case, he said, is a misnomer.

Responding, Anderson said that Hennepin County has no concerns with the section, as judges in the county already interpret the law to include judicial determination cases the same

protections as administrative forfeitures. The bill was approved and sent to the Senate floor.

Sen. Sheila Kiscaden (R-Rochester) presented S.F. 954, a bill relating to DWI vehicle forfeitures. The bill authorizes the appropriate agency to collect the sum needed to cover any expenses incurred for seizure or storage of a vehicle when the vehicle is voluntarily returned in the absence of a court order to do so. The bill also states that the appropriate agency is not liable for any additional amount owed when proceeds from selling a seized vehicle that is part of a security interest or is subject to a lease that has a term of at least 180 days do not equal the outstanding loan balance on the vehicle. Kiscaden said the bill is designed to reduce the costs that police departments and other agencies incur as the result of seizing, storing and auctioning a vehicle. The bill was approved and sent to the Senate floor.

Sen. Dave Kleis (R-St. Cloud) offered S.F. 1562, a bill that repeals current law requiring an annual report to the Legislature on the violations of state laws involving firearms. Kleis said the report is inaccurate and is thus not being used. The bill was approved and sent to the Senate floor.

Sen. Thomas Neuville (R-Northfield) presented S.F. 903, a bill that expands current law to require the commissioner of corrections, upon the release of a sex offender from prison, to notify the county attorney where the inmate resided at the time of the offense and the county attorney where the inmate intends to reside. Neuville said the bill is designed to protect citizens. The bill was approved and sent to the Senate floor.

Sen. Randy Kelly (DFL-St. Paul) carried S.F. 1283, a bill that amends current law that prohibits prison inmates from bringing lawsuits to challenge the level of expenditures for rehabilitation programs. The bill changes the law to prohibit actions in any licensing or certification board, and specifically prohibits actions challenging employee assignments. Kelly said the bill provides further protection for those in state government and the Department of Corrections. The bill was approved and sent to the Senate floor.

Sen. Dave Johnson (DFL-Bloomington) carried S.F. 32, a bill that requires the same penalties for causing

the death of, or substantial bodily harm to, a search and rescue dog as to police and arson dogs. The bill was approved and sent to the floor.

Sen. Linda Higgins (DFL-Mpls.) offered S.F. 171, a bill relating to mortgage flipping. The bill provides a gross misdemeanor penalty for those who make a fraudulent real estate appraisal and appropriates \$100,000 to develop a public awareness campaign to stop the practice of mortgage flipping. The bill was approved and re-referred to the Jobs, Energy and Community Development Committee.

DWI bills heard

The Crime Prevention Committee, chaired by Sen. Allan Spear (DFL-Mpls.) devoted the evening meeting Weds., Mar. 17, to hearing a variety of DWI bills. The measures ranged from providing increased penalties for chronic, repeat DWI offenders to making changes in the admissibility of DWI preliminary breath tests.

Several of the measures were the product of work done by the Criminal Justice DWI Task Force. S.F. 1722, authored by Sen. Leo Foley (DFL-Coon Rapids), permits the results of preliminary DWI breath test to be admissible in a criminal prosecution for the crime of refusing the implied consent test. S.F. 1724, also carried by Foley, provides that persons who are charged with violating the DWI crime of having a blood alcohol content of .20 percent or more, but were convicted of violating another DWI provision or the refusal to test crime, may not have a shorter license revocation period. Current law provides both a shorter or longer revocation period depending upon the crime for which the person is convicted, Foley said. The bill excludes the benefit of the shorter revocation period for those having a blood alcohol content of .20 percent or more. S.F. 1725, carried by Foley, creates a gross misdemeanor penalty for violation of an alcohol-related driver's license restriction if the violation occurs while driving a motor vehicle. All three measures were approved and advanced to the Senate floor.

A fourth bill sponsored by Foley, S.F. 1723, sparked considerable discussion. The measure originally eliminated a DWI offender's right to an independent alcohol concentration test while in

custody. In addition, the measure eliminated a provision that specifies that the failure or inability to obtain an additional test 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. Steve Simon, director of the Criminal Justice DWI Task Force, said the bill was designed to get at situations in which individuals in custody for DWI tried to get an independent test using questionable means in the hopes that the independent test would be denied and thus, that the test given by the peace officer could not be used as evidence. Jeffrey Ring, a defense attorney specializing in DWI, argued against the bill and said that it removed a basic right of the defendant. Foley offered an amendment reinstating the right to the independent test. Ring said that having the right to the independent test was of little use if the remedy for denying the test is unavailable. The Foley amendment was adopted. However, the bill failed to gain the committee's approval.

S.F. 902, authored by Sen. Don Samuelson (DFL-Brainerd), creates a pilot project chemical dependency treatment program for chronic DWI offenders and authorizes courts to order repeat DWI offenders to successfully complete the program. Under the bill, the commissioner of corrections is directed to establish a three year pilot project to provide chemical dependency treatment for up to 200 persons at the Brainerd Regional Human Services Center. The bill was approved and referred to the Crime Prevention and Judiciary Budget Division.

Members also approved a bill imposing criminal penalties on a vehicle owner who knowingly permits a person whose license has been revoked to operate the vehicle. The measure also authorizes forfeiture of the vehicle. The bill, S.F. 484, sponsored by Sen. Thomas Neuville (R-Northfield), was sent to the Senate floor.

S.F. 1382, authored by Spear, repeals provisions relating to enhanced gross misdemeanor DWI crimes and expands the gross misdemeanor DWI crime and mandatory sentencing provisions. Spear said the bill is necessary because of a Supreme Court case that declared enhanced gross misdemeanor DWI

penalty provisions unconstitutional. Spear said that the bill reinstates and expands the gross misdemeanor DWI penalties. Spear offered an amendment, which the committee adopted, providing for the "stacking" of sentences after five prior impaired driving convictions. Spear said that the "stacking" language means that the person must serve consecutive sentences for the offenses. Sen. Randy Kelly (DFL-St. Paul) then presented a bill that builds upon the policy established in the Spear bill. S.F. 1711 provides for a mandatory penalty provision for DWI's to require that a person with five or more DWI convictions, five or more license revocations or a combination be sentenced to complete a DWI work program at Camp Ripley. The measure also establishes the DWI work program, modeled on the existing Camp Ripley work program for adult male nonviolent felony offenders. Members approved S.F. 1382 and sent the measure to the full Senate. S.F. 1711 was approved and referred to the Crime Prevention and Judiciary Budget Division.

Finally, members also approved a bill providing for a sanctions conference procedure to allow probation officers to impose, with District Court confirmation, probation sanctions for technical violations of probation. Chief author, Sen. David Ten Eyck (DFL-East Gull Lake) said the bill, S.F. 1604, allows for a more expedited procedure to deal with less serious probation violations. The measure was sent to the full Senate.

Crime Prevention and Judiciary Budget Division

Public defense budget discussed

Members of the Crime Prevention and Judiciary Budget Division, chaired by Sen. Randy Kelly (DFL-St. Paul), met Fri., Mar. 12, to hear an overview of the 2000-01 budget requests for the Minnesota Board of Public Defense and Public Safety.

Kevin Kajer, fiscal director with the Board of Public Defense, discussed the budget requests for the board. He said the board seeks an appropriation of \$173,000 in fiscal year 2000 and \$157,000 in fiscal year 2001 for appellate caseload relief and community notification purposes. The request, he said, is the result of a large increase in cases

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during the latter part of the decade, as between 1994 and 1998 the board has seen a 21 percent increase in files opened, a 71 percent increase in parole revocation hearings and a 24 percent increase in the adult prison population. Kajer also said there has been a 71 percent increase in the estimated amount of community notification hearings during that time. Kajer said the board seeks funding of \$87,000 in fiscal year 2000 and \$85,000 in fiscal year 2001 to fund the position of human resources director. The financing is necessary, he said, in order to respond to the increasing number of workplace related issues and complaints due to the 269 Hennepin and Ramsey County public defense employees who were recently converted to state employment.

The board, said Kajer, also requests funding that totals \$1.576 million in fiscal year 2000 and \$1.481 million in fiscal year 2001 to help provide caseload equity and to finance a special needs project. The money for caseload equity, he said, is used in the proposal to reduce the average caseload in all districts to five percent of the state average. The initiative is necessary, he said, because several districts are simply too far above the state average. Kajer said the goals of the special needs project include providing culturally appropriate services and early intervention to divert cases out of the criminal justice system and into community service. Finally, Kajer said, the board requests appropriations that total \$786,000 in fiscal year 2000 and \$784,000 in fiscal year 2001 to fund the five public defense corporations across the state. The corporations provide cost-effective legal defense primarily to the state's minority communities, and Kajer said the initiative allows the addition of new staff.

Department of Public Safety representative Steve Corell discussed the board's criminal justice data communication network upgrade request. Corell said the board requests an appropriation of \$11.6 million to upgrade and expand the network, which provides the technical capability for communication between criminal justice information systems across the state. The initiative, Corell said, facilitates the effective use of state of the art equipment such as an automated fingerprint identification system, computerized criminal histories, digitized

mugshots and drivers license photos. He said the appropriation is necessary because the current system is 25 years old, and it is difficult to locate technicians, as well as certain parts, when equipment breaks down. Also, he said the upgrade ensures that public and officer safety are not compromised.

Responding to the large request, Kelly told Corell to prioritize the board's budget needs. He said he does not think all the items will be approved, because of budget constraints, and recommended that the board determine the components of the request that are absolutely necessary.

Youth DWI assessment bill heard

A bill requiring chemical abuse assessments for underage alcohol offenders was heard at the Mon., Mar. 15, meeting of the Crime Prevention and Judiciary Budget Division. The bill, S.F. 1008, authored by Sen. Leo Foley (DFL-Coon Rapids), was sent to the division because representatives of county governments had testified that the bill increases costs for the counties. A memo from the Association of Minnesota Counties indicated that the additional assessments would cost Ramsey County \$19,250, Stearns County \$10,120 and Tri-County Correction \$6,600 if the average costs is \$55 per assessment. However, the costs in each county does differ. Division Chair Randy Kelly (DFL-St. Paul) said that division members must decide whether to recommend the bill for passage, thus placing a financial burden on counties, or hold the bill in the division and try to fund the measure in the division's omnibus budget bill. Sen. Jane Ranum (DFL-Mpls.) and Sen. Don Betzold (DFL-Fridley) both said that they were not in favor of placing an unfunded mandate on counties. The bill was laid over.

In other action, the division continued hearing budget requests from various agencies. Representatives from the Bureau of Criminal Apprehension (BCA) finished their presentation and provided information about two change items in the budget for the Forensic Science Laboratory budget. The agency is requesting a \$16 surcharge on DWI drivers' license reinstatements to fund ongoing equipment needs. In addition, the agency is requesting a \$610,000 appropriation for a laboratory informa-

tion management system.

In addition, the BCA is requesting funding for the 800 megahertz radio system and for Internet connections throughout the BCA network statewide. The funding, which amounts to \$1.326 million is included in the governor's budget recommendation.

Representatives of the Emergency Management Division, the State Fire Marshal's Office, and the Alcohol, Gambling and Enforcement Division of the Dept. of Public Safety also appeared before the division.

Kevin Leuer, director of the Emergency Management Division, outlined the change items for the division. According to Leuer, the only items were a one-time appropriation of \$312,000 for the 800 megahertz radio system and a deficiency appropriation of \$2.074 million for the state match funding for disaster assistance payments. Kelly said the Emergency Management Division was to be commended for their responses during a period of unprecedented number of disaster declarations.

Tom Brace, state fire marshal, outlined the budget requests for the State Fire Marshal's Office. Brace said the office is requesting modest appropriations for equipment needs. In addition, there is a request of \$96,000 for the 800 megahertz radio system. The governor is also recommending a biennial increase of \$73,000 for enhanced response to arson investigations.

Tom Brownell, director of the Alcohol, Gambling and Enforcement Division, said the division is also requesting an appropriation for the 800 megahertz radio system. Brownell said that about \$5 billion is wagered annually in Minnesota on all forms of gambling, both legal and illegal.

Division members also heard budget presentations from representatives of the Peace Officers Standards and Training Board, the Sentencing Guidelines Commission, the Auto Theft Prevention Board, the Judicial Standards Board and the Crime Victim Ombudsman. Neil Melton, director of the Peace Officers Standards and Training Board, said the board is requesting a one time appropriation of \$60,000 for a minority recruitment video initiative to improve outreach to protected class individuals interested in law enforcement.

Debra Dailey, director of the Sentenc-

ing Guidelines Commission, said the commission is requesting additional funding to cover a substantial rent increase. In addition, the commission is requesting \$200,000 for a collaborative project for the criminal and juvenile justice community to switch from typewritten sentencing worksheets to electronic sentencing worksheets. The worksheets are sent from local probation officers to the agency and providing an electronic method of transferring the information would increase efficiency statewide, Dailey said.

Dennis Rosek, chair of the Auto Theft Prevention Board, spoke on the reduction of auto thefts over the course of the last two years. He said the board provides grants to police agencies, county attorneys, the Anti-Vehicle Crime Association of Minnesota and to the private sector for programs designed to reduce the incidence of car theft in Minnesota. The governor recommends a biennial increase of \$1.67 million in special revenue funds for grants.

David Paul, executive secretary of the Judicial Standards Board, outlined the board's activities. He said the governor has recommended the agency's base budget and has included funding to improve the agencies technology infrastructure in the small agency infrastructure initiative under the Minnesota Office of Technology.

Laura Goodman-Brown, ombudsman of the Crime Victim Ombudsman Office, said the office goal is to ensure that all crime victims are served justly, fairly and equitably by Minnesota's criminal justice system. The governor recommends an \$87,000 appropriation to enhance the agency's response to crime victims and a \$20,000 appropriation to complete development and begin operation of a case management system.

Economic Development Budget Division

Reads Landing sewer bill heard

The Economic Development Budget Division, chaired by Sen. Jerry Janezich (DFL-Chisholm), met Thurs., Mar. 11, to hear a bill appropriating money for a water and sewer extension in Wabasha County.

S.F. 72, authored by Sen. Steve Murphy (DFL-Red Wing), appropriates

\$1.9 million to the Dept. of Trade and Economic Development for a grant to Wabasha County for a water and sanitary sewer extension from the city of Wabasha to the unincorporated area of Reads Landing in Pepin Township. Murphy said Reads Landing is located right next to the Mississippi River, with 100 year old houses built along the bluff. He said the residents' septic systems are unable to meet the Minnesota Pollution Control Agency's standards and thus the area needs to connect to the city of Wabasha's sewer system. "This is not an unusual problem in Greater Minnesota, and it is one we will be hearing more requests for in the future," Murphy said. He said the total amount needed to update water and sewer systems in the rural areas of the state is over \$3 billion.

Murphy said the bill will help the residents of Reads Landing avoid a property tax increase of over \$100 extra every month. "There is no way they can afford that," he said. No action was taken on the bill.

The division continued its budget overview of the Dept. of Commerce. Greg Peterson, from the Minnesota Office of Technology, said the office supports funding the department's request for a \$2 million appropriation over F.Y. 2000 to update and redesign its database system. Tammy Mcglone, from the Dept. of Commerce, said the appropriation will be recovered either by existing fees or recommended fee changes. She said the department's database is eight years old and the update will help the department interact with its customers via current technology.

Mcglone said the department's enforcement and licensing programs ensure that business transactions within regulated industries are fair and equitable, safeguarding consumer rights and investments. She said the department not only provides information to consumers and investigates complaints, but that the department's licensing and enforcement procedures establish a greater level of consumer confidence in regulated industries. She said economic changes have a direct impact on the industries regulated by the agency and that there is a growing concern that the department should go beyond regulatory action and actively pursue the recovery of losses.

Mcglone said the department brings in \$3.50 to the general fund for every dollar

it spends. She said a \$1.065 million adjustment is recommended in the governor's budget for renewing notary public commissions in 2000. She said the department will process over 90,000 commission renewals and collect \$3.6 million in non-dedicated revenue from the renewals in F.Y. 2000.

DTED budget discussed

The Economic Development Budget Division met Tues., Mar. 16, to hear two bills and begin an overview of the Dept. of Trade and Economic Development's (DTED) budget. The division is chaired by Sen. Jerry Janezich (DFL-Chisholm).

S.F. 80, authored by Sen. Dan Stevens (R-Mora), appropriates \$1.2 million to DTED for marketing, environmental awareness, and improvements to the Soo Line trail in the Mille Lacs Lake area. The bill also appropriates \$100,000 to DTED to resolve a dispute concerning fishing restrictions in Ontario waters that restrict the rights of Minnesota residents to take fish by angling in border waters. Stevens said the \$100,000 appropriation will be used for a grant to the attorney general to study a legal challenge in the courts of Ontario, to mediate the dispute, and to seek recourse through international trade agreements.

Roger Danielson, a realtor from Garrison, said negative media about treaty issues has caused a decline of tourism in the area. "People see the negative reports that have shock value and don't remember the positive," he said, "Without tourism, the area will collapse."

Judy Cain, from the Mille Lacs Area Tourism Council, said the council is working with the Mille Lacs Band of Ojibway, to repair the area's reputation. "We are working together to get on and do our business," she said.

Janezich said he supports the bill but because the division has limited funds, it is one of many that will have to be discussed further. "This is a time that the state should be doing things that make a difference," he said, "The problem is we're giving all the money back."

Sen. Steve Murphy (DFL-Red Wing) agreed that returning the state's surplus, while a popular idea, may not be the best use of the money. "There is a greater need than to give it all back. We should be making appropriate investments in education, in health care, and everything

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else we do to make life in Minnesota good," he said.

Janezich said the funding portion of the bill would be considered further for inclusion in the omnibus bill. The rest of the bill was re-referred to the Environment and Natural Resources Committee.

S.F. 798, authored by Sen. Randy Kelly (DFL-St. Paul), appropriates \$2.5 million to DTED for a grant to the city of St. Paul to design and construct a dry basin holding pond for flood mitigation in the Hoyt Area of the city. Kelly said the storms in July 1997 caused heavy flood damages to many homes in the area. He said the Legislature approved \$1.7 million in last year as part of the bonding bill for phase one of the project, which involved purchasing 29 of the homes for relocation. Phase two, Kelly said, involves building the dry basin holding pond. No action was taken on the bill.

The division next began an overview of DTED. Commissioner Gerald Carlson said the department's mission is to advance economic vitality by generating growth of high quality jobs, expanding the state's foreign investment, and encouraging tourism in the state.

Noor Doja, from the Minnesota Trade Office, said the office helps keep businesses more informed and more competitive in the global marketplace. He said in 1997 exports accounted for around 10 percent of the state's gross product. He said the department's Minnesota-China initiative, which included a visit last fall to China, resulted in the opening of honorary offices in Beijing and Hong Kong. Department representatives also toured Denmark in 1997 to look at hog practices in the country, and toured New Zealand in November 1998 to examine the dairy industry.

Steve Markuson, from the Tourism Office, said the office markets Minnesota both nationally and internationally, promoting the state as a travel destination. He said the state's tourism industry generates \$3.7 billion annually in wages and salaries. Markuson said the governor is recommending an increase of \$2.5 million per year of the biennium for increased consumer marketing. "Our investment in tourism marketing has not kept pace with our competition, and the state's competitive position is threatened," he said.

Randy Adamsick, the executive director of the Film Board, said the board

is helping to create an indigenous film community in the state. He said the filming of "A Simple Plan," which is up for two Academy Awards this year, brought in over \$5.6 million to the state.

Election Laws

Presidential primary debated

The Election Laws Committee, chaired by Sen. John Marty (DFL-Roseville), met Mon., Mar. 15, to discuss a proposal eliminating the presidential primary election.

Sen. Ember Reichgott-Junge (DFL-New Hope) presented S.F. 1020, a bill eliminating the presidential primary election and providing for a presidential preference poll at the precinct caucuses. Junge said the bill has tri-partisan support. She said the presidential primary is really a \$3 million straw poll. "We can do a presidential straw poll at the precinct caucus level for nominal costs and have the same impact on the national political scene," said Junge.

The national political parties won't allow Minnesota to make the primary binding unless the state has mandatory party registration, said Junge. Minnesotans have said clearly they don't want mandatory party registration, she added.

Secretary of State Mary Kiffmeyer said the bill is a good idea. She said that since the presidential primary is non-binding, a presidential preference poll would have the same effect but cost much less. The cost of the presidential primary is \$3 million and the cost of a presidential preference poll is \$8,000, said Kiffmeyer.

"Don't you get frustrated letting New Hampshire speak for Minnesota," Sen. Douglas Johnson (DFL-Tower) asked members. He said Minnesota needs an early presidential primary so that the opinions of the voters count. The bill was recommended to pass and sent to the Senate floor.

A bill permitting Grand Rapids Township to hold its general election in November was offered by Sen. Bob Lessard (DFL-Int'l. Falls). The bill, S.F. 746, changes the election to coincide with the general election date. Grand Rapids Township Supervisor Brian Carlson said the town board is in agreement with the change. He said the elimination of "odd year" elections saves money and increases voter turnout. The bill was recommended to pass and sent to

the Senate floor.

Sen. Linda Scheid (DFL-Brooklyn Park) presented S.F. 1144, an election "housekeeping" bill. Scheid said the bill clarifies and simplifies language in the election law, makes technical and procedural changes, changes some of the duties of election officials, changes certain deadlines, and provides for advisory opinions by the Secretary of State.

Joe Manske, director of elections, said the bill provides a three-step penalty process for persons who vote in the wrong polling place. An administrative penalty is provided on the first instance, a civil penalty is provided for the second instance and a criminal penalty is provided on all subsequent instances. The bill also provides that if an individual's home is destroyed or rendered uninhabitable by fire or natural disaster, the individual does not lose residence in the precinct where the home is located if the individual intends to return to the home when it is reconstructed or made habitable, said Manske.

The bill also authorizes the Secretary of State to issue advisory opinions to election officials on any matter related to the administration of the Minnesota election law, said Manske. The bill was laid over for further discussion.

Right to Know bill fails

A bill requiring the disclosure of a public official's economic interests along with other information -- called the "public right to know" bill -- failed to gain approval at the Weds., Mar. 17, meeting of the Election Laws Committee. The committee did approve two other bills at the meeting.

The disclosure bill, S.F. 87, sponsored by Committee Chair John Marty (DFL-Roseville), had been discussed by the panel previously, but was laid over until after a meeting of the Rules and Administration Subcommittee on Rules. Marty said the bill addresses the issue of Legislators with consulting contracts. Sen. Ember Reichgott Junge (DFL-New Hope), chair of the rules subcommittee, said she prefers the way the proposed Senate rules deal with the issue. Marty replied that the rules don't address how the public can know about potential conflicts of interest, and the proposal in his bill works with the proposed rules.

"We need a policy so the public can track the flow of money," Marty said.

Junge suggested that the economic interests statements required of Legislators under the bill could be posted on the Campaign Finance and Public Disclosure Board's web site. Jeanne Olson, executive director of the board, said that the information could be posted there, but the board had been reluctant to do it in the past because they weren't sure if the Legislature wanted them to do it. Sen. Linda Scheid (DFL-Brooklyn Park) said she was concerned about when the information would be posted. Olson said that candidates for office are required to file the statement of economic interest within 10 days of filing for candidacy, but the information would not be posted on the web site until after the candidate won the election. Junge suggested that the board track the requests for information about Legislators received by the board so that future disclosure requirements could be tailored to meet the demand. "Let's figure out what the problem is, then provide the information that's wanted rather than make a blanket disclosure requirement," Junge said. Marty's motion to approve the bill failed on a 2-6 roll call vote.

The committee also completed its discussion of S.F. 1144, the Secretary of State's housekeeping bill, sponsored by Scheid. Much of the discussion centered around a provision in the bill authorizing the secretary to issue advisory opinions on election matters. Joe Manske, elections director in the Secretary of State's Office, said that the office frequently issues opinions on request from county auditors, but the auditors prefer that the opinions have formal legal standing. Junge said she was concerned that other legal issues may arise from advisory opinions issued by the office. The committee adopted Scheid's motion to remove the provision from the bill. The committee then approved the bill and sent it to the Senate floor.

The committee also approved S.F. 1527, sponsored by Sen. Dennis Frederickson (R-New Ulm). The bill prohibits convicted sex offenders who must register under the predatory offender law from seeking the office of school board member. Frederickson said the bill results from an unfortunate incident in his home town where a candidate for school board was a con-

victed sex offender. He said that pedophiles are the type of sex offender that are most likely to re-offend, and should not be on a school board. The bill now goes to the Crime Prevention Committee.

Environment and Natural Resources

Forest Resources Act bill heard

A bill extending the sunset of the Forest Resources Council was heard by the Environment and Natural Resources Committee Mon., Mar. 15. The committee is chaired by Sen. Bob Lessard (DFL-Int'l. Falls).

S.F. 1542, authored by Sen LeRoy Stumpf (DFL-Thief River Falls), extends the repeal date of the Sustainable Forest Resources Act from June 30, 1999 to June 30, 2003. The Sustainable Forest Resources Act established by the Legislature in 1995, created the Minnesota Forest Resources Council to encourage cooperation and collaboration between public and private sectors in the management of the state's forest resources as well as to recognize and consider forest resource issues, concerns, and impacts at the site and landscape levels. "The work of the council has brought a lot of people together," Stumpf said.

Mike Kilgore, from the Dept. of Natural Resources (DNR), said the governor's budget appropriates \$1.5 million over the next biennium to the department for the council to continue its work. He said the council has been effective in bringing together the different groups representing different interests.

Don Arnosti, the director of the National Audubon Society in Minnesota, said the organization was "adamantly" opposed to the bill. "This is not a process dealing with our concerns," he said, "Five million dollars of the public's money has been spent and all we have to show for that is one manual that is controversial and has not been implemented. The citizens of this state are disgusted."

Richard Brown, from the Isaak Walton League, said he, too, has concerns about the council. "We have not been satisfied with the makeup or actions of the Forest Resources Council. The makeup of the council is far too industry oriented," he said.

Sen. Gary Laidig (R-Stillwater), said the work of the council is still needed but the concerns raised indicate the structure of the council needs to be discussed. "What we all want is a council where all the stakeholders' concerns are being addressed," he said. Sen. Lawrence Pogemiller (DFL-Mpls.) offered a motion to approve the bill and send it to the Environment and Agriculture Budget Division with the stipulation that the issue of the council's board be addressed before the division approves its funding. Pogemiller's motion was adopted and the bill was approved and sent to the budget division.

S.F. 972, authored by Sen. Dennis Frederickson (R-New Ulm), designates Swan Lake in Nicollet County, as a migratory waterfowl refuge and allows a person to enter the refuge with a permit issued by the DNR. Frederickson said currently a person may only enter when accompanied by a conservation officer or game refuge manager. He said the bill does not change Swan Lake's designation but rather clarifies in session law, the area as a migratory waterfowl refuge.

Robert Schuck, a resident of the area, spoke against the bill and said it prevents him from entering his own land. He said he purchased land in the refuge in 1989, after the DNR failed to post mandatory signs designating the area as a migratory waterfowl refuge. Dennis Simon, a manager for the DNR in the area, said the department did indeed err in failing to post the signs. He said, however, the designation of the refuge has not changed since 1941.

Pogemiller said the bill would actually assist Schuck by allowing entry by permit, since without the bill Schuck would need a conservation officer or a game refuge manager to accompany him onto his own land. The bill was approved and sent to the Senate floor.

The committee heard several other bills, approving each and forwarding them to the Senate floor. S.F. 803, authored by Sen. Sam Solon (DFL-Duluth), requires a fishing guide license on the St. Louis River estuary. Solon said there is a safety concern with people operating charter boats in the area without a license. He said the bill requires a license and sets the fees for the license at \$35 for a resident, and \$140 for a nonresident.

Lessard offered three bills, S.F. 421,

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S.F. 815, and S.F. 921 authorizing the public sale of tax-forfeited land in Itasca County. S.F. 1405, authored by Stumpf, authorizes the private sale of tax-forfeited land that borders public water in Red Lake County.

S.F. 1352, authored by Frederickson, allows land meeting eligibility criteria, to be enrolled in more than one state or federal conservation program. Frederickson said the bill provides better conservation of land by allowing additional benefits or longer terms of enrollment in state and federal programs.

Underwater fishing camera ban

A bill prohibiting the use of underwater video equipment to take fish was heard by the Environment and Natural Resources Committee, Weds., Mar. 17.

S.F. 913, authored by Sen. Douglas Johnson (DFL-Tower), prohibits a person from possessing an underwater video camera while on or in state waters and in possession of angling gear, spears, or other equipment used to take fish. "I'm not big on bans, but I'd like to see fishing remain fishing," Johnson said, "Technology is going too far with our limited fisheries resources." He said technological advancements in the next ten years will have an even greater impact on fishing.

Ron Payer, from the Dept. of Natural Resources (DNR), said the DNR's primary concern is to maintain the quality of fishing in the state. "This is a difficult issue to address, it has social, ethical, and resource issues," Payer said, "Our concern isn't so much with the camera alone, it's the cumulative effect of all the technologies combined that puts increased pressure on our resources."

Jeff Zernov, the president of Nature Vision, a company in Baxter that sells underwater video equipment, said there is no evidence showing the use of video equipment increases the rate a person can catch fish. He said the bill restricts the individuality important to anglers. "Fishing is a sport of self expression, participants choose their own style," Zernov said, "This bill takes away the right of an angler to practice the sport in the manner they choose." He said the sport fishing industry has done a better job regulating itself than laws passed by the government. "To think the industry would endorse the use of a product that causes harm to its resource is absurd,"

Zernov said. The bill was approved and forwarded to the Senate floor.

The chair of the committee, Sen. Bob Lessard (DFL-Int'l. Falls), offered S.F. 1288, exempting a person from having to wear blaze orange while setting traps during deer hunting season. Lessard said the bill was supported by the DNR. He offered an amendment allowing turkey hunting on qualifying noncontiguous agricultural or grazing land. He said currently the law states that the land must be contiguous but the bill establishes that owners who live on at least 40 acres of agricultural or grazing land can obtain a license to hunt and allow hunting on their land even if it is noncontiguous, during turkey season. The bill was approved and sent to the Senate floor.

S.F. 1499, authored by Sen. Leonard Price (DFL-Woodbury), adds and deletes land from state parks. Price said the bill is the annual adjustment of state park boundaries by the DNR. Bill Morrissey, from the DNR, said the bill adds 3,946 acres of land to 12 state parks and deletes eleven acres of land in the Blue Mounds State Park near Luverne.

Jeff Broberg, a landowner with property adjacent to the Whitewater State Park near Winona, spoke against the bill. He said the addition of 40 acres of land to the park's statutory boundary will cause the property taxes of his land to increase. He said the county has not had a chance to respond to the proposal and suggested the bill be amended to exclude the addition until a comprehensive management plan for the park is finished. "This park is the third most used in the state and has over 300,000 visitors," Broberg said.

Sen. Pat Pariseau (R-Farmington), said the issue warranted more discussion and offered an amendment to delete the Whitewater State Park boundary change in the bill. Sen. Gary Laidig (R-Stillwater), said a similar exemption in the William O'Brien State Park in Marine on St. Croix, has left a privately owned portion of land in the middle of the park. He said the parcel of land has caused difficulty in the management of the park. The amendment was not adopted.

Lessard offered an amendment renaming the visitor's center at Gooseberry Falls State Park the Joe Alexander Visitor's Center. The amendment was

adopted. The bill was approved and sent to the Senate floor.

Price offered S.F. 1528 modifying provisions in the statutes regulating the state's management of harmful exotic species. The bill was approved and forwarded to the Senate floor.

Environment and Agriculture Budget Division

Vehicle emissions bill heard

A bill eliminating the vehicle emissions testing program was heard by the Environment and Agriculture Budget Division, Thurs., Mar. 11.

S.F. 18, sponsored by Sen. James Metzen (DFL-South St. Paul), ends the testing program July 1, 2000, or upon redesignation of the Twin Cities area by the United States Environmental Protection Agency as an attainment area for carbon monoxide (CO). "We hear government is too big, and to get government off our backs. We spend \$8 million each and every year on this program. The program probably did some good but the time has come to end it," Metzen said, "Other states have eliminated testing. The governor and the House support eliminating testing."

Sen. Steven Morse (DFL-Dakota), chair of the division, distributed a letter to the committee from the Acting Director of the Air and Radiation Division of the EPA Richard Karl. Karl's letter warns that if the state eliminates the vehicle inspection and maintenance program before the EPA rules on the redesignation request, it would preclude the EPA from approving the request. Karl's letter also states that if the redesignation is disapproved, future CO violations could result in a bump-up in the state's classification, resulting in the state being subject to more control program requirements. The EPA could also withhold highway funding until deficiency corrections are made if the state's vehicle emissions testing program is ended before the attainment classification is designated, according to Karl's letter.

Leo Raudys, from the Minnesota Pollution Control Agency (MPCA), said the agency is confident that attainment status will be designated "far in advance" of the bill's July 1, 2000 date for ending the program. He said the agency supports

the bill and is proposing to establish a voluntary clean fuels program to reduce air emissions from all motor vehicles. "It is time for the state to stop testing for the problem and focus on what is causing the problem, the amount of vehicle miles traveled," he said.

Sen. Gary Laidig (R-Stillwater), said the emissions test is an inexpensive way to address air quality in the state. He said the last time he had his car tested, his car which was still under warranty, failed the test. He said he had the car repaired and the defective part cost \$800. "For five minutes and the eight bucks I hear what I want to hear," he said. Laidig said he was concerned that if the state eliminates testing and then has to restore the program with more stringent EPA controls, the fees could increase. Currently it costs \$8 to have a car tested in Minnesota, while fees in other states are over \$20, Laidig said.

John Curry, from the Minnesota Center for Environmental Advocacy, said the organization is against the bill. "While the state's air quality has improved, to repeal the program is like the education community applauding a D minus grade. We can do much better," Curry said. He said the center is also concerned about the MPCA's proposal to replace emissions testing with a clean fuels program. He said clean fuel programs in other states are being reconsidered and eliminated because of concerns that additives, like methyl tertiary butyl ether (MTBE) used to reduce emissions, are highly water soluble and thus are absorbed into the ground and water too rapidly. Curry said California, New Jersey, and Maine are all states that are either looking to reduce or eliminate their clean fuel programs. "We should not trade off air quality for water quality," he said.

Sen. Janet Johnson (DFL-North Branch), said she was concerned with the gap in time that exists with the elimination of emissions testing and the proposed MPCA clean fuels program. Morse agreed and said he didn't think the two programs are mutually exclusive of each other. He said both programs benefit the state's air quality. "We shouldn't settle for a D minus grade, or even a C," he said, "I think we should be aiming for B's and A's. We shouldn't just dumb down to the federal standard." Because there was not a quorum present, no vote was

taken on the bill.

The committee then heard testimony on S.F. 754, authored by Morse, a bill expanding the eligibility for ethanol producer payments. Morse said the bill increases the annual payment cap from \$34 million to \$38 million, and the quarterly payment cap from \$8.5 million to \$10 million. He said payments to new plants were excluded from the computation necessary to determine if the annual and quarterly producer payment caps are exceeded. The bill requires that those payments are included in the computation and increases the amount of ethanol production eligible for payment from 12 million gallons up to 15 million gallons for all plants.

Jack Lee, the chief executive officer of the Minnesota Brewing Company in St. Paul, said the company is seeking financing to begin ethanol production. He said the company loses over \$110,000 every month by staying open and that ethanol production will help reduce the overhead. Ethanol production at the plant would create or retain 176 jobs, Lee said.

Jerry Jacoby, the chair of the board of Minnesota Corn Processors in Marshall, said the company produces over 34 million gallons of ethanol every year. He said over 124 million bushels of corn are ground at the plant which employs 265 people. No action was taken on the bill.

Budget overviews heard

The Environment and Agriculture Budget Division met Mon., Mar. 15, to conclude an overview of the budget for the Dept. of Agriculture, and begin the budget overview for the Pollution Control Agency (PCA). The meeting was chaired by Sen. Jane Krentz (DFL-May Township), the division's new chair.

Bill Krueger, director of the Laboratory Services Division of the Dept. of Agriculture, said the protection services program provides analysis used in regulatory decision making by the department's inspectors, program managers, and compliance officers. He said the program tests over 30,000 dairy and food samples every year, performing over 80,000 different analysis. He said the department will have increasing demands placed upon its food inspection program because the federal government is decreasing its analytical role, closing its Minneapolis FDA location next year.

Krueger said one of the department's budget initiatives is to begin looking for a new laboratory facility because the current facility located in a retrofitted office space, does not meet current design standards and has created air quality problems for the building. Another of the department's budget initiatives is to update current information systems that are inadequate, Krueger said. He said in the past, the department has repaired its own laboratory equipment but because of the increased complexity of new technology, the department has to rely increasingly on service contracts.

Karen Studders, the new commissioner of the PCA, said she believes in a user friendly approach in dealing with the concerns of Minnesotans. "I believe government doesn't exist to sustain itself. Government exists to serve the people," she said.

Studders said she supports many of the same philosophies of the previous administration and believes that the agency should focus on educating violators of environmental laws, rather than taking a punitive approach in hopes of modifying behavior. "I believe enforcement is just one tool and that people will comply with the law if shown how," she said, "Reducing bureaucracy doesn't mean less protection." She said the agency has moved to a more decentralized structure that combines a multimedia approach to address air, water, land, and waste issues affecting each part of the state. The new structure breaks down the state into three geographic districts, where most of the agency's services will be delivered, she said.

Lisa Thorvig, PCA deputy commissioner, said the agency's mission is to protect the state's air, land, and water from pollution to improve the quality of life. She said the agency accomplishes this mission by forming alliances with regulated parties, environmental partners, and the public to achieve shared goals. She said with significant reductions in point sources of pollution and clean up programs, the PCA has begun to shift its environmental focus to nonpoint sources of pollution.

Thorvig said the agency supports the governor's beliefs that environmental leadership involves personal responsibility and accountability and increasing citizen participation in the process.

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PCA budget overview

The Environment and Agriculture Budget Division met Weds., Mar. 17, to continue its overview of the Pollution Control Agency's (PCA) budget. Sen. Jane Krentz (DFL-May Township) is the chair of the division.

Deputy Commissioner Lisa Thorvig said the majority of the state's waters meet EPA standards. She said approximately three-fourths of the state's lake acres are assessed for water quality and the number of river miles assessed has increased from 3,500 in 1992 to almost 12,000 in 1998. She said the amount of water acreage means only a portion are monitored over a regular basis.

She said one of the tools used by the agency to address water quality standards is the Total Maximum Daily Load (TMDL) process. Thorvig said a TMDL study defines the maximum amount of each pollutant which can be released and assimilated into a stream or lake while still allowing the stream or lake to achieve water quality standards. She said the process along with basin planning, targets problem areas in a cost efficient manner.

Thorvig said the agency's air quality programs focus on specific efforts to regulate and reduce pollution from industrial sources and nonpoint sources. She said nonpoint or mobile sources of air pollution individually may emit small amounts of pollutants, but collectively translate into significant contributors of carbon monoxide, toxic air pollutants and ground level ozone which are contributing to the global climate change. The PCA is requesting \$400,000 for the biennium to determine the effectiveness and feasibility of a voluntary green fuel program, Thorvig said. She said the program will cause a decrease in the level of ozone and air toxic emissions and that the agency is also studying methods to encourage the reduction in the amount of vehicle miles traveled in the state.

Family and Early Childhood Education Budget Division

Four bills discussed

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Fri., Mar. 12, to discuss four bills.

Sen. Roy Terwilliger (R-Edina) carried S.F. 975, a bill that appropriates \$3.318 million to the Ramsey Action Program to provide matching grants to fiduciary organizations for the family asset program and to provide coaching services for families participating in the program. Terwilliger said the bill is designed to provide individuals and families with an opportunity to save money, and added the bill is welfare reform through asset accumulation rather than through spending. He said the bill is a great way for people to help themselves and to help people believe in the "American dream." The bill was laid over to be considered for inclusion in the division's omnibus bill.

Sen. Charles Wiger (DFL-North St. Paul) offered S.F. 1195, a bill that increases youth service revenue for community education purposes to three times the population of the school district. Wiger said the bill provides additional funding for youth development programs in school districts across the state.

Russ Fraenkel, from the Minnesota Community Education Association, testified in support of the bill. He said the increase given in the bill allows community education programs to serve children not currently being served. In particular, he said, the additional funds provide financing for after school programs that enable youth to be involved in a structured environment during a time when many high risk behaviors take place.

Sen. Arlene Lesewski (R-Marshall) asked if the bill, because it increases the community education funding formula, mandates an increase in local property taxes. Responding, Fraenkel said the bill does not mandate an increase, but rather, it just permits school districts the option of implementing it. The bill was laid over to be considered for inclusion on the division's omnibus bill.

Sen. Linda Berglin (DFL-Mpls.) presented S.F. 292, a bill that appropriates funds to be used for grants to organizations that focus on intervention and prevention of teenage prostitution. Berglin said that the average age for entrance into prostitution is 14 years old, and, according to a 1989 study, between 3,000 and 6,000 women and children in the state are involved in prostitution. She said the bill is necessary not only because there are so many involved in

prostitution, but because there are only two case managers in the state qualified to deal with the women and children in prostitution. The bill, she said, provides for more case managers and also for transitional housing opportunities for those who leave prostitution. The bill was laid over to be considered for inclusion in the division's omnibus bill.

Sen. Linda Higgins carried S.F. 1062, a bill that appropriates funding for the state wide community services information and referral system administered by "First Call Minnesota." First Call Minnesota, a non-profit organization with eleven offices throughout the state, provides information and referral services to people who need help with a specific situation but do not know where to turn for the help. Higgins said the bill simply supports the current First Call program. The bill was laid over to be considered for inclusion in the division's omnibus bill.

Child care bills discussed

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Tues., Mar. 16, to discuss four bills.

Piper carried S.F. 1620, a bill that transfers \$50 million in each year of the biennium from the federal Temporary Assistance for Needy Families (TANF) block grant to the state child care and development fund to be used for the basic sliding fee child care program. Piper said the money appropriated provides child care for all of the over 7,500 people throughout the state currently on the sliding fee waiting list. She said 16 other states across the nation—including Wisconsin—use TANF funds for child care purposes. She said the bill eliminates the current waiting list, and is an important step to take. The bill was approved to be considered for consideration in the division's omnibus bill.

Sen. Linda Higgins (DFL-Mpls.) offered S.F. 1312, a bill relating to the donation of learning materials for children. The bill requires the commissioner of the Minnesota Department of Children, Families and Learning to contact organizations to encourage them to donate materials designed to help children age four and under. The materials, according to the bill, are to help children develop the skills necessary for success in reading and in school.

Higgins said the bill is modeled after a program in Michigan, in which a packet of children's books and child development information, among other things, is delivered to every family in the state with a newborn. The bill, she said, requires the commissioner to begin this year by contacting businesses and foundations state wide to discover if the same program can be initiated in Minnesota. Higgins said the results are to be reported next year, after which possible action to begin the program may be taken. The bill was approved and referred to the Children, Families and Learning Committee.

Sen. Steven Novak (DFL-New Brighton) presented S.F. 991, a bill that clarifies the role of Ramsey County in the after school enrichment program. The bill states that Ramsey County, acting as the fiscal agent of the enrichment program, is not responsible for program audits and technical assistance. The bill also states that the county is not responsible for misapplication or misuse of grant funding.

Currently, Ramsey County receives the money for the grant program from the state and simply delivers it to grantees. The county has no other role in the enrichment program. Novak said the bill is necessary to protect the county from liability claims stemming from the misuse of funds or even a physical injury. The county just transfers the money, he said, and should not be liable for any misuse of the funds by grantees. Members had various questions surrounding the language of the bill and the best method to implement the policy outlined in the bill. The measure was laid over to be discussed at a future meeting.

Sen. Jerry Janezich (DFL-Chislm) carried S.F. 1411, a bill that requires grantees under the child care improvement grant program to establish a fund for business planning assistance for child care providers. The bill also appropriates \$1 million for each year of the biennium to be used for child care improvement activities. Janezich said the money in the bill is used for loans for the establishment of child care providers.

Jerry Cutts, executive director of the Development Corporation for Children, testified in support of the bill. He said the bill is necessary to help people provide child care. He said potential child care providers cannot usually

obtain a loan from a bank to begin a business because the investment is too much of a risk for most banks. The bill, he said, establishes the opportunity for loans to be secured. The bill was approved to be considered for consideration in the division's omnibus bill.

Child care registration discussed

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Wed., Mar. 17, to discuss a bill relating to child care provider registration.

Sen. Becky Lourey (DFL-Kerrick) carried S.F. 610, which requires legal non-licensed child care providers to be registered. The bill requires counties to supply the providers with health and safety information and compels counties to offer an enhanced registration category with additional requirements available to non-licensed, registered providers. The additional requirements include a background study, a licensing history check and completion of a self-declared health and safety checklist. The bill also allows full-time students who work at least an average of ten hours per week and who receive a minimum wage to be eligible for child care assistance and requires counties to pay providers directly for child care expenses. Lourey said the bill improves the quality of child care in the state.

Paul Pelletier, director of business for Providers Choice, Inc., said the quality of child care is closely related to the regulations governing the industry. He said that licensed providers are required to provide certain quality assurance, such as a building inspection to make sure the facility is suitable for child care, a fire inspection, a criminal background check, CPR training, a record check to make sure children have been properly immunized and an equipment check to ensure the facility has adequate toys and supplies. Also, he said, licensed providers are required to fulfill annual training obligations and to hold liability insurance. He said unlicensed homes have no requirements and are able to offer less expensive care as a result.

Sen. Arlene Lesewski (R-Marshall) said she knows many people who provide unlicensed child care services. She said that unless she is shown evidence of unlicensed providers who provide terrible

care for children she cannot support the bill. Also, Lesewski said, the bill raises the cost of child care and forces many providers out of business. The option for unlicensed care, she said, must be left open.

Sen. Leo Foley (DFL-Coon Rapids) also asked for evidence supporting the superiority of licensed child care over unlicensed care. Responding, Ruth Krueger, Child Care program manager with Dakota County, said the safety at licensed facilities is better because of the required compliance checks and training. She said the inspections locate potential risks and supply providers with helpful reminders that may have been forgotten since the last check. The bill was laid on the table to be discussed again at a future meeting.

Lourey also offered S.F. 1517, a bill that appropriates \$750,000 over the biennium for male responsibility and fathering grants. The bill, designed to support programs that help young males with children to become good fathers, continues funding from current law but which is not included in the governor's 2000-01 budget. Lourey said the bill is a straightforward appropriation. The bill was laid on the table to be considered for inclusion in the division's omnibus bill.

Sen. John Hottinger presented S.F. 1408, a bill that appropriates \$300,000 for a grant to the South Central Children's Project for the biennium. The Children's Project provides services to children and families and Blue Earth County, and partners with schools and other community organizations to prevent child abuse and neglect, among other things. Hottinger said it is vitally important to invest in children who are under the age of five years old. The bill was laid on the table to be considered for inclusion in the division's omnibus bill.

Governmental Operations and Veterans

Four bills advance

Bills relating to juvenile justice, athletic facilities, small business preferences, and a World War II memorial were discussed at the Governmental Operations and Veterans Committee meeting Thurs., Mar. 11. The committee is chaired by Sen. James Metzen (DFL-South St. Paul).

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Sen. LeRoy Stumpf (DFL-Thief River Falls) presented S.F. 709, a bill authorizing the commissioner of administration to award a preference of up to six percent in the amount bid for specified goods or services to small businesses. The bill extends the range of small businesses eligible for six percent preferences when bidding for state contracts, which are now available for targeted businesses, said Stumpf.

Small Business Owner Paul Blomquist said the bill attempts to help counties in southern Minnesota that are having economic trouble. He said increasing the preference percentage from four to six percent for all small businesses is more equitable than having allowing the six percent for just targeted businesses. The bill was recommended to pass and sent to the Senate floor.

A bill authorizing the Minnesota Amateur Sports Commission to make grants for athletic facilities and programs was offered by Metzen. The bill, S.F. 904, provides that money for the grants come from a portion of the excise tax levied on entrance to athletic events and on health club memberships. Of the \$5 million annual appropriation, \$4 million must be used for facilities grants and \$1 million for program grants. The bill was recommended to pass and re-referred to the Governmental Operations Budget Division.

Sen. Jane Ranum (DFL-Mpls.) offered S.F. 1114, a bill enlarging the membership of the existing Criminal Juvenile Justice Information Task Force. Ranum said the bill expands the task force membership by doubling the number of public members, from two to four, and by adding the attorney general or a designee. She said the bill also establishes criteria for submission and review of funding requests for integrated criminal justice information systems. The bill was recommended to pass and re-referred to the Crime Prevention Committee.

Members of the American Legion, Disabled Veterans and Veterans of Foreign Wars testified in support of S.F. 215, a bill appropriating money for a national World War II memorial. Chief author of the bill, Sen. Steve Dille (R-Dassel), said the bill appropriates \$326,000, or one dollar for every Minnesotan who served in World War II, as a contribution towards the national memorial. The money is appropriated

through the commissioner of Veterans Affairs. The bill was recommended to pass and re-referred to the Governmental Operations Budget Division.

Sen. Don Samuelson (DFL-Brainerd) offered a bill providing financial support to the Minnesota Military Museum at Camp Ripley. The mission of the museum is to document, preserve and depict the stories and contributions of Minnesotans who served in all branches of service from early frontier years to the present. Of the \$200,000 appropriation requested, \$100,000 is for operation of the museum and \$100,000 is for the renovation and maintenance of the facility. The bill was recommended to pass and re-referred to the Governmental Operations Budget Division.

Discussion began on a bill establishing a voluntary registration program for general and health-care interpreters. The bill, S.F. 1078, also requests a pilot training program for spoken language interpreters. The bill's author, Sen. Sandra Pappas (DFL-St. Paul), said to be eligible for registration, an interpreter must agree to adhere to professional standards, demonstrate proficiency and complete a training program. The bill was laid over for further discussion.

Audit bills advance

The Governmental Operations and Veterans Committee, chaired by Sen. James Metzen (DFL-South St. Paul), met Tues., Mar. 16, and approved several bills.

Sen. Deanna Wiener (DFL-Eagan) presented S.F. 810, a bill prescribing the powers and duties of the Legislative Audit Commission and the Legislative Auditor. Wiener said the purpose of the bill is to clarify and clean up statutes related to the commission and the auditor, and to eliminate unnecessary and outdated requirements for agencies and officials to report information to the auditor. The bill does not expand the jurisdiction of the auditor or increase any powers or responsibilities, said Wiener. The bill maintains the current division of jurisdiction between the State Auditor's Office and the Legislative Auditor's Office, she said.

Jo Vos, project manager, Legislative Auditor's Office, presented an evaluation report on the state building code. Vos said the report finds that poor coordination among agencies has resulted in

unnecessary delays, inconsistencies, and conflicts in promulgating and enforcing the building code. The report also finds building and fire officials are responsible for a building at different points in time and may disagree over proposals to deviate from code provisions, resulting in confusion and construction delays, she said.

Vos said the report recommends that building and fire officials should jointly approve both building permits and proposed code deviations regarding the overlapping portions of their codes, and jointly approve all certificates of occupancy. The report also recommends the Departments of Administration and Public Safety should jointly approve the overlapping provisions of each other's codes and the Dept. of Administration should be responsible for adopting the building code's energy provisions.

Wiener offered S.F. 1209, a bill incorporating the recommendations of the Legislative Auditor. The bill, transfers authority to adopt the energy portions of the state building code from the commissioner of public service to the commissioner of administration, requires the Construction Codes Advisory Council to review recommendations of the Legislative Auditor, and makes modifications to code provisions. The bill was recommended to pass and sent to the Senate floor.

Sen. John Hottinger (DFL-Mankato) offered S.F. 510, a bill expanding the number of dental hygienists on the Board of Dentistry. The bill expands the board to include two public members, five qualified resident dentists, one resident board-certified oral and maxillofacial surgeon, two qualified resident registered dental assistants, and two qualified resident dental hygienists appointed by the governor. The bill was recommended to pass and sent to the Senate floor.

A bill authorizing electronic payments to state agencies was presented by Sen. Leonard Price (DFL-Woodbury). The bill allows citizens the possibility of doing business electronically with the state of Minnesota, said Price. The bill also allows agencies to transfer the costs of the electronic transactions, if any, to the consumer as a convenience fee. The bill was recommended to pass and sent to the Senate floor.

After a recess, the Tues., Mar. 16, meeting continued in the evening and members took action on several more

bills. Sen. Steve Murphy (DFL-Red Wing) offered S.F. 624, a bill establishing a firefighter training program and a Board of Firefighter Training and Education. Murphy said the purpose of the board is to review the educational needs of firefighters and fire departments in the state and to make recommendations to educational institutions, fire education providers, and the legislature on ways to improve firefighter training and skills. The board also addresses changes in technology and establishes firefighter training standards, said Murphy. Dan Winkel, Minnesota State Fire Dept. Association, said a group was formed to study issues relating to firefighter training. The bill incorporates the study recommendations, he said. The bill was recommended to pass and re-referred to the Governmental Operations Budget Division.

Sen. Charles Wiger (DFL-North St. Paul) offered S.F. 1546. The bill establishes a program to provide long-term care coverage for members and annuitants of public pension plans, public employees and elected officials who are not eligible for participation in a public pension plan, and their close relatives. The bill also establishes an advisory committee and a trust fund of insurance premiums paid by program participants. Wiger said the plan was developed after a feasibility study was conducted by the Dept. of Employee Relations. The program would be self-supporting with no ongoing cost to the state, said Wiger. An administrative fee of about \$2 per enrollee per month covers the department's cost to administer the plan. The bill was recommended to pass and re-referred to the Governmental Operations Budget Division.

Price also presented a bill modifying provisions relating to the Office of Technology. The bill, S.F. 1700, authorizes the Office of Technology to approve, as well as review, technology proposals; requires office approval of information and technology initiatives by state agencies; authorizes office approval, as well as review, of major purposes of information systems. Price said the bill does not address where the office will end up. The bill adds approval authority for the office, he said. The bill was not approved by the committee.

Members also began discussion of a bill establishing a task force to develop a new day training and habilitation payment

structure. Because the bill, S.F. 1615, sponsored by Sen. Dallas Sams (DFL-Staples) was not formally in the committee, no action was taken.

Veterans bills advance

The Governmental Operations and Veterans Committee took action on several bills at the Weds., Mar. 17, meeting. The committee is chaired by Sen. James Metzen (DFL-South St. Paul).

Sen. Jerry Janezich (DFL-Chisholm) presented S.F. 1649, a bill establishing the framework for a state-federal program to provide free or reduced cost health care to veterans throughout the state. Janezich said that veterans who don't live near the veteran's hospitals in St. Paul or St. Cloud end up paying for health care and prescriptions. He said veterans should have access to health care wherever they live in the state. Josh Syrjamaki, veterans policy liaison for Sen. Paul Wellstone, said that Wellstone supports the intent of the bill and is prepared to help resolve any federal issues that may arise if the bill is passed.

Sen. Deanna Wiener (DFL-Eagan) offered an amendment directing the commissioner of veterans affairs to study the feasibility and desirability of providing free or reduced cost health care to veterans throughout the state. The amendment was adopted and the bill was recommended to pass and sent to the Senate floor.

Wiener also presented S.F. 1677, a bill expanding eligibility for state active service. The bill provides that the adjutant general may order to state active service current or former officers, warrant officers and enlisted personnel of the National Guard of the state required for the full time administration of the military department. The bill was recommended to pass and be placed on the Consent Calendar.

A bill appropriating money to assist in the operation and staffing of the Minnesota National Guard Youth Camp at Camp Ripley was offered by Metzen. The bill, S.F. 1320, appropriates \$100,000 for the biennium and is contingent on matching funds. Tom Simonet, chief operating officer of the youth camp, said the camp provides a unique and enjoyable opportunity for dependents of active and retired members of the National Guard to explore the environment in which they live. The bill

was recommended to pass and re-referred to the Governmental Operations Budget Division.

Sen. LeRoy Stumpf (DFL-Thief River Falls) offered S.F. 263, a bill creating a local government correctional service retirement plan. The bill, authored by Sen. Lawrence Pogemiller (DFL-Mpls.), provides a retirement plan for people employed in a county-administered jail or correctional facility or in a regional correctional facility administered by multiple counties. The bill was recommended to pass and re-referred to the Committee on Taxes.

Stumpf also presented S.F. 1539, a bill providing a new license category under the well code for a vertical heat exchanger contractor. The bill provides licensing for people who install geothermal heat pumps. Geothermal heat pumps use the relatively constant temperature of the earth at shallow depths to warm buildings in the winter and cool them in the summer, said Stumpf. The bill was recommended to pass and sent to the Senate floor.

A bill ratifying labor agreements and compensation plans was presented by Sen. Carol Flynn (DFL-Mpls.). The bill, S.F. 1721, ratifies actions taken by the Legislative Coordinating Commission Subcommittee on Employee Relations during the 1998 interim, said Greg Hubinger, director, Legislative Coordinating Commission. The collective bargaining agreements, compensation plans and salaries became effective on approval by the subcommittee and are for the current biennium, he said. The bill was recommended to pass and re-referred to the Governmental Operations Budget Division.

Sen. Richard Cohen (DFL-St. Paul) offered S.F. 1464, a bill making deficiency appropriations for state government operations. Cohen said the appropriations in the bill are one time only. The bill was recommended to pass and re-referred to the State Government Finance Committee.

Governmental Operations Budget Division

Administration budget reviewed

The Governmental Operations Budget Division began discussion of the Dept. of Administration budget at the Mon., Mar.

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15, meeting. The division is chaired by Sen. Leonard Price (DFL-Woodbury).

Dept. of Administration Commissioner David Fisher told members the mission of the department is to provide business management and administrative services that improve the quality and productivity of Minnesota government. He said the agency is committed to using all its resources wisely and effectively to provide high quality services and products to its customers.

The budget initiatives were presented by members of the department. Doug Schneider, assistant commissioner, InterTechnologies Group, said the Electronic Government Services (EGS) directory services initiative provides infrastructure as an enabling technology capable of supporting future EGS initiatives. The initiative provides for capital costs associated with the installation of required hardware and software and project development costs.

The EGS security information technology initiative enables the department to deliver secure electronic government services to the citizens of Minnesota. The initiative provides for additional staff and facilities to launch a security impact analysis and planning process statewide. The EGS security infrastructure initiative provides the security infrastructure for network based systems to provide the maximum accessibility to data with the assurance of secure transfer via the Internet.

The Connecting Minnesota Network initiative provides electronic hardware and software for statewide infrastructure development, said Russ Cox, InterTechnologies Group. The project is a partnership with the private sector and Mn/DOT to build a statewide fiber optic infrastructure that promotes competition and makes telecommunications services more accessible and affordable for the public and private sector, said Cox. The project addresses a growing need for bandwidth capacity required for data and video applications, he said. Access to the Internet, distance learning applications between education institutions and libraries, and development of electronic government are enhanced by the initiative, he said.

Bev Schuft, assistant commissioner, said the Year 2000 Contingency Fund is needed for the business continuation of state agencies, facilities and infrastructure

within the state in the event of a failure of systems and electronic equipment. She said the budget request of \$2.5 million provides contingency funds for Y2K failures of systems or equipment. The project will be retired after the Y2K problem is resolved, she said.

Schuft said an increase in the 911 budget is needed to cover increases for the Metropolitan Public Safety Radio system from 911 funds. InterTech provides technical assistance to the public safety agencies implementing, maintaining and improving 911 systems, she said. Minnesota statute requires the department to include a portion of the Metropolitan Radio Board budget in the department request for legislative appropriations, said Schuft. The governor recommends the requested appropriation in order to allow the department to transfer the amount to the Metropolitan Radio Board consistent with its approved budget.

Y2K bill heard

The Governmental Operations Budget Division, chaired by Sen. Leonard Price (DFL-Woodbury), met Weds., Mar. 17, to consider the Y2K bill and continue hearing the Dept. of Administration budget overview.

Sen. Steve Kelley (DFL-Hopkins) presented S.F. 2, a bill relating to the Year 2000 problem. Kelley discussed the fiscal implications of the bill with members. He said there are local governments that have come across the Y2K problem later than they should have. The state should have a role in assuring local governments that funds are available to fix the problem, said Kelley. Ultimately, the fiscal responsibility rests with the municipality or organization with the problem and the costs can be passed on to users, he said. The requested appropriation provides money ahead of time to find and fix the problems, said Kelley. Under the bill the state loans the money to the local governments and then the local governments can decide how to pay the money back from their operating budgets, he said. The bill was amended to provide that the funds come from the budget reserve, rather than from the special revenue fund. The bill was recommended to pass and re-referred to the State Government Finance Committee.

Discussion continued on the budget

overview of the Dept. of Administration. Ronna Linroth, director, System of Technology to Achieve Results (STAR) program, said the STAR program budget request allows for the current successful pilot program to be expanded to serve all Minnesotans with expressive communication disorders. She said currently, many speech therapists in Minnesota don't know enough about the technology-related assistance available to the consumer. The expansion of the pilot program serves as a tool to educate the therapists in the latest technology, said Linroth.

Kent Allen, Dept. of Administration, discussed the Operations Management Bureau. He said the bureau provides a range of operating support services to state government. Allen said during the last biennium, bureau activities included a major procurement reform initiative that streamlined, modernized and recodified the state's procurement statutes; a partnership with the Minnesota Alliance with Youth; and the conversion of previously paid subscription only information about state government to free availability on the World Wide Web.

Health and Family Security

Tobacco proposal discussed

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Thurs., Mar. 11, to continue their discussion of Gov. Ventura's tobacco settlement endowment bill.

Carried by Sen. Roger Moe (DFL-Erskine), the governor's bill--S.F. 1269--creates the Minnesota Families Foundation and establishes three endowment funds--the health professional education and medical research endowment fund, the local public health endowment fund and the medical education and research costs (MERC) endowment fund--with the \$1.3 billion one time tobacco settlement. Payments from the settlement provide approximately \$600 million to the Minnesota Families Foundation, \$350 million to the health education endowment, \$260 million to the public health endowment and \$100 million to the MERC endowment.

Michael O'Keefe, commissioner of the Minnesota Department of Human Services, specifically addressed the

creation of the Minnesota Families Foundation. O'Keefe said the foundation is designed to promote self-sufficiency for individuals and families. He said the foundation provides flexible money for flexible programs at the local level, where the community can best decide which needs must be met. He said foundation funds can be used to help persons receiving Minnesota Family Investment Program (MFIP) assistance, and can also be used as emergency funds to help prevent persons from needing MFIP assistance.

Sen. Martha Robertson (R-Minnetonka) offered an amendment that deletes sections in the bill referring to the health professional education and medical research endowment and the MERC endowment that allocates research and education dollars to the University of Minnesota. The amendment allows other institutions and programs to have access to the funds, and is similar to language in a previous tobacco settlement bill offered by Moe that already has been approved by committee. The amendment was defeated, however, to allow both bills to be discussed separately. The bill was then approved and referred to the Health and Family Security Budget Division.

Sen. Jane Ranum (DFL-Mpls.) offered S.F. 846, a bill relating to juvenile out-of-home placements. The bill requires foster care homes to address the components of specialized therapeutic services, compels social service agencies to establish a juvenile treatment screening team, requires courts to state the intended outcome of an out-of-home placement and requires courts to develop a case plan. The bill also requires counties of residence to be responsible for the transitional service plan upon a child's discharge from a home, requires the study of issues relating to culturally appropriate screening and case management and requires the continual review of the social services information system.

Ranum said the bill is necessary because she is concerned about children being placed in homes without an appropriate case plan. She added that the inaccuracy of social service data and the disproportionate number of children of color in facilities must be addressed.

Lake County Commissioner Sharon Hahn testified that the bill needs to be improved. Overall, she said, she is

pleased with the bill, but added she had many questions regarding from where the money to fund the initiatives will come. She said she does not want to take funding away from other areas to finance the new initiatives in the bill. Also, Hahn said she is concerned about the amount of time needed to implement the steps required in the bill. More input from counties is necessary, she said. The bill was approved and re-referred to the Health and Family Security Budget Division.

Sen. Sheila Kiscaden (R-Rochester) presented S.F. 1137, a bill that establishes an adolescent health grant program. Kiscaden said the bill is a straightforward proposal to provide access to health care for youth who do not currently have health care.

Minneapolis City Council member Brian Herron testified in support of the bill. Herron said clinics that serve youth need additional funding to care for the under-insured. He said numerous mental health issues, as well as health issues surrounding tobacco, alcohol and drug abuse, contribute to the high risk behaviors in which many youth are involved, and the bill permits communities to identify needs in those areas. He said the bill helps youth in need and allows health risks in adolescents to be prevented, before they need to be paid for later. The bill was approved and referred to the Health and Family Security Budget Division.

MFIP bills discussed

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Fri., Mar. 12, to discuss several bills relating to the Minnesota Family Investment Program (MFIP).

Sen. Becky Lourey (DFL-Kerrick) carried S.F. 506, a bill that, according to Lourey, incorporates a number of earlier bills offered by both Lourey and Sen. Linda Berglin (DFL-Mpls.) into one. The bill rewards counties for positive gains toward job retention and earnings for MFIP participants, compels the examination of the feasibility of forgiving child support arrears in certain cases and provides an appropriation to support services for hard-to-serve MFIP participants. The bill also appropriates money to create and expand adult-supervised supportive living arrangements for minor

parents and transfers \$50 million from the state's federal Temporary Assistance for Needy Families (TANF) grants to the child care block grant for the sliding fee program. The bill was approved and referred to the Health and Family Security Budget Division.

Lourey also offered S.F. 965, a bill relating to MFIP education and training provisions. The bill requires a participant to enroll in basic education activities, and requires a participant to maintain satisfactory progress in the program if the literacy of a participant is judged to be below an eighth grade level. The bill also states a job search may be limited to the participant's employment goal, allows a participant to request post-employment training if not likely to exit MFIP within 12 months due to the inability to substantially increase earnings and allows the county to continue case management services for up to one year—instead of just six months—following the termination of MFIP eligibility. The bill also allows an educational program to last up to 24 months—instead of up to 12 months—and excludes from the 60 month time limit those participating in a state/TANF program and enrolled in a post-secondary education program while maintaining a 2.5 GPA.

Sen. Martha Robertson (R-Minnetonka) expressed dissatisfaction with the portion of the bill allowing an educational program to last up to 24 months. She said there are many people in her district working two or three jobs who don't have the opportunity for two years of education. Calling it an issue of fairness, she asked how much the government is expected to pay for an education. She said she agreed that people need basic skills to become self-sufficient, but added that 24 months of education and training is too much. Allowing for 24 months, she said, is a major departure from the original MFIP legislation, and she moved an amendment to delete the section in question.

Responding, Berglin said that typically, MFIP does not provide tuition dollars for participants. The bill, she said, simply allows participants to be involved in longer educational programs. Robertson's amendment was not approved, but the bill was, and it was referred to the Health and Family Security Budget Division.

Finally, Lourey presented S.F. 483, a bill relating to MFIP and non-citizen

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food assistance modifications. The bill strikes language in current law that terminates the Minnesota Food Assistance program for non-citizens on June 30, 1999, as well as language terminating the food portion of MFIP for non-citizens on the same date. The bill also adjusts qualification guidelines so that participants do not lose eligibility until their income reaches 120 percent of poverty, and strikes language that counts the first \$100 of a rental subsidy as unearned income. The bill was approved and referred to the Health and Family Security Budget Division.

Sen Jane Ranum (DFL-Mpls.) presented S.F. 728, a bill relating to special education care and treatment modifications. The bill requires the commissioner of Children, Families and Learning (CFL) to approve education programs in care and treatment facilities for placement of children without disabilities before being licensed by the Department of Human Services or Correction. Also, the bill requires that an educational plan in certain programs be approved by the CFL commissioner before the commissioner of Human Services grants a license for the plan and requires the formation of a task force to provide recommendations for a system to approve education programs for children in care and treatment facilities. The bill is necessary, said Ranum, because there is little oversight of educational programs, little guidance and minimal educational requirements. The bill was approved and re-referred to the Crime Prevention Committee.

Berglin carried S.F. 964, a bill that creates exemptions to the 60 month MFIP time limit. Berglin said the bill exempts an MFIP participant from the 60 month time limit if they are suffering from a professionally certified permanent or temporary illness, injury or incapacity that is expected to last for more than 30 days, and that prevents a person from obtaining or continuing employment. The bill also exempts those who are caring for another member in the household who has a professionally certified illness or injury that is expected to last more than 30 days, and the presence of the participant replaces other specialized care. The bill also stops the 60 month limit for any month a care giver is earning income by working the number of hours required by law. Berglin said similar bills have been passed in 24

other states. The bill was approved and referred to the Health and Family Security Budget Division.

Berglin also offered S.F. 966, a bill that reduces sanctions related to MFIP. The bill requires the participant to meet with the job counselor to discuss compliance barriers after the first occurrence of noncompliance. Current law results in a ten percent reduction in the MFIP grant for the first noncompliance. The bill also requires a five percent reduction for the second noncompliance—instead of the 30 percent reduction required under current law—and states that the value of the food portion of the benefits must not be sanctioned. The bill also adds to the list of good cause exceptions for failing to comply by exempting a participant with a judicial proceeding or meeting related to juvenile court that conflicts with a mandatory MFIP meeting. The bill also allows an exception to be made when the participant's work schedule conflicts with a mandatory MFIP meeting. Berglin said the bill is necessary because people can't be ordered by the county to be in two places at once. The bill was approved and referred to the Health and Family Security Budget Division.

Berglin also presented S.F. 1028, a bill that amends the definition of transition year families under current law. The bill was approved and re-referred to the Children, Families and Learning Committee.

Sen. Don Samuelson (DFL-Brainerd) carried S.F. 1526, a bill that makes many modifications in MFIP provisions. Among other items, the bill strikes the June 30, 1999 sunset for the Minnesota food assistance program for non-citizens, amends the method the county is reimbursed for food stamp employment training services, states that a person is ineligible for MFIP assistance if the person has committed a drug related offense and requires both parents in a two parent family to choose the same employment and training provider unless a special need is identified. Other technical changes are also made. The bill was approved and referred to the Health and Family Security Budget Division.

Sen. Sam Solon (DFL-Duluth) carried S.F. 1178, a bill that amends the family composition and assistance standards section of MFIP rules. The bill changes the MFIP transitional standard for child only cases so it is the same amount as the

AFDC cash portion for child only cases prior to Jan. 2, 1998. The bill also prohibits the replacement of the cash portion with the food stamp amount. The bill was approved and referred to the Health and Family Security Budget Division.

Hottinger carried S.F. 963, a bill that adds to the list of MFIP exclusions by adding an exclusion for 100 percent of earned income from employment during the first 120 days of employment. Hottinger said a similar exclusion was in place before welfare reform, and called the bill good, sound policy. The bill was approved and referred to the health and Family Security Budget Division.

Several bills discussed

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Mon., Mar. 15, to discuss several bills.

Sen. Steve Murphy (DFL-Red Wing) carried S.F. 467, a bill that requires proof of immunization against hepatitis B from students before they can enroll or remain enrolled in a state college or university. Murphy said approximately 75 percent of those who contract hepatitis B are between the ages of 15 and 39. By requiring college students to be immunized, he said, the bill represents a small window of opportunity to catch the disease amongst those who are most likely to contract it in order to eventually eradicate it.

Questioning the bill, Sen. Sheila Kiscaden (R-Rochester) said there are many things that are desirable to do, but the cost is too high. She said estimates show that to establish a system to immunize all college students costs nearly \$2 million and \$600,000 each year to maintain. Also, she said, the tests cost approximately \$100, which would be paid for by the students being tested. She said the bill is nice, but not necessary. Kiscaden offered an amendment to the bill that deletes the original language in bill and requires the commissioner of health to provide all post-secondary educational institutions information regarding the transmission, treatment and prevention of hepatitis B. The amendment also requires the educational institutions to make the information available to all students and recommend that all students be immunized. The amendment was approved, the bill was

approved, and the measure was re-referred to the Children, Families and Learning Committee.

Sen. Don Samuelson (DFL-Brainerd) presented S.F. 527, a bill that modifies references of registration to licensure for physical therapists and creates a separate board of physical therapy.

Joan Bohmert, past president of the Minnesota Chapter of the American Physical Therapy Association, testified in favor of the bill. She said the bill provides for a more efficient method to handle consumer complaints and helps to standardize operations for a more cost effective system. The current structure, she said, does not serve consumers well. The bill was approved and referred to the Governmental Operations and Veterans Committee.

Samuelson also offered S.F. 1360, a bill that adjusts the system for reviewing the need for intermediate care facilities for persons with mental retardation or related conditions and modifies the performance based contracting system scheduled to take effect Oct. 1, 2000. The bill mandates a local needs planning process, establishes a statewide advisory committee to review local proposals, eliminates the requirement that the contract system be performance based and creates a minimum property payment rate. The bill also authorizes counties to approve rate increases tied to the needs of high needs residents under certain circumstance and establishes a reimbursement policy beginning on Oct. 1, 1999.

Rip Hammergren, a member of the task force studying the issues relating to the bill, said the bill benefits consumers. He said the bill focuses on serving people and provides for more flexible training, consistent rates and incentives for high quality services. The bill was approved and re-referred to the Governmental Operations and Veterans Committee.

Sen. Linda Berglin carried S.F. 877, a bill that authorizes Medical Assistance (MA) and General Assistance Medical Care (GAMC) coverage for language interpreter services provided in conjunction with another covered health service.

Diane O'Conner, a representative of the Minnesota Nurses Association, testified in favor of the bill. She said the bill improves access to health care for minorities and non-English speaking citizens by bettering the communication between patients and providers. She said

the bill also prevents the children of non-English speaking patients from being required to interpret in what are sometimes delicate situations. The bill was approved and referred to the Health and Family Security Budget Division.

Berglin also presented S.F. 933, a bill that establishes a subsidized employer health coverage program for children in families who are not eligible for MinnesotaCare because of the availability of employer subsidized health care coverage. Among other things, the bill removes the four month barrier for MinnesotaCare eligibility for children not receiving coverage due to employment termination and requires the child to be under the age of 19 with a family gross income of 275 percent of poverty.

Holly Rodin, director of Service Employees International Union, said the bill benefits a number of people. As an example, she said, the bill benefits nursing home employees, many of whom leave their positions due to the lack of quality benefits. The bill was approved and referred to the Health and Family Security Budget Division.

Berglin also carried S.F. 131, another bill relating to MinnesotaCare. The bill expands the MinnesotaCare program eligibility for single adults and households with children to 275 percent of the federal poverty guidelines. Currently, the income eligibility is 175 percent of poverty guidelines. Sen. Becky Lourey (DFL-Kerrick) offered an amendment that incorporates two of her bills. The amendment changes the definition of gross family income under MinnesotaCare and modifies MinnesotaCare eligibility requirements for persons with continuation coverage. Berglin said the bill creates a more equitable situation. The amendment was approved, as was the bill, and the measure was referred to the Health and Family Security Budget Division.

Kiscaden presented S.F. 1009, a bill that eliminates the requirement that certified nursing assistants must complete an approved training program. The requirement that nursing assistants pass a competency evaluation remains in effect. The bill was approved and sent to the Senate floor.

Sen. Sandra Pappas (DFL-St.Paul) carried S.F. 383, a bill that clarifies and expands the licensure requirements for traditional midwifery. Among other

things, the bill describes the scope of practice and professional conduct of a licensed traditional midwife and requires a midwife to provide an initial and ongoing screening for each client, prepare a written plan for each client, comply with all state public health regulations, renew their license every year and compile a summary report on each client. Kiscaden offered an amendment to the bill requiring initial laboratory pregnancy screening to be performed by a health care provider who is licensed to perform diagnostic laboratory work. The amendment was adopted and the bill was approved and referred to the Governmental Operations and Veterans Committee.

Sen. Dallas Sams (DFL-Staples) presented S.F. 1273, a bill that makes a number of technical updates in the Board of Nursing Home Administrators statute. The bill also provides civil and criminal immunity to those who report alleged violations of the laws governing nursing home administrators and to board members and others engaged in investigating complaints. Sams said the bill corrects minor problems in the law and is simply a housekeeping bill. The bill was approved and re-referred to the Judiciary Committee.

Medical Marijuana discussed

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Tues., Mar. 16, to discuss a bill relating to the medical use of marijuana.

Sen. Pat Piper (DFL-Austin) carried S.F. 780, which permits the medical use of marijuana by a patient in order to relieve the effects of the patient's debilitating medical condition. The bill also states that the patient must have documentation from a physician to be permitted use, establishes immunity for a physician from being penalized for recommending use and prohibits prosecuting any person for possession of marijuana for medical purposes. According to the language of S.F. 780, the purpose of the bill is to allow Minnesotans with debilitating medical conditions to benefit from the medical use of marijuana. The bill does not change current civil and criminal laws governing the use of marijuana for non-medical purposes. Piper said the bill has support from such organizations as the Minnesota

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Nurses Association and the Minnesota Public Health Association.

Cancer survivor Nancy Brigg testified in support of the bill. She said chemotherapy treatments she endured for cancer in 1998 caused her to become violently ill. She said prescribed medicines did not help her, but a marijuana cigarette, offered to her by a friend, did. After smoking, she said, her appetite returned, she was able to sleep and her nausea was relieved. The effects of the marijuana, she said, were thorough, immediate and extraordinary.

Local physician Dr. Mark Willenbring also testified in support of the bill. He said there is good evidence that marijuana, when taken for medical purposes, reduces muscle spasms, relieves nausea and increases appetite, among other things. He said other medicines work as well, but sometimes, when nothing else works, marijuana does. He also said there is more evidence to support the medical benefits of marijuana than there is for other medicines already approved.

Commissioner of Public Safety Charlie Weaver spoke about some concerns with the bill. He said although he and the governor support the goals of the bill, there are some problems regarding public safety. He said the biggest problem with the bill is that it forces people to commit felonies in order to obtain marijuana. This is because, he said, the bill does not deal with the issues of the buying and selling of the drug, which are crimes. He suggested creating a system through the University of Minnesota, where marijuana can be grown for research purposes. He also said a system must be established to measure the quality of marijuana.

Aaron Fredrickson, public policy research assistant with the Minnesota Family Council, testified in opposition to the bill. He said organizations such as the American Glaucoma Society and the American Cancer Society have rejected claims regarding the medical benefits of marijuana. The organizations, he said, urge people to use other drugs. Fredrickson also said the legalization of marijuana for medical purposes is the first step in the legalization of all illicit drugs. He said allowing the medical use of marijuana also further confuses children, who will seek out and try marijuana for non-medical purposes. Finally, Fredrickson said, current drug laws should be enforced, not softened.

Sen. Dan Stevens (R-Mora) said he can't justify undergoing huge tobacco prevention efforts while at the same time allowing the medical use of marijuana. The message that sends children, he said, is terrible.

Responding, Sen. Linda Berglin (DFL-Mpls.) said she does not believe allowing the medical use of marijuana sends a mixed message to children. Parents, she said, have to teach their children all of the time what is appropriate and what isn't appropriate. Sen. Becky Lourey (DFL-Kerrick) said children can understand the concept of the right uses and the wrong uses of marijuana. She said Legislators should look beyond any potential political damage connected to the issue to help those who need to use marijuana for medical purposes. Finally, Piper said the focus must be on the medical benefits of marijuana, because, she added, the abuse of marijuana is a different issue. She said she cannot deny people help when they are suffering. Members agreed to lay the bill on the table in order to allow for more discussion at a future meeting.

Sen. Sheila Kiscaden offered S.F. 1267, a bill that, when certain conditions are met, establishes immunity for nursing homes and home care service providers that disclose employment related information about former or current employees to prospective employers. Kiscaden said the bill is necessary because potential employers of an applicant are not receiving pertinent employment information from previous employers of the applicant who fear they may be sued. Sometimes, said Kiscaden, the lack of knowledge results in the current employer later discovering information, such as criminal or work related offenses or behavior, that would have prevented the applicant from being hired. Also, Kiscaden said, the bill enables employers to be confident about the workers they send into people's homes.

Holly Rodin, director of Service Employees International Union, testified in opposition to the bill. She said the bill is too broad, and thus puts potential employees at risk. She said the bill contains no process where employees can discover what information is released and by whom, and added that the bill should address employer responsibility, not employer immunity. Also, Rodin said, the bill singles out a work force consist-

ing mostly of women and people of color and has potential for abuse. Rodin said it is more important to make the current system work.

Responding, Kiscaden said there is a need to reduce the fear employees have of being sued. Also, she said, the main thrust of the bill is better serving clients by hiring more appropriately. The bill was not approved.

Sen. Steve Kelley (DFL-Hopkins) presented S.F. 286, a bill that establishes a new process for friends and relatives to object to autopsies on religious grounds. Kelley said the bill is an attempt to address the concerns brought to him by a number of his constituents. The bill was approved and referred to the Judiciary Committee.

Sen. Don Betzold (DFL-Fridley) carried S.F. 283, a bill that amends the criteria for early intervention based on prior court ordered inpatient treatment. The bill, he said, is simply meant to clean up and clarify existing language in current law. The bill was approved and sent to the Senate floor.

MA bills heard

In addition to hearing the medical marijuana bill and the nursing bill, members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), processed several additional bills at the evening hearing Weds., Mar. 17.

Sen. Linda Berglin (DFL-Mpls.) offered S.F. 1412, a bill relating to the Medical Assistance (MA) funding of residential placements. The bill, among other things, changes provisions in current law to allow the state to claim a federal match for certain spending and to allow the state to collect new federal funding by expanding child welfare targeted case management to contracted providers and tribes. Berglin said the bill is an attempt to maximize federal dollars. The bill was approved and referred to the Health and Family Security Budget Division.

Kiscaden presented S.F. 1642, a bill that permits children between the ages of two and eighteen to remain eligible for Medical Assistance for twelve continuous months without the requirement of further reporting or redetermination. Kiscaden said the bill assists many providers who serve low income families and results in better health outcomes for children. She said the bill also enables

parents to become self-sufficient because their children will have coverage regardless of whether it is offered by the employer. The bill was approved and referred to the Health and Family Security Budget Division.

Sen. David Ten Eyck (DFL-East Gull Lake) carried S.F. 1432, a bill relating to pharmacist loan forgiveness. The bill authorizes a pharmacists student loan forgiveness program, a pharmacy financial assistance program and a pilot program to reimburse pharmacists for coordinating drug therapy management services. Ten Eyck said the bill deals with a critical issue, because pharmacies are closing at an alarming rate, which limits access to healthcare. The bill was approved and referred to the Health and Family Security Budget Division.

Sen. Deanna Wiener (DFL-Eagan) offered S.F. 926, a bill that makes a number of changes to the senior citizen drug program, and establishes a senior prescription drug endowment fund. The bill requires the endowment to be credited with one-half of each tobacco settlement payment received by the state in the month of December, beginning in December 1999, and appropriates annually a sum equal to the projected net cost of the senior drug program from the endowment fund for the senior drug program. Wiener said the bill relieves the costs of prescription drugs for the elderly. No action was taken on the bill.

Sen. Jane Ranum (DFL-Mpls.) carried S.F. 569, a bill relating to child welfare. The bill requires the exploration of different chemical dependency treatment models for parents with children in need of treatment, amends the eligibility for treatment and requires a review of a developmentally disabled or an emotionally handicapped child's foster care status after six months. The bill was approved and referred to the Health and Family Security Budget Division.

Health and Family Security Budget Division

DHS budget overview

Members of the Health and Family Security Budget Division, chaired by Sen. Don Samuelson (DFL-Brainerd), met Thurs., Mar. 11, to hear an overview of Gov. Ventura's 2000-01 budget change recommendations for the Minnesota

Department of Human Services.

Mary Kennedy, director of Performance Management and Quality Improvement, discussed the budget changes regarding basic health care grants and health care management. Kennedy said the governor recommends increases in the general fund budget that total \$3.936 million in fiscal year 2000 and \$7.188 million in fiscal year 2001, as well as increases in the health care access fund that total \$1.175 million in 2000 and \$2.937 million in 2001. The proposal, she said, provides a four percent pay increase to health care providers in Minnesota's public health care programs. Kennedy also said the governor advocates an initiative that increases the general budget a total of \$4.272 million in fiscal year 2000 and \$4.827 million in 2001, and increases the health care access fund a total of \$1.849 million in 2000 and \$2.545 million in 2001. The initiative, provides for a one time five percent increase in payment rates to dental service providers in Minnesota's public health care programs, and creates incentives for providers to serve clients enrolled in public health care programs.

The governor, said Kennedy, also recommends decreases in the general budget that total \$889,000 in fiscal year 2000 and \$37,000 in fiscal year 2001. She said the governor also recommends decreases in the health care access fund that total \$544,000 in fiscal year 2000 and \$4.569 million in fiscal year 2001. The initiative, she said, eliminates the requirement that forces the primary wage earner in two parent families receiving Medical Assistance (MA) to work less than 100 hours per month to continue receiving assistance. The change, she said, bases eligibility on income instead of number of hours worked. Kennedy said the governor recommends increases in the general budget that total \$138,000 in fiscal year 2000 and \$232,000 in fiscal year 2001, as well as decreases in the health care access fund that total \$27,000 in 2000 and \$55,000 in 2001. The change, she said, furthers the ability of people with disabilities to work by expanding eligibility for health care coverage through MA and to fund participation in a Social Security Administration project. The change, she said, encourages self-sufficiency, and is the right thing to do. Kennedy also said the governor advocates increases in the

general budget that total \$8.421 million in fiscal year 2000 and \$12.767 million in fiscal year 2001. The initiative fully funds that state Senior Drug program at the levels of eligibility specified in current law. Finally, Kennedy said the governor recommends increases in the health care access fund that total \$2.121 million in fiscal year 2000 and \$1.465 million in fiscal year 2001 to provide sufficient human resources and technology to support MinnesotaCare operations and applications. Kennedy said the change includes the addition of 24 full time employees. The initiative was lauded as a positive change by Sen. Becky Lourey (DFL-Kerrick), who said some constituents have in the past reported that the wait between application and final acceptance into MinnesotaCare lasted more than three months.

Nursing home restraints discussed

Members of the Health and Family Security Budget Division, chaired by Sen. Don Samuelson (DFL-Brainerd), met Tues., Mar. 16, to discuss a bill relating to the use of nursing home restraints—such as side rails—on the bed of a nursing home resident.

Samuelson carried H.F. 40, which expands the health care facility bill of rights by establishing the right of competent residents and the families or legal representatives of non-competent residents to request and consent to the use of physical restraints to treat medical symptoms. According to the language of the bill, medical symptoms encompass a concern for the physical safety of the resident and the physical or psychological needs expressed by a resident, including the fear of falling. The bill requires a nursing home to inform the resident or family of the resident about alternatives and about the risks posed by restraints and to monitor and reevaluate the need for restraint use. Also, the bill states that nursing homes are not subject to penalties solely as the result of allowing restraint use. The bill also requires the commissioner of health to take steps to reduce the negative impact of "immediate jeopardy" citations levied against some facilities because of restraint use.

Samuelson said he has had numerous discussions with a variety of groups regarding the issue and the bill answers the questions raised in the best possible manner. The bill, he said, provides for a

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reasonable procedure regarding restraint use now. Discussion was brief and the bill was approved and sent to the Senate floor.

Higher Education Budget Division

Academic cheating discussed

University of Minnesota President Mark Yudof responded to academic fraud allegations in the U of M basketball program at the Higher Education Budget Division meeting Fri., Mar. 12. Sen. LeRoy Stumpf (DFL-Thief River Falls) chairs the division.

Four members of the Minnesota Gophers basketball team were suspended from the team's NCAA Tournament game Thurs., Mar. 11. University officials suspended the four after allegations by a former U of M employee, who said she wrote papers for the players.

Yudof said the University's mission is to have zero tolerance for cheating or other academic misconduct. He said the charges indicate an athletic problem, but also an academic problem. Yudof said the University has been unable to obtain any of the evidence gathered by the St. Paul Pioneer Press in the newspaper's investigation, nor has the University been able to interview Gangelhoff. Yudof said the University takes the charges very seriously.

"The critical thing is that we do the right thing," he said, "and the investigation should be the cleanest, above-board external investigation there can be." He said although the U of M has not yet hired any firm to conduct the investigation, he expects it will take two months or more before the results are complete. Yudof said he did not like suspending the four students without a chance for them to have a hearing, nor did he like making the decision based on brief interviews and newspaper allegations. He said that if it is later determined that even one of the students is ineligible to play, the University could have been forced to return any money the team received as NCAA participants.

Yudof said he wants to provide fairness not only to the players but to Gophers' coach Clem Haskins, whom Yudof called a winning coach known for his tough love. Yudof said there have been material changes in the testimony of the witness

in the past 48 hours. He said some of the allegations may turn out to be half-truths, and some may be true. He said it is important that the University have an outside investigation, so the results will be believed by the public. "We will take special care to protect the privacy of the students, but if there is wrong-doing there will be no cover-up and we will take decisive action," Yudof said.

Sen. Sam Solon (DFL-Duluth) said he hopes the incident is an isolated one. He asked if the NCAA will conduct an investigation at the same time as the University does. Yudof said when the U of M self-reported the possible academic fraud, the school indicated it would investigate. "I think the NCAA will wait for our report," he said. He said the investigation will likely center on the basketball department and not other athletic programs. Yudof said the basketball players are involved in an experimental program, with the basketball academic counseling under the control of the Athletic Department.

Stumpf asked if some type of outcome-based testing can be done to determine if students can prove what they have learned, rather than turning in papers. Yudof said such testing can be evaluated, but outcome-based testing requires a major investment. Sen. Ember Reichgott Junge (DFL-New Hope) said a task force was formed in the 1980s to study academic standards in the Athletic Department. "We talked about the importance of keeping counseling separate from athletics," she said, "and there appears to have been a breach of that policy." Junge suggested the task force be reconstituted or a new one formed to prevent cases of academic fraud in the future.

Sen. Cal Larson (R-Fergus Falls) stressed the importance of providing a good education for athletes. "We have some tough decisions in this division to make on your budget, and we will be fair. We're here to help, but we are going to demand more accountability," he said.

Sen. Sheila Kiscaden (R-Rochester) asked how the academic standards for athletes differ from standards for other students. Yudof said athletes' ACT scores may be lower, and the U of M tries to provide tutoring and support. "Many of the things that work for athletes work for all students," he said, citing the benefits provided by small classes, tutoring and recitation groups.

HESO database access bill

A bill adding the Higher Education Services Office (HESO) to the administration of the database access program was brought before the Higher Education Budget Division, chaired by Sen. Leroy Stumpf, at the meeting Tues., Mar. 16. S.F. 1341, sponsored by Sen. Deanna Wiener (DFL-Eagan), also expands the range of libraries with access to the program. Under the bill, eligibility for the program extends to a school media center or library that is eligible to participate in MNLINK. An appropriation of \$530,000 in FY 2000 and \$530,000 in FY 2001 from the general fund is designated for the database access program, according to the bill.

Chris Olson of the Minnesota Library Association said users can access the bar code from their library card to access the database program. He assured legislators that the database program does not mean that print material will be any less available.

Stumpf said the program can promote a greater use of distance education. Smaller schools with less available material can access the database program, Stumpf said. The bill was laid on the table, to be considered for incorporation into the higher education omnibus budget bill.

Sen. Jim Vickerman (DFL-Tracy) presented S.F. 931, a bill appropriating money for the state agricultural experiment stations. The bill appropriates \$1.5 million from the general fund to the University of Minnesota for the biennium beginning July 1, 1999, for the research and outreach centers, also known as agricultural experiment stations. Under the bill, the appropriation is distributed among all of the state's agricultural experiment stations proportionately.

Beverly Durgan, U of M, oversees the research and outreach stations. She said each of the five centers serves a research need unique to its community. Sen. Dave Kleis (R-St. Cloud) said he thinks the economic return is great for the research centers. "Where do they fit in with the U of M funding?" he asked. Durgan said they are not in the current asking budget, and the level of funding is a new request. Dick Hemmingsen, U of M, said faculty at the research centers are paid with federal and state funding. The \$530,000 requests are for infrastructure support and funding for research, according to

Hemmingsen.

Sen. Cal Larson (R-Fergus Falls) said that agriculture is the state's economic base. He also said the Legislature needs to get a better handle on expenditures and accountability for its funding. The bill was approved and placed under consideration for the omnibus budget bill.

S.F. 1068, a bill appropriating money to Minnesota State Colleges and Universities (MnSCU) for Vermilion Community College to conduct a study, was presented by Sen. Douglas Johnson (DFL-Tower). The bill appropriates \$300,000 in FY 2000 from the general fund to MnSCU for Vermilion Community College to conduct a study in conjunction with the Ely School District to determine the feasibility of establishing a joint secondary and higher education environmental studies magnet school.

Ray Toutloff, superintendent of the Ely School District, spoke in favor of the bill. He said enrollment is declining rapidly in the school district, and sees the possibility of a magnet school as a positive step. The bill was recommended to pass to the K-12 Education and Budget Division.

Sen. Steve Murphy (DFL-Red Wing) authored S.F. 1467, a bill that establishes the Minnesota Career and Technical Education Leadership Council, composed of 17 members. The bill sets the powers and duties of the council and sunsets the council on June 30, 2004. The bill was approved and re-referred to the Governmental Operations and Veterans Committee.

Sen. John Marty (DFL-Roseville) offered S.F. 1557, a bill establishing a mental health services professional grant program under the authority of HESO to provide grants to Asian-Pacific Americans enrolled in a graduate level program in mental health services. Grants are for a minimum of \$2,000 but not to exceed \$4,000. The bill designates an appropriation of \$100,000 for the program. The bill was approved and re-referred to the Health and Family Security Committee.

Bill helps part-time students

The Higher Education Budget Division met Weds., Mar. 17, and heard S.F. 1001, a bill that prorates grants and modifies assigned student responsibility for part-time students. Sen. LeRoy Stumpf (DFL-Thief River Falls) chairs the committee.

Sen. David Ten Eyck (DFL-East Gull

Lake) presented the bill, which reduces the assigned family responsibility for independent students. For independent students with dependents other than a spouse, the bill reduces the assigned family responsibility to 50 percent of the student contribution. Under the bill, independent students without dependents other than a spouse have their assigned family responsibility reduced to 75 percent of the student contribution.

Ten Eyck said the bill requires the Higher Education Services Office (HESO) to prorate the amount of a state grant to the actual number of credits for which a part-time student is enrolled.

"We have an increasing number of part-time students," said Morrie Anderson, chancellor of Minnesota State Colleges and Universities (MnSCU). He said students who take 13 credits or less do not qualify for state aid. He said MnSCU has been acutely aware something has to be done in funding for the part-time students.

Mike Lopez, associate vice chancellor for student affairs, said MnSCU has 66,000 students attending school part-time. "They are attending part-time because they are highly motivated and doing other things with their lives," he said. He said a number of students need to work and support a family at the same time they are going to school. He cited the example of a single mother, working for \$15,000 a year, who can't earn enough to attend school and cannot qualify for state aid. "We have to reach out to the underprivileged and correct the inequities in the system," he said.

Speaking on behalf of the bill was John Rutkowski, a student at Norwest Tech, Wadena campus. He said he owns a business and attends school part-time in pursuit of a degree to enhance his business. He said he lost state aid when he went part-time, and his wife works a full-time job and two part-time jobs to enable him to attend school. "When I went part-time, my house expenses and food costs did not decrease," he said. "The bill would make a significant impact." S.F. 1001 was approved for consideration in the omnibus budget bill.

S.F. 1045, authored by Sen. Steve Kelley (DFL-Hopkins), updates provisions dealing with the licensure of private career schools. The measure provides definitions, for instance, replacing the term "correspondence" schools with the

term "long-distance learning schools and training firms," and establishes a registration process for training firms as an alternative to the licensure process applicable to other for-profit career schools. The bill also outlines the registration process, specifies bond requirements, specifies minimum standards for registration, specifies procedures out-of-state training firms must follow and requires training firms to submit a catalog, brochure or web site providing specified information.

Leslie Harter said she sought short-term training from a computer firm to upgrade her skills, but was told by firms she could not be trained as an individual but had to be a member of a corporation. "This bill allows me 100 percent access to short-term training for a job," she said. Kristi Schulte, Bench Mark Computer Learning, said she represents a licensed computer training firm. She said her firm is a training center, with schedule changes occurring on a weekly basis because technology changes so quickly. "We don't have transcripts or give out credits," she said. She said if the bill goes through, a number of people can train individually at her firm. The bill was temporarily laid aside for further consultation with HESO.

Sen. Sandra Pappas (DFL-St. Paul) authored S.F. 1582, a bill directing MnSCU and requesting the University of Minnesota to jointly develop a four-course plus training program for spoken language interpreters in community service settings.

Pappas said one out of every 20 Minnesotans has the need for an English interpreter. She said the state has 50,000 Hmong residents and only five doctors who speak the Hmong language. She said 12,000 Somali reside in Minnesota, and no doctor speaks their language.

Sen. Sheila Kiscaden (R-Rochester) agreed there is an increasing demand for interpreters. She questioned why the Legislature needs to have a course developed or provide funding, and why the project isn't part of the MnSCU budget request.

Bruce Downing, U of M, said interpreting is a very undeveloped field. "Noone even teaches translation at the U of M," he said. He said a lot of development needs to be done, training people to be trainers and developing a curriculum. The bill was approved for consideration

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in the omnibus budget bill.

S.F. 1387, offered by Sen. Don Samuelson (DFL-Brainerd) provides for an instructor for people with disabilities at Central Lakes College in Brainerd. Sally Ihne, president of the college, said the college takes borderline disabled people and teaches them living skills, provides internships and aims to help them become self-sufficient. "We would like to serve more students," she said, "but we need a very low student-instructor ratio." The bill was approved to be considered in the omnibus budget bill.

Jobs, Energy and Community Development

Two bills approved

The Jobs Energy and Community Development Committee met Thurs., Mar. 11 to discuss three bills.

S.F. 861, authored by Sen. Roger Moe (DFL-Erskine), creates a loan program, administered by the Dept. of Trade and Economic Development (DTED), for businesses in the Upper Red Lake area impacted by the decline of walleye fishing. Moe said the bill appropriates \$250,000 for the next fiscal year for loans of up to \$75,000. Only those businesses that operated in 1998 are eligible for the loans, he said.

John Ostrem, a commissioner of the Headwaters Regional Development Commission, said the commission strongly supports the bill. "Tourism development is an important part of economic development activities," Ostrem said.

Sen. Steven Novak (DFL-New Brighton), the committee chair, asked Moe if the cause of the problem, over fishing of the lake and the use of nets in fishing, was being addressed. Moe said the Dept. of Natural Resources and the Red Lake Government have signed a memorandum of agreement banning fishing in Red Lake. "They have a plan in place to restore fishing. They created the problem and they acknowledge it," Moe said. He said it will take approximately five years before fishing can be restored. "The loans buy time for the businesses until the fishing attraction is back," he said. The bill was approved and sent to the Economic Development Budget Division.

S.F. 312, authored by Sen. Steve Dille

(R-Dassel), permits cities to establish a sidewalk utility to collect charges for constructing, maintaining, and replacing public sidewalks. Dille said the idea was brought to his attention by the city of Howard Lake. Christina Frankenfield, city administrator of Howard Lake, said the expansion of State Highway 12 into the city caused the need for repair or replacement of many of the city's sidewalks. She said the city is proposing the sidewalk utility idea to establish a funding source without having to raise property taxes. She said the approximate cost will be two dollars per utility bill.

Sen. Steve Kelley (DFL-Hopkins) offered an amendment requiring voter approval of a sidewalk utility. He said the statute governing other public utilities allows for either the establishment of a commission to regulate the utilities, or a referendum election approving the establishment of a utility. He said by statute, a referendum election requires a five-eighths approval by those voting but the amendment requires a simple majority approval vote to establish a sidewalk utility. Kelley said he supports the concept of a sidewalk utility but was wary of creating more utilities, such as police or fire utilities, because the property tax system is designed to address those issues. Frankenfield said she supported the amendment because the intention of the bill was to allow the city voters to decide whether they wanted to pay the extra amount on their utility bills or if they preferred to accept a property tax increase to maintain the city's sidewalks. The amendment was adopted. The bill was approved and sent to the Senate floor.

S.F. 1046, authored by Sen. Randy Kelly (DFL-St. Paul), amends current law removing the requirement of a response action plan to receive a contamination cleanup grant from DTED. Kelly said the provision was adopted in 1996 and created a problem for the city of Winona in receiving a grant to redevelop a site. He said because the site was not contaminated, the Minnesota Pollution Control Agency (MPCA) would not issue a response action plan and thus the site was ineligible for the grant.

Louis Jambois, director of DTED's Contaminated Cleanup Grant Program said the city of Winona applied for the grant for a site that needs filling before it can be redeveloped. He said the MPCA's

health and safety evaluation of a site is one of many criteria DTED uses in deciding which projects are awarded grants.

Sen. Steve Kelley asked if it was appropriate to use contaminated cleanup funds for sites that are not contaminated. Sen. Randy Kelly said the program was designed to cleanup industrial sites that would not otherwise be cleaned up. "The end result is to prepare the land that is not being used. This site may not be contaminated but it's consistent with the overall goal of creating new jobs," Kelly said.

Sen. Edward Oliver (R-Deephaven), asked Kelly who owned the land in Winona. Kelly said he did not know but would get the information back to the committee. Novak said the bill would be discussed again once the land ownership question is answered.

Health care training program

Two bills establishing a health care and human services worker training and retention program were heard by the Jobs, Energy and Community Development Committee, Fri., Mar. 12. The committee is chaired by Sen. Steven Novak (DFL-New Brighton).

S.F. 915, authored by Sen. Shelia Kiscaden (R-Rochester), and S.F. 1317, authored by Sen. Linda Berglin (DFL-Mpls.), establish a worker training and retention program administered through the Dept. of Trade and Economic Development's Jobs Skills Partnership, and a health care and human services education grant program administered by the Dept. of Children, Families and Learning's Higher Education Services Office to address worker shortage problems in the health care and human services industry. Kiscaden said the two bills are identical but because funding has to be approved by both the Economic Development Budget Division, and the Health and Family Security Budget Division, the bills will be heard by several committees and consolidated later on in the session. She said the bills address inadequate compensation rates for health and human service workers, and alleviate worker shortages in the industries by establishing a consortium of business, education, and government organizations creating a worker training program designed to create better advancement opportunities for workers.

"The state of Minnesota needs to get smarter about how we deal with workforce recruitment and retention," Kiscaden said.

Berglin said the Dept. of Health informed her that in the past year 50 facilities in the state have been cited for inadequate staff to meet resident needs. She said the impact of the worker shortage problem causes many different problems according to the Dept. of Health, including residents going hungry due to lack of staff to assist at meal times, regular baths not being given, and medications being missed or not given at critical, scheduled intervals.

Novak said he thought the issue addressed by the bills was important but he was concerned about dedicating Job Skills Partnership funds to a specific industry. "I support the basic concept of the bill but this is a program that works and is funded on a limited budget," he said. Sen. Dave Johnson (DFL-Bloomington), agreed with Novak. "This is one program that works well, and has a very good track record with bipartisan support," Johnson said. He said that dedicating program funds to the health care industry would limit the effectiveness of the Job Skills Partnership but that health care organizations are still eligible to apply for the program's grants.

Sen. Arlene Lesewski (R-Marshall), said training is not the main issue in health care worker retention. The bigger problem, she said, is the wages are not enough to keep workers in the industry for the difficulty of the work involved. Kiscaden said the bills address the wage issue by providing training for skills that workers need to advance into higher paying jobs in the industry.

Sen. Linda Runbeck (R-Circle Pines) moved that both bills be laid on the table. She said the training programs proposed in the bills should be paid for from health care and human services budgets and not from limited economic development budgets. Kiscaden said that the bills addressed a jobs issue and thus she thought seeking economic development funds was appropriate. "This is the jobs committee. Health care jobs make up over 10 percent of our current workforce and the number is growing," she said. Runbeck's motion was not approved.

Sen. Steve Kelley (DFL-Hopkins), offered an amendment to S.F. 915,

eliminating the provisions relating to the Job Skills Partnership and an amendment to S.F. 1317 eliminating provisions relating to the health care education grant program. Johnson said he supported the amendments because they addressed the concerns raised in the bills and his concerns about dedicating Job Skills Partnership funds to a specific industry. Both amendments were adopted. S.F. 915 was approved and forwarded to the Children, Families and Learning Committee. S.F. 1317 was approved and forwarded to the Economic Development Budget Division.

The committee next heard S.F. 1647, authored by Kelley, restricting regulation of the Internet, interactive computer services, digital broadband services, and high speed data and Internet access services. Kelley said the bill opens up competition between cable and telephone companies servicing the transfer of high speed data over telephone lines by creating incentives for lower prices for consumers. He said the bill maintains regulation over current circuit switch technology commonly used for telephone calls, but deregulates the packet switch data technology used for data transfer and access to the Internet.

Yvonne Chung Ho from the Metropolitan Economic Development Association, said the bill creates a more level playing field for competitors in the telecommunications industry dealing with high speed data services. She said the bill will give the service providers greater flexibility to serve their customers. No action was taken on the bill.

Poultry litter energy bill heard

A bill adding poultry litter to the list of renewable energy resources was heard by the Jobs, Energy and Community Development Committee, Tues., Mar. 16. Sen. Steven Novak (DFL-New Brighton) is the chair of the committee.

S.F. 1630, authored by Sen. Steve Dille (R-Dassel), includes poultry litter as a renewable energy source that large energy facilities must explore as an alternative before receiving a certificate of need for electricity generation using nonrenewable resources. Dille said Minnesota is the number one turkey producing state, and with increasing discussion on feedlot issues, the state should look at new technologies in the energy industry. "This technology has been developed in

Great Britain. There are three electricity generating plants using turkey litter," he said.

Rupert Fraser, CEO of Fibrowatt Limited, the company that developed the poultry litter power plants, said land application and storage of turkey litter is becoming increasingly difficult and expensive in Minnesota. He said the state produces over 44 million turkeys a year. "The bill provides a 1.5 cent incentive payment for ten years, paid only when a poultry litter fired power plant has been built and is generating electricity," Fraser said. He said eventually the plant hopes to become self sufficient and would not need further state assistance.

Fraser said the technology meets all the Environmental Protection Agency (EPA) air standards as well as the standards of the Minnesota Pollution Control Agency (MPCA). He said the process produces no new carbon dioxide, and since it displaces coal fired electricity, it actually reduces the amount of carbon dioxide in the air. He said the process also reduces methane formation because manure storage and spreading is reduced. "We provide a large volume alternative to land disposal and storage that is economically sustainable and environmentally friendly," he said.

Sen. Arlene Lesewski (R-Marshall), offered an amendment allowing public utilities to enter into a fuel supply agreement obligating the public utility to purchase farm grown, closed loop biomass for use as a fuel in existing base load power plants as a substitute for coal or refuse derived fuel. Lesewski said that many farmers in her area have invested in the alfalfa biomass generation facility in Granite Falls, and the amendment allows those farmers an alternative to recoup some of their investment. "We need some alternatives in farming. The diversity in having another product, alfalfa available, is very important," she said.

Ken Campbell, from the Minnesota Valley Alfalfa Producers (MNVAP) said that the amendment does not mean the end of the project involving the facility constructed by the MNVAP under an agreement with Northern States Power (NSP) in partial satisfaction of the biomass energy mandate which was included in the 1994 Prairie Island legislation. He said MNVAP continues

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to work with NSP to address issues involved with the project. Sen. Kenric Scheevel, asked if the amendment reduced the state's commitment to biomass as a fuel alternative. Novak said the amendment creates an option for MNVAP for a different project. The amendment was adopted. The bill was approved and sent to the Economic Development Budget Division.

S.F. 1554, authored by Sen. Sam Solon (DFL-Duluth), allows the Seaway Port Authority of Duluth to also be known as the Duluth Seaway Port Authority. Solon said that whenever he has to look up the phone number for the port authority, he automatically begins by looking under the word "Duluth." He said the bill will lessen confusion over the name. The bill was approved and recommended for the Consent Calendar.

Housing bills heard

The Jobs, Energy and Community Development Committee, chaired by Sen. Steven Novak, met Weds., Mar. 17, to hear seven bills relating mostly to housing issues.

Novak offered S.F. 1792, modifying requirements for renewable energy development funding. He said the 1994 Prairie Island legislation created a renewable development fund for the purpose of developing new renewable energy projects. The legislation required Northern States Power Company (NSP) to annually transfer \$500,000 per spent nuclear fuel storage cask, to the fund beginning this year. He said the bill helps clarify issues raised by that legislation.

William Grant, from the Izaak Walton League, said representatives from coalitions have been meeting with NSP to try and work out an agreement on the projects to be funded. He said agreement has been reached that funds should be used to develop new renewable energy projects that bring economic development benefits to the state. Grant said an agreement has also been reached allowing NSP to recover an amount equal to account disbursements from its customers consistent with accepted rate making practices and approval by the Public Utilities Commission. "The bill is a good intermediate step to resolve issues that needed to be clarified," he said.

Sen. Janet Johnson (DFL-North Branch), said that while the bill tries to

clarify vague language in the 1994 legislation, there were several issues still not clear. "The bill doesn't require NSP to spend any money. It doesn't say who is going to administer the account, and when funds are going to be put into the account," she said, "There are a lot of ifs that need to be clarified. We don't pass language as an academic exercise. We need to get projects on the ground."

Novak said the bill was a compromise to move the process along. He said it was important for the committee to understand the funds were not tax dollars but funds generated from NSP's rates. He said if issues are not resolved between NSP and the coalition, he will pull the bill for another year. "There is quite a bit in here that is pretty good. The alternative, which I don't think is very good, is to let it stall for another year. This is real money going toward real projects," he said. The bill was approved and sent to the Senate floor.

S.F.1355, authored by Sen. James Metzen (DFL-South St. Paul), changes the name of the Dakota County Housing and Redevelopment Authority to the Dakota County Community Development Agency. Metzen said the bill also exempts the community development agency from the sales tax on the purchase of construction materials and equipment from certain portions of sewer and water access charges.

James Ulfers, from Dakota County, said some counties separate their housing and redevelopment authorities from their community development agencies but Dakota County thought it was more efficient in establishing its community development agency to incorporate it into its existing housing and redevelopment authority. The bill was approved and forwarded to the Committee on Taxes.

S.F. 808, offered by Sen. Randy Kelly (DFL-St. Paul), appropriates \$3 million in each year of the next biennium to the city of St. Paul for grants to be used for housing issues. Kelly said the bill has the support of the St. Paul City Council as well as the city's mayor.

Dan Bostrom, the council's president, said the money addresses serious housing issues in the city and will be used to maintain the viability of neighborhoods by restoring existing housing.

Sen. Steve Kelley (DFL-Hopkins) said he supported the concept of the bill but

because affordable housing is a statewide issue, questioned how the committee will decide which areas get money and which areas do not. "We need a fair and equitable way to distribute the money," he said.

Sen. Randy Kelly said money the state contributes brings in much more money from the private sector and local governments. "We are not talking about unique needs. We are talking about ubiquitous needs throughout the Metro area," Kelly said, "We are not assertive enough with our leadership in carving up the pie and addressing housing issues." The bill was approved and sent to the Economic Development Budget Division.

S.F. 1103, authored by Sen. John Hottinger (DFL-Mankato), appropriates \$60,000 in both FY 2000 and FY 2001 to the Minnesota Housing Finance Agency (MHFA) to services to reduce the health risk related to HIV/AIDs. "The face of the epidemic has changed. There has been a marked reduction in the mortality rate. As people are living longer the need for housing increases," Hottinger said.

Bob Tracy, from the Minnesota AIDS Project, said the bill establishes that the MHFA will be the lead agency in planning, coordinating, and financing the housing needs of people living with HIV. He said currently the MHFA, the Dept. of Health, and the city of Minneapolis operate similar but separate programs and that causes inefficiencies in the system. He said the bill provides funding for education to employers about HIV/AIDS in the workplace. The bill was approved and sent to the Economic Development Budget Division.

S.F. 1855 authored by Novak, creates a local government housing program to be administered by the Dept. of Trade and Economic Development, based on the federal community development block grant program. Novak said the bill provides flexibility to local governments to address housing issues. The bill was approved and forwarded to the Economic Development Budget Division.

S.F. 1010, authored by Sen. Richard Cohen (DFL-St. Paul), provides incentives for a voluntary inclusionary housing policy. The bill appropriates funds to the MHFA for the community rehabilitation account and the affordable rental investment fund to make grants for inclusionary housing.

Russ Adams from the Alliance for Metropolitan Stability, said the bill will encourage local community incentives to voluntarily bring common interests together. He said the bill eliminates barriers such as land costs, to provide affordable housing. Sen. Linda Runbeck (R-Circle Pines), said she was concerned with the provision in the bill appropriating money to be used to market the qualifying housing developments to communities of color. "Government should be race neutral. It's inappropriate for government to try and favor one group over another. This is way too much government preference," she said. Sen. Edward Oliver (R-Deephaven) agreed with Runbeck and offered an amendment deleting the provision in the bill.

Cohen said he opposed the amendment. "This is about inclusionary housing. It doesn't set any mandates or quotas. It simply attempts to bring information to communities that arguably don't have access." Oliver withdrew his amendment. The bill was approved and sent to the Economic Development Budget Division.

S.F. 1222, authored by Sen. Ellen Anderson (DFL-St. Paul), creates an affordable housing fund in the state treasury by crediting 30 percent of the proceeds or approximately \$20 million from the state tobacco settlement in fiscal years 1999 to 2003. "Twenty million will not solve the affordable housing problem, but we need funds. This puts an option on the table," she said. The bill was approved and sent to the Economic Development Budget Division.

Family law bills heard

The Judiciary Subcommittee on Family Law, chaired by Sen. Leo Foley (DFL-Coon Rapids) met Thurs., Mar. 11.

Sen. Don Betzold (DFL-Fridley) presented S.F. 947, a bill that alters factors the court considers under the Paternity Statute dealing with the payment of pregnancy and confinement expenses. The measure allows the court to consider the mother's lost wages as part of the reasonable expenses of the pregnancy that are subject to allocation between the parents. Betzold said the genesis of the bill involved a single mother who had a premature baby and took extended time off from her job to provide care for the child. The father refused to take time off from his job.

Roland Faricy, retired Ramsey County District Court judge, said the language of the current statute does not allow the mother's lost wages in such a situation to be subject to allocation between the parents. Also speaking in support of the bill was Steve Arnott, chair of the Legislative Committee of the Family Law Section, Minnesota State Bar Association (MSBA). He said a quarter of the children born in Minnesota are born out of wedlock. "This bill gives the courts the opportunity to provide equity when equity deserves to be done," he said. An amendment that includes the mother's lost wages due to medical necessity was adopted.

S.F. 947 was recommended to pass and referred to the full Judiciary Committee. Pieces of S.F. 1717, a bill sponsored by Sen. David Knutson (R-Burnsville), that provides federal conformity to child support enforcement provisions, will be amended onto S.F. 947.

Sen. Sheila Kiscaden (R-Rochester) offered S.F. 1017, a bill requiring the summons in marriage dissolution and civil actions to include notice of the alternative dispute resolution process. The bill specifies that parties are required to attempt alternative dispute resolution and specifies the types of alternative dispute resolution available. The bill also requires the summons in a civil action to include a statement that provides the opposing party with information about alternative dispute resolution under the Minnesota General Rules of Practice.

Under the bill, a victim of domestic abuse is not required to try mediation. An oral amendment, specifying that parties are encouraged rather than mandated to attempt alternative dispute resolution, was adopted. The amendment also specifies that a victim of threats of abuse need not participate in mediation.

Arnott also testified on behalf of S.F. 1017, saying he supports the bill as long as victims of domestic abuse are exempted from mediation. The bill was approved and referred to the Judiciary Committee.

Sen. Linda Runbeck (R-Circle Pines) sponsored S.F. 368, a bill that clarifies support withholding of income from certain independent contractors in the motor carrier industry. "The bill tries to keep child support flowing," Runbeck said. The bill was laid over for further consideration.

Child support bill discussed

The Judiciary Committee, chaired by Sen. Jane Ranum (DFL-Mpls.), heard numerous bills at the meeting Fri., Mar. 12. Sen. Leo Foley (DFL-Coon Rapids) presented S.F. 23, a bill that eliminates the administrative process for child support. A new expedited process in the judicial branch is established by the bill.

An amendment to the bill, offered by Foley, specifies the expedited process be streamlined and uniform statewide; be accessible to the parties without the need for an attorney, and minimize litigation; be a cost-effective use of limited financial resources; and comply with applicable federal law. The amendment was adopted. Another amendment stipulates that until June 30, 2000, the Office of Administrative Hearings may contract with the State Court administrator to provide one or more administrative law judges to serve as child support magistrates. The amendment, offered by Sen. Don Betzold (DFL-Fridley) prevailed.

An amendment by Foley, incorporating an oral amendment by Betzold, states that the expedited process may include contempt actions or actions to establish parentage. The amendment was adopted.

Laura Kadwell, Department of Human Services (DHS), said the department is looking for a process that is family friendly. She said DHS has not determined how to evaluate whether that goal is being reached. The bill was recommended to pass and referred to the Health and Family Security Committee.

S.F. 834, a bill changing requirements and procedures for the putative father's registry, was presented by Sen. David Knutson (R-Burnsville). The bill was approved and referred to the floor.

Ranum offered S.F. 569, a bill authorizing counties to establish programs for alternative responses to child maltreatment. Under the bill, alternative responses may include a family assessment and services approach under which the local welfare agency assesses the risk of abuse and neglect and the service needs of the family and arranges for appropriate services and referrals. An amendment, offered by Sen. Linda Berglin (DFL-Mpls.), provides for a chemical dependency treatment model for parents. The amendment provides services that may include allowing the children to stay with the parent at the treatment facility. The amendment was adopted.

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A concern with the mandatory nature of the bill was expressed by Tom Henderson, director of Brown County Social Services, and Marian Brandt, director of Sibley County Social Services. "Without funding in place, we're not interested in seeing this bill mandated across the state," Henderson said. An amendment, offered by Betzold, permitting rather than requiring a county to establish an alternative response program, was adopted.

S.F. 569 was approved and re-referred to the Health and Family Security Committee.

S.F. 148, providing for the protection of structured settlement agreements, was offered by Sen. Edward Oliver (R-Deephaven). Oliver said structured settlement agreements are payments made to an injured person who seeks damages. Typically an insurance company issues the voluntary payments in a stream of periodic payments, according to Oliver. He said the injured victim often sells the periodic payments to a factoring company for a lump sum, much less than the total amount of the structured payments. The payment address is changed, and the payments go to the factoring company. Oliver said if the patient changes the address back and begins receiving the payments again, the factory company sues. The bill specifies a transfer of payments must be authorized in advance by a court or responsible administrative authority. The bill outlines conditions of transfer of payment rights.

Chris Messerly, Minneapolis attorney, said that factoring companies typically go after an individual who was a minor when structured payments began. When the individual turns 18, he or she may want the lump sum to spend on a car or television and sells the structured payments. Money to be used for future medical needs of the individual is gone, according to Messerly.

Robin Shapiro, general counsel for the National Association of Settlement Purchasers, expressed concerns about the bill. He said the court should have the final word in a review of structured payments. He said the bill prevents adults who are competent from selling their structured payments without going to court. He also said the language in the bill is too broad. The bill was laid over for further consideration.

Structured settlements discussed

Discussion continued on S.F. 148 at the Judiciary Committee meeting Mon., Mar. 15. The committee, chaired by Sen. Jane Ranum (DFL-Mpls.), heard testimony on the bill, sponsored by Sen. Edward Oliver (R-Deephaven), that provides for the protection of structured settlement agreements.

Mike Carlson, general counsel for the Minnesota Bankers Association, said his organization does not have a position on the bill. He also said banks never make loans against structured settlements.

Sen. Linda Berglin (DFL-Mpls.) said the courts need to review the structured payment transfer to see whether it is in the best interests of the client. Oliver said currently the courts are only involved with minors. "Most proposals are done without court approval," he said. Oliver said the bill provides for court involvement.

Randy Dyer, executive director of the Structured Settlement Trade Association, said the annuity company has the same obligation, whether it is to the client or the factoring company. He cited cases in which an annuity company has been ordered to pay twice.

Sen. Allan Spear (DFL-Mpls.) said he sees the situation as two trade associations battling over an issue. He said he believes consumers should be able to make a choice in their best interests as to whether they transfer their structured payments. The bill was laid over for further consideration.

H.F. 346 was presented by Sen. John Hottinger (DFL-Mankato). The bill prohibits certain contracting arrangements for freelance court reporting services. Under the bill, a long-term contract is not banned, but must be disclosed. The bill was recommended to pass and sent to the floor.

Two bills sponsored by Sen. Don Betzold (DFL-Fridley) were held over. S.F. 1389 clarifies and provides for data classifications. S.F. 653 is the omnibus data practices bill.

Sen. Steve Kelley (DFL-Hopkins) offered S.F. 938, a bill that grants immunity from liability to complainants who cooperate with the Board of Psychology. The bill modifies provisions relating to psychologists' licensing. The bill was approved and re-referred to the Crime Prevention Committee.

Sen. Sheila Kiscaden (R-Rochester)

authored S.F. 212, a bill that provides data privacy for certain public utility customer data. Under the bill, data on customers of municipal electric utilities are private data on individuals or nonpublic data, but may be released to a law enforcement agency in connection with an investigation; a school for purposes of compiling pupil census data; or the Metropolitan Council for use in studies or analyses required by law.

Under the bill, a person seeking access to data about customers of nonelectric municipal utilities may be required to give the reason for seeking the data. Betzold said he has problems with a person being required to explain why he or she wants the public data. He offered an amendment deleting the requirement. The amendment was adopted. S.F. 212 was recommended to pass and re-referred to the Jobs, Energy and Community Development Committee.

Structured settlement bill okayed

The bill regulating the transfer of structured settlements was approved and sent to the full Senate at the evening meeting of the Judiciary Committee Tues., Mar. 16. The bill, S.F. 148, sponsored by Sen. Edward Oliver (R-Deephaven) and Sen. Dave Johnson (DFL-Bloomington), had been heard previously by the committee. Members, chaired by Sen. Jane Ranum (DFL-Mpls.), quickly adopted several amendments before approving the measure. One amendment, offered by Sen. Allan Spear (DFL-Mpls.), removes the authority of an insurance company to veto the transfer and, at the same time, adds a hold harmless provision that eliminates the chance that the insurance company could be held liable. Another amendment, offered by Spear, specifies that if the value of the payment is less than \$50,000, the parties do not need to go to court but all other provisions in the bill continue to apply to the transfer. Sen. David Ten Eyck (DFL-East Gull Lake) offered an amendment to the amendment reducing the amount to \$5,000. The amendment to the amendment was adopted. Both Spear amendments were also adopted. Ten Eyck offered another amendment, which was adopted, specifying that the transfer agreement provide that any disputes between the parties will be governed in accordance with the laws of Minnesota and that the domicile state

of the payee is the proper place of venue to bring any cause of action arising out of a breach of the agreement.

Members also approved a bill allowing the reporting by health professionals concerning injuries to a driver resulting from alcohol or controlled substance related accidents. S.F. 443, sponsored by Sen. John Marty (DFL-Roseville), also provides for civil and criminal immunity for reports made by health professionals made in good faith and exercising due care.

Debate on the measure centered around whether the patient should be informed that data provided to the health professional may be used in a report made to law enforcement. Language in the bill exempted the requirement for the health professional to inform the patient. Members said that the reporting differed, though, from mandatory reports made in incidents of gunshot wounds and burns because the report was made about someone other than the patient. Sen. Don Betzold (DFL-Fridley) offered an amendment requiring a health care professional to inform an individual who is asked to supply data that the data may be used to make a report. The amendment was adopted. A second Betzold amendment, removing members of municipal or volunteer fire departments and emergency medical services personnel from the definition of health professionals authorized to report, was also adopted. The bill was approved and sent to the full Senate.

A bill, S.F. 1202, establishing a protocol for occupational exposure to blood borne pathogens in emergency medical service and correctional settings, was also approved and sent to the full Senate. The measure, sponsored by Spear, provides for notice to the person, provides for the exchange of data about a source individual as necessary to locate an individual who is not being treated, provides for the notice that must be given to a source individual before seeking consent to participate in the procedures, provides for disclosure, outlines consent requirements and provides for the testing of available blood and specifies the circumstances under which testing may be done with or without consent. In addition, the measure limits the use of test results, provides for confidentiality, details the protocols for exposure to blood borne

pathogens and provides penalties.

The committee also approved, and sent to the full Senate, a bill prohibiting the filing of fraudulent liens. Chief author, Sen. Richard Cohen (DFL-St. Paul), said the bill is designed to protect public officials and employees by prohibiting the filing of fraudulent liens. The measure also provides civil remedies.

S.F. 947, carried by Betzold, allows courts to consider the mother's lost wages due to medical necessity as part of the reasonable expenses of the mother's pregnancy and confinement subject to allocation between the parents. An amendment, offered by Sen. David Knutson (R-Burnsville), contains the federal compliance portions of an agency bill relating to child support enforcement. Knutson said that under Senate rules, the agency bill, S.F. 1717, was introduced too late in the session to be heard by the committee. However, because the federal compliance portions of the proposal have huge financial implications for the state, he was offering those portions as an amendment to Betzold's bill. The amendment changes procedures and requirements for child support enforcement. In addition, the measure sets forth penalties for not paying child support, including the suspension of recreational licenses. The amendment was adopted and the measure was re-referred to the Health and Family Services Committee.

Members also quickly advanced, without discussion, a bill dealing with the Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and Interior Design. The measure, S.F. 1485, authored by Sen. Linda Scheid (DFL-Brooklyn Park), no longer contains provisions under the panel's jurisdiction.

Finally, the committee began discussion on a bill relating to contracts for deed. S.F. 1371, sponsored by Sen. Ellen Anderson (DFL-St. Paul), contains provisions specifying the minimum contents of contracts for deed, providing for disclosure, modifying requirements for recording contracts for deed and establishing a civil cause of action. No action was taken on the measure.

Traffic light photo bill stalls

A bill to allow photographs as evidence to detect traffic signal violations was laid on the table at the Weds., Mar. 17,

meeting of the Judiciary Committee. The bill, S.F. 487, authored by Sen. Leo Foley (DFL-Coon Rapids), authorized the commissioner of transportation, in consultation with the commissioner of public safety, to set up a pilot project--in Minneapolis and two other cities--using photographs taken by an automatic camera as evidence of traffic signal violations. Foley said that a number of other states, cities and countries allow the use of photographs as evidence when issuing citations for running red lights.

Foley offered an amendment striking language that prohibits photos of the occupants of the vehicles and limiting the photos to the vehicle only. However, one area of debate on the bill centered around the difficulty of identifying who would be responsible for the violation if someone other than the vehicle's owner was driving at the time of the violation. Sen. Don Betzold (DFL-Fridley), offered an amendment requiring that the citations for traffic signal violations must include a copy of the photograph that is evidence of the violation.

In addition, Sen. Warren Limmer (R-Maple Grove), questioned whether or not an individual's privacy is violated by the operation of the cameras. Foley responded that the expectation of privacy does not apply in situations of traffic law violations. Sen. Deanna Wiener (DFL-Eagan) moved to reinstate the language stricken by the Foley amendment. Wiener's amendment, then, specifies that the photographic systems are to be operated in such a manner that the violating vehicle is identified by the photo but the occupants of the vehicle are not. Members adopted the amendment. Foley then moved to that the bill be laid on the table. The motion was adopted.

In other action, the committee approved three bills and recommended their placement on the Consent Calendar. S.F. 1009, authored by Foley, revives the summary dissolution process. Foley said that the bill is needed because, although people are still using the summary dissolution process, the statutory authority for the process expired July 1, 1997. The bill has a retroactive effective date of July 1, 1997, so that dissolutions entered into using the process are still valid.

S.F. 1017, sponsored by Sen. Sheila Kiscaden (R-Rochester), requires that the

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summons in marriage dissolution and civil actions include a notice regarding the alternative dispute resolution process. The bill provides that the notice include language encouraging parties to attempt alternative dispute resolution. S.F. 973, carried by Sen. Randy Kelly (DFL-St. Paul), requests the Supreme Court to study and make recommendations regarding juror compensation. Kelly said the bill arose because some jurors in the recent lengthy tobacco trial experienced financial hardship as a result of serving on the jury.

Members also approved a bill limiting municipal power agencies liability for land owned by the agency that is used for recreational purposes. S.F. 556, authored by Sen. Pat Piper (DFL-Austin), was approved and sent to the Senate floor. S.F. 451, carried by Sen. Jim Vickerman (DFL-Tracy), eliminates the requirement that a full legal description be used in financing statements that cover crops. The measure was approved and sent to the full Senate.

S.F. 884, sponsored by Sen. Steve Dille (R-Dassel), authorizes a reduced fee for marriage licenses for couples who obtain premarital education. Under the bill, the license fee is reduced from \$70 to \$20 for couples who obtain 12 hours of premarital education. Further, the bill specifies the education must include a discussion of the seriousness of marriage, the teaching of conflict management skills and the desirability of seeking marital counseling in times of marital difficulties. The measure was approved and referred to the Crime Prevention and Judiciary Budget Division.

K-12 Education Budget Division

Technology grants discussed

The K-12 Education Budget Division, Sen. Lawrence Pogemiller (DFL-Mpls.) chair, met Fri., Mar. 12, to consider several bills relating to technology and telecommunication access grants.

Mark Manning, Dept. of Children, Families and Learning, gave the committee an update on technology integration. He said the primary focus has been to increase the infrastructure in schools. Over 8,000 teachers have taken staff development classes via the communications link, he said.

Sen. Martha Robertson (R-Minnetonka) presented S.F. 1366 and Sen. Steve Kelley (DFL-Hopkins) offered S.F. 1174. Both bills modify provisions related to telecommunications access grants (TAG). The TAG project funds access to the Learning Network of Minnesota, a successful Internet and video network that makes a broad range of courses and learning resources available to students throughout the state. The original TAG legislation sunsets on July 1, 1999. The bills allow for the continuation of the network and the TAG project.

Kelley said the TAG project ensures equal access to the network by providing schools with the same level of access despite cost disparities. Anne Prinsen and Trevor Huggins, students from Grand Marais Schools, told the committee how vital the network link is to them. "We are isolated from a lot of art and cultural centers. The Internet brings them closer. It allows us to "visit" museums and cultural centers around the world," said Prinsen.

Peg Werner, Minnesota Education Telecommunications Council, summarized the difference between the two bills. Werner said that S.F. 1136 appropriates \$19 million to update the analog system to digital technology and funds Internet access for two years. She said S.F. 1174 appropriates \$24 million to upgrade equipment, keep Internet access for all schools, and in some cases increase the bandwidth. Portions of both bills were recommended for inclusion in the K-12 omnibus bill.

Sen. Dean Johnson (R-Willmar) presented S.F. 1503, a bill appropriating money for a grant to the Bird Island-Olivia-Lake Lillian School District for the development of a pilot technology training site for students in grades 11 and 12. The pilot also serves as a site for an internship program for Ridgewater College students. The bill was recommended for inclusion in the K-12 omnibus bill.

A bill authorizing a technology grant for the Battle Lake School District was offered by Sen. Cal Larson (R-Fergus Falls). The bill, S.F. 1378, appropriates \$266,000 in FY 00 and must be matched dollar-for-dollar with district revenue from other sources. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Steve Morse (DFL-Dakota) offered S.F. 986, a bill authorizing a grant to the Winona School District for a full day kindergarten program at Jefferson Elementary School. Nancy Wondrasch, principal, Jefferson Elementary School, said a full day kindergarten pilot program for ESL students is being provided this year. Based on assessments made at the end of the first semester for the 1997-98 and the 1998-99 school years, the students who attend the all day kindergarten program are doing much better than the students from the previous years, said Wondrasch. She said the school district has the facility for the program, but they are in need of funding. She added that the parents of upcoming kindergarten students support the program completely.

Facilities bills heard

The K-12 Education Budget Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met Tues., Mar. 16, to discuss bills that incorporate recommendations of the Facilities Task Force.

Sen. Charles Wiger (DFL-North St. Paul) offered S.F. 597, a bill consolidating several facilities levies into a single facility levy that is equalized. The bill consolidates levies including debt service equalization, alternative bonding and levy program, historic building, health and safety, handicapped access and fire safety, building construction, building lease, and cooperative building repair. Tom Melcher, Dept. of Children, Families and Learning, said currently, different formulas are used for different facilities aids. He said the consolidation of the levies creates one formula that applies to all the consolidated levy programs. The bill was recommended for inclusion in the K-12 omnibus bill.

Wiger offered two other bills relating to facilities. The first, S.F. 1301, is a bill creating a facilities maintenance management procedure for school district maintenance and housekeeping activities. Members decided the bill was not in the direction of the committee and the bill was not approved. The second bill relating to facilities, S.F. 1302, authorizes funding for facilities management and requires a local match. Members discussed the bill briefly, but no formal action was taken.

A bill reducing the space requirement for the alternative facilities bonding and

levy program was offered by Sen. Steve Kelley (DFL-Hopkins). The bill, S.F. 1532, changes the space requirement from 1,850,000 square feet of space to 1,000,000 square feet of space required for a school district to qualify for participation in the alternative facilities bonding and levy program. Barbara Moore Pulliam, superintendent, St. Louis Park Schools, said the average age of buildings in the district is over 30 years. The district does not have enough capital to support the maintenance costs involved with the upkeep of older buildings, she said. Having an alternative method of financing maintenance projects benefits the children and the teachers by providing a better learning and working environment, said Pulliam. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Steve Dille (R-Dassel) offered S.F. 1514, a bill authorizing a technology grant for the Dassel-Cokato School District. Dille said Dassel-Cokato was one of the school districts that had a capital shortfall because of the prevailing wage law. Dassel-Cokato Superintendent Ed Otteson said the district needs the grant in order to upgrade education technology and address Year 2000 problems. The bill was recommended for inclusion in the K-12 omnibus bill.

A bill authorizing a technology integration grant to the Le Center School District was offered by Sen. Thomas Neuville (R-Northfield). Neuville said the Le Center School District was also one of the 16 school districts affected by the prevailing wage law. He said the grant is restitution – it gives something back to Le Center that they had no control over losing. Sen. Kenric Scheevel (R-Preston) said the committee should look at all the districts affected by the prevailing wage law and address the problem. The bill was recommended for inclusion in the K-12 omnibus bill.

Library bills heard

The K-12 Education Budget Division met Weds., Mar. 17, to discuss bills relating to library grants. The division is chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

Sen. Sandra Pappas (DFL-St. Paul) presented S.F. 850, a bill appropriating money for basic system support grants and multi-county, multi-type library systems. The bill also provides funding

to the libraries in Minneapolis, St. Paul, and Duluth for the preservation of special collections. Mary Lawson, Minneapolis Public Library, said preservation of rare and old library material benefits everyone. Lawson showed members examples of old books and sheet music that have been preserved using different preservation methods. Pappas said the funds are needed because the Legislature has not approved an increase in the basic library grants since 1991. "The grant funds every library and the libraries touch everyone in the state," said Pappas.

A bill continuing a library project between a public library and the Nashwauk-Keewatin High School was offered by Sen. Bob Lessard (DFL-Int'l. Falls). The bill, S.F. 1706, makes permanent a pilot program that has been in existence for two years, said Lessard. The bill also provides for the creation of a library board and sets at \$25,000 the amount of tax that the board can levy. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Thomas Neuville (R-Northfield) presented S.F. 853, a bill appropriating money for the Minnesota Library for the Blind. The bill appropriates money for compact shelving, technology and staffing for the library. The bill was recommended for inclusion in the K-12 omnibus bill.

A bill expanding learning academy training to include school media and information technology professionals and courses on new technologies was offered by Sen. Martha Robertson (R-Minnetonka). The bill, S.F. 988, permits publicly funded or nonprofit libraries, in partnership with school libraries, public libraries, or public library systems, to apply for grants. The bill also expands the database access program to include state government agency libraries and public or private college or university libraries. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Dave Johnson (DFL-Bloomington) offered S.F. 1221, a bill dealing with the impact of expansion of the Minneapolis-St. Paul International Airport. Johnson said the bill provides special funding to the school districts in the airport impact zone affected by the expansion of the north/south runway at the airport.

Dr. Barbara Devlin, superintendent, Richfield Public Schools, said it is

anticipated that at least 320 students and their families will be displaced due to the runway expansion. She said that two thirds of the families will relocate to other communities, resulting in a projected loss of approximately 214 students. Devlin said that since operating a school requires certain fixed costs, regardless of the number of students, a reduction in the number of students will result in four of the district's schools being more expensive to operate on a per pupil basis. The section of the bill relating to education was recommended for inclusion in the K-12 omnibus bill. The remainder of the bill was recommended to pass and re-referred to the Children, Families and Learning Committee.

Local and Metropolitan Government

Shooting ranges bill heard

A bill preserving shooting ranges from planning and zoning laws and ordinances was heard by the Local and Metropolitan Government Committee, Fri., Mar. 12.

S.F. 592, authored by Sen. Jim Vickerman (DFL-Tracy) the committee chair, requires local units of government to permit existing shooting ranges to continue operation even if the local zoning ordinance for the surrounding area changes. Vickerman said the exact same bill passed the Senate in 1995 and promotes the safety and enjoyment of shooting sports by preserving shooting ranges.

Former Representative Fred Norton, from May Township in Washington County, spoke against the bill. Norton said he and his wife moved to May Township in 1987 next to the Kelly Farms Gun Range. He said the gun range expanded from three shooting sites to ten. "There is so much noise in our backyard that we are unable to carry on a conversation without shouting or standing a foot or two in front of each other," he said. He said the town board passed a noise ordinance and worked out an agreement with Kelly Farms to restrict their fall shooting league from 3 p.m. to 6 p.m. "It was an example of local government working out a deal everyone was satisfied with," Norton said, "This will makes an enormous exception to the rights of local control. There is no

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balance in the bill in respect to the rights of citizens.”

Bill Voedisch, the chair of the May Township board, said before the ordinance was passed and the agreement with Kelly Farms worked out, there were 1,400 rounds being shot off every night, one every six seconds. “The bill ignores the noise impact which is a significant factor in the quality of life,” he said.

Remi Stone, from the League of Minnesota Cities, said the league has concerns with the bill taking authority away from local government units. She said the league takes no position on bills dealing with legally operating businesses, but opposes bills restricting local authority. “Equal protection must be given to landowners and businesses when balancing competing interests,” she said.

Sen. Claire Robling (R-Prior Lake), offered an amendment requiring approval from the local zoning authority before there is an expansion in events, activities, or facility size at a shooting range. She said the amendment addresses the concerns raised by local authorities and would maintain local government’s ability to enforce ordinances. The amendment was adopted.

Sen. Sandra Pappas (DFL-St. Paul), said she was concerned about the legality of provisions in the bill establishing voluntary guidelines adopted by the Dept. of Natural Resources for shooting ranges, and making other provisions of the bill contingent upon a shooting range meeting those guidelines. She offered an amendment striking the word “voluntary” from the bill and deleting a section establishing contingency guidelines. The amendment was adopted. Pappas offered another amendment striking a section of the bill stating it is the policy of the state to implement the constitutional right to hunt. She said similar purpose statements in other legislation have been eliminated. The amendment was not adopted. The bill was approved and sent to the Senate floor.

S.F. 817, authored by Sen. David Ten Eyck (DFL-East Gull Lake), restricts local government authorities from prohibiting or limiting forestry activity that is conducted according to generally accepted silviculture practices, on forest land. Terry Weber, from the Minnesota Forestry Association, said the bill insures that private woodland owners have the flexibility to practice long term and

sustainable forest management practices to achieve their personal management goals. He said silviculture practices are to forestry as horticulture practices are to gardening.

Don Arnosti, from the National Audubon Society, speaking against the bill, said that the assumption that there are “generally accepted silviculture practices” is not true. He said because the bill does not address an immediate crisis, it is better to consider and discuss how many silvicultural practices can be generally accepted. John Curry, from the Minnesota Center for Environmental Advocacy, said the center opposes the bill because it undercuts the approach taken by the Forest Resources Council in resisting a “one size fits all” approach to forestry management. Pappas offered an amendment striking language in the bill relating to the “irreputable presumption” of “generally accepted silviculture practices.” The amendment was adopted. Sen. Carol Flynn (DFL-Mpls.) offered an amendment striking the words “right to practice forestry” in the heading of the bill. The amendment was also adopted. The bill was approved and forwarded to the Environment and Natural Resources Committee.

Pappas offered S.F. 768 allowing the Ramsey County board and a bargaining representative to waive provisions dealing with competitive examinations and eligibility lists for positions included in the bargaining unit. Gale Blackstone, the director of Ramsey County’s personnel department, said the county has had difficulty recruiting and retaining workers for management positions. She said the bill provides more flexibility in hiring personnel. Steve Hunter, from the American Federation of State, County, and Municipal Employees (AFSCME), said the union originally had concerns with the bill, but worked with Pappas to amend the original bill to address its concerns. The bill was approved and recommended for the Consent Calendar.

Four bills approved

The Local and Metropolitan Government Committee, chaired by Sen. Jim Vickerman (DFL-Tracy), met the afternoon of Mon., Mar. 15, to hear four bills.

S.F. 1524, authored by Sen. Lawrence Pogemiller (DFL-Mpls.) appropriates \$5 million in FY 2000 to the Metropolitan

Council to be used as a local match for a federal empowerment zone designation grant awarded in 1999. Pogemiller said the grant, which was one of fifteen awarded nationally, will be used to redevelop an industrial park in Southeast Minneapolis, the industrial area around Highway 280, and the Sears location on Lake Street in Minneapolis.

Joan Campbell, a Minneapolis city council member, said the grant provides \$100 million for development, and \$230 million in federal tax credits to create a tax increment financing district. She said the private sector has already committed over \$1.5 billion for the redevelopment. “This is a very exciting project for the city and the entire state,” Campbell said. Bill Tetzlaff, from the Minneapolis Community Development Agency, said the \$5 million appropriation will be used for clean up of the Sears parking lot. The bill was approved and sent to the Jobs, Energy and Community Development Committee.

S.F. 1225, authored by Sen. Charles Wiger (DFL-North St. Paul), deletes a joint metropolitan agency financial report required by the Legislature from the Metropolitan Council. Wiger said the report was mandated before the Metropolitan Council, the Regional Transit Board, and the Metropolitan Waste Control Commission were consolidated. He said the information contained in the report is now included as part of the Met Council’s annual report to the Legislature. The bill was approved and recommended for the Consent Calendar.

Sen. Steve Kelley (DFL-Hopkins), offered S.F. 1188, increasing the statutory limits in the Uniform Municipal Contracting law. Kelley said the bill provides that a contract in excess of \$50,000 requires the competitive bidding process be used while contracts between \$10,000 and \$50,000 could be made either by bid or by direct negotiation. He said currently the law requires bids for contracts over \$25,000. “This bill is designed to reflect the effects of inflation on bidding law. The law was last amended seven years ago raising the threshold from \$15,000 to \$25,000,” he said. The bill was approved and sent to the Senate floor.

Sen. Claire Robling (R-Prior Lake), offered S.F. 916, establishing a water and sanitary sewer district in the Cedar Lake

area in Scott County. Robling said that many of the homes in the area were established originally as seasonal cabins but now are used for year round residences. She said the septic systems of the homes are no longer in compliance with the Minnesota Pollution Control Agency (MPCA) standards, and the bill allows residents in the townships of Helena and Cedar Lake, to connect with the city of New Prague's sewer system.

Robert Braudtigam, chair of the Health and Sanitary Committee of the Cedar Lake Improvement District, said the committee has worked with the MPCA and the Minnesota Public Facilities Authority to develop a comprehensive plan for the area. He said the bill is needed to proceed with the project. Robling offered an amendment restricting the comprehensive plan to include no more than 325 connections to the disposal system. The amendment was adopted. The bill was approved and referred to the Committee on Taxes.

Firearms bill heard

A bill limiting regulation of firearms by local units of government, was heard by the Local and Metropolitan Government Committee, Weds., Mar. 17. The committee is chaired by Sen. Jim Vickerman (DFL-Tracy).

S.F. 1135, authored by Sen. Douglas Johnson (DFL-Tower), gives the Legislature preemption authority over any political subdivision in the state in issues relating to firearms. The bill limits local authority to regulate gun shows, firearms dealers, dealers in firearms components, or to regulate the possession, ownership, transport, carrying, transfer, sale, purchase, licensing, or registration of firearms, ammunition or firearms components. "This bill is modeled after a law that was recently passed in Georgia," Johnson said.

He said the bill restricts local units of government from bringing a lawsuit against a firearms or ammunition manufacturer or dealer, and leaves that authority to the state. "Because of the billion dollar tobacco settlement, people see it as a way to get a large amount of revenue through lawsuits," Johnson said, "The distinction is that the lawsuit against the tobacco industry involved actual deception and fraud. I don't think the gun industry has hidden the fact from anyone that guns can wound and kill."

He said costs of lawsuits and settlements cause the price of products to increase statewide.

Doug Evans, from Magnum Research, a firearms company in Fridley, said because of state, county, municipal, and federal laws and regulations, the gun industry is very closely managed. "We are a very legal business. We sell high quality firearms for high prices. If we would be sued by one or more cities, we'd be out of business," Evans said.

David Feinwachs, an attorney speaking in favor of the bill, said local zoning ordinances have unfairly targeted firearms businesses. He said the city of St. Paul ordinances are stricter on the sale of firearms than they are for businesses that sell pornography. "Cities have abused their powers to exterminate firearms businesses," he said, "This bill attempts to shore up the Minnesota preemption statute."

Mark Sump, from the Citizens for a Safer Minnesota, said different sized cities have different perspectives on gun laws and local control is needed to make the decisions necessary. "The decision about gun violence needs to be left with people that deal with them on a daily basis," he said. Mary Garcia from the St. Paul Ecumenical Alliance of Congregations said the bill preempts the right of citizens to have a voice in allowing firearms businesses in the community. "If this bill passes, the state would be protecting gun manufacturers," she said, "Gun manufacturers have to be held accountable for their marketing techniques."

Jerry Blakey, a St. Paul City Council member, said the city needs the authority to make decisions about how to deal with the impact of violence in the community. "We are paying for the proliferation of guns in our community," he said, "Eighty percent of gunshot victims do not have insurance. We end up paying their costs. If a frivolous lawsuit is the concern, let it go forward and let the judge throw it out. We need local authority."

Sen. Carol Flynn (DFL-Mpls.) offered an amendment deleting the provision of the bill restricting local zoning. "This doesn't take away the thrust of the bill, but it restores local authority," she said. The amendment was not adopted.

Sen. Sandra Pappas (DFL-St. Paul), said the problem of gun violence is becoming a critical issue in the Metropolitan Area. "We've seen a dramatic

increase in gun violence in St. Paul. This is a very real issue. This bill is not helpful in resolving the issue. It is a serious encroachment on local authority," she said.

Johnson said the issue also exists in Greater Minnesota, but he differed from Pappas on the focus of the solution. "We have a philosophical difference. We have gun violence in my part of Minnesota. This is about individual responsibility," Johnson said, "Let's deal with those who use guns improperly and not punish good, law abiding citizens." The bill was approved by a 9-3 vote and sent to the Judiciary Committee.

The committee heard three other bills. S.F. 1246, authored by Sen. Leonard Price (DFL-Woodbury), extends the sunset from August 1, 1999 to August 1, 2001 on a pilot program in Washington County. The program allows a resident of the county to submit a form removing their name, address and other information from lists generated by the county and sold to businesses conducting marketing surveys, and solicitation. The form is included with property tax statements sent out by the county. "If you don't like to get calls about aluminum siding, this is the way to prevent that," Price said. The bill was approved and forwarded to the Committee on Taxes.

S.F. 376, authored by Sen. Sam Solon (DFL-Duluth), increases the amount of per diem for board members of the Western Lake Superior Sanitary District, from \$35 to \$50. Sen. Becky Lourey (DFL-Kerrick) offered an amendment to also make board members of the Moose Lake Windom Area Sewer District eligible for the increase. The bill was approved and recommended for the Consent Calendar.

S.F. 234, authored by Sen. Linda Higgins (DFL-Mpls.) extends the sunset of the Metropolitan Radio Board from July 1, 1999 to July 1, 2004. Dave McCauley, the chair of the board, said the board was established by the Legislature in 1993 to develop a system for a region wide public safety radio system. Pat McGowan, Hennepin County Sheriff, said the board is important for public safety in the Metropolitan Area, bringing together emergency services by allowing the different agencies a method to communicate with each other. The bill was approved and sent to the Senate floor.

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LRT financing bill advances

A bill financing the proposed light rail transit (LRT) system by authorizing county regional rail authorities (RRA) to levy taxes was approved at the evening meeting of the Local and Metropolitan Government Committee Weds., Mar. 17. The bill now goes to the Property Taxes and Local Government Budget Division.

The committee considered S.F. 828, sponsored by Sen. Carol Flynn (DFL-Mpls.). Flynn said the bill authorizes counties to issue general obligation bonds without a referendum. The panel adopted an amendment Flynn offered taking the LRT planning and operating authority away from the county RRAs and giving it to the Metropolitan Council and the Dept. of Transportation. Flynn said that several years ago the planning authority was taken away from the Met Council and given to the counties. That caused problems, she said, because each county adopted a "me too" mentality in all of their individual planning instead of co-ordinating plans for a comprehensive system. She added that the planning will be more rational if done by the council.

Addressing the financing issue, Sen. Leonard Price (DFL-Woodbury), asked if it was typical for a county to have the authority to sell bonds without a referendum. Gregory Failor, a lobbyist for Hennepin County said it is atypical, but the committee has the jurisdiction to grant exceptions to the referendum requirement.

Sen. Charles Wiger (DFL-North St. Paul) asked how the chair and members of the Met Council feel about light rail. He said the question is especially important in light of the fact that the entire council will be appointed by the governor. Jim Solem, regional director for the council, said that the chair favors it and the governor will appoint members who also favor it.

Opposition to the bill was voiced by Tom Mahowald, a south Minneapolis resident, who said he was concerned about increased property taxes resulting from the bond sales, especially if it is done without a referendum. He urged members to defeat the bill. Committee Chair Jim Vickerman (DFL-Tracy) told Mahowald that if the bill is approved by the panel, it will have to be heard in the Taxes Committee to address that issue. Barry Tilley, representing Dakota

County, also expressed reservations about the bill. He said that Dakota County residents shouldn't have to pay for the system if it didn't cross the river. The committee approved the bill on a 6-3 roll call vote.

The committee also approved S.F. 1463, sponsored by Sen. Jane Krentz (DFL-May Township). Krentz said the bill gives townships the authority to create a capital reserve fund at the annual town meeting. She said that townships do this already, but it should be specifically authorized in law. The bill now goes to the Senate floor to be placed on the Consent Calendar.

The panel also approved for placement on the Consent Calendar S.F. 1660, carried by Wiger. He said the bill extends an exemption for two years from law granted by the Board of Innovation and Cooperation to Itasca County regarding a managed care chemical dependency treatment center and grants an exemption from law to Dakota, Ramsey and Washington Counties concerning pre-admission screening to a Medicaid certified care facility until 2003.

The panel spent considerable time discussing S.F. 1279. Sen. Dan Stevens (R-Mora), sponsor of the measure, said it requires the state to transfer land of equal value to the county any time the state purchases land in a county where over half of the acreage is publicly owned. Panel members expressed numerous concerns about the bill, including why the state should fall under the obligation when much of the public land in several Northeastern counties is owned by the federal government or other public entities. Since the companion bill has passed out of the policy committee in the other body, Stevens offered to lay the bill on the table until after the first deadline. The committee adopted the motion.

The panel also discussed S.F. 604, carried by Sen. Sandra Pappas (DFL-St. Paul). She said that under the bill, whenever a municipality authorizes a construction contract for more than \$2 million, and receives at least one-third of the cost from the state, the State Designer Selection Board must choose the primary designer. Pappas said it is a matter of being good trustees of state resources. Members were concerned that the process could delay school building projects and that the municipalities

weren't allowed to be accountable for their two-thirds share of the cost. The bill was laid over so a compromise agreement could be worked out.

Rules and Administration

Rules amended

The Rules and Administration Subcommittee on Permanent and Joint Rules met Thurs., Mar. 11, to continue consideration of changes to the Permanent Rules of the Senate. The panel, chaired by Sen. Ember Reichgott Junge (DFL-New Hope), adopted a number of amendments to a draft proposal that recodifies existing rules. The draft proposal, offered by Sen. Don Betzold (DFL-Fridley), reorders the rules and places rules dealing with related subject matter together.

Several of the amendments were of a technical nature and were adopted with no discussion. Two more substantive proposals, though, touched off extensive discussion. Sen. Roy Terwilliger and Junge both offered amendments relating to conflict of interest. The Terwilliger amendment contains conflict of interest language similar to that in statute for the executive branch. Terwilliger said, "We should be, at some point, defining conflict of interest keeping in mind the important distinction that Legislators have other jobs, while employees of the executive branch are full time." The amendment also prohibits a member or employee from accepting a consulting arrangement or other contractual relationship with the state or any of its instrumentalities, the University of Minnesota, a political subdivision in this state, or any other organization that receives a direct appropriation of money from the state. However, the amendment also provides that the prohibition doesn't apply to a member who has a bona fide employer-employee relationship with one of these entities.

In the discussion that followed, Sen. Dennis Frederickson (R-New Ulm) said that he wondered if the prohibition language "cast too wide a net," and would be unworkable. Sen. Allan Spear (DFL-Mpls.) said that he considered the issue to be one of disclosure rather than outright prohibition.

Junge then offered an amendment outlining a process for dealing with conflict of interest situations. The

amendment provides that a member may request the Subcommittee on Ethical Conduct to provide advice on a potential conflict of interest to the member in private. Further, the amendment outlined steps to be taken in the event a member, who in the discharge of senatorial duties, would be required to take an action or make a decision that would substantially affect the member's financial interest or those of an associated business.

Sen. Dean Johnson (R-Willmar) said that the ultimate judges are members' constituents. "I'm not sure we have a problem in the Minnesota Senate," he said. Members adopted an altered version of the Junge amendment that provides for a member to seek advice from the Subcommittee on Ethical Conduct in private and cross references the conflict of interest statute in the rules.

The panel also considered an amendment, presented by Sen. Dan Stevens (R-Mora), requiring the Senate to act on gubernatorial appointments within one year. Stevens said that it was the Senate's responsibility to give its advice and consent on appointments and that the one year limit would force the body to act. The amendment was adopted.

Numerous other amendments brought forward by Secretary of the Senate Patrick Flahaven and Senate Counsel Peter Wattson were adopted. The amendments dealt with the technical, internal operations of the body.

Info systems reviewed

The Rules and Administration Subcommittee on Senate Information Systems met Mon., Mar. 15, to review the technology needs of the Senate. The panel, chaired by Sen. Leonard Price (DFL-Woodbury), heard an update on last year's projects and reviewed a National Council of State Government study on information system personnel needs. In addition, the subcommittee discussed the status of a current project, the installation and implementation of software for financials, payroll and human services in the Senate. A portion of the hearing was devoted to discussion of Y2K compliance. Jim Greenwalt, director of Senate Information Systems, said that upon completion of the installation and implementation of the programs for financials, all Senate systems will be

Y2K compliant.

Members also discussed system support expectations and reviewed existing user policy and web guideline policy. Finally, members began consideration of project proposals for FY 2000 and FY 2001.

Taxes

Single factor bill heard

Members of the Taxes Subcommittee on Income and Sales Tax met Thurs., Mar. 11, to consider a variety of bills ranging from clarifying the definition of resident to changing the corporate franchise tax by adopting a single factor sales apportionment.

The single factor sales apportionment bill, S.F. 528, changes the apportionment from 70-30 to 100 percent. Sen. Douglas Johnson (DFL-Tower) said the change would benefit businesses that are headquartered in Minnesota with sales outside the state. According to Johnson, the bill decreases revenue by \$55 million. However, Dan Salamone of Minnesota Taxpayers Association, said that the increase in jobs and other economic benefits would result in a net revenue loss of only about \$11 million.

The panel, chaired by Sen. Steve Murphy (DFL-Red Wing), also heard another bill relating to business. S.F. 1159, sponsored by Sen. Linda Scheid (DFL-Brooklyn Center), defines business and nonbusiness income, provides for an election with respect to the treatment of income and authorizes an amnesty for taxpayers who reported certain business income.

Members heard several additional proposals that will also be considered for inclusion in the subcommittee's omnibus bill. S.F. 648, sponsored by Murphy, reduces the rate of tax on alcoholic beverages from the current 9 percent to 6 percent over the course of several years. S.F. 513, sponsored by Sen. Jim Vickerman (DFL-Tracy), exempts purchases by counties for road and bridge maintenance from the sales tax and the sales tax on motor vehicles. S.F. 38, sponsored by Johnson, repeals the sales tax on health club memberships.

The subcommittee advanced one measure to the full Committee on Taxes. S.F. 655, sponsored by Sen. John Hottinger (DFL-Mankato), clarifies the definition of resident for purposes of income tax. The bill specifies that

neither the commissioner nor any court shall consider charitable contributions made by an individual within or without the state in determining if the individual is domiciled in Minnesota.

Sales tax exemption bills heard

The Taxes Subcommittee on Income and Sales Taxes met Weds., Mar. 17, a considered a number of bills providing exemptions from the sales tax. No action was taken on the measures; all were laid over for consideration for the subcommittee's omnibus bill. However, Sen. Douglas Johnson (DFL-Tower), said that not all the proposals would be included in the final omnibus tax bill. He said that the major tax cuts this year will be in income and property taxes. Further, he indicated that many of the sales tax exemption bills are in reaction to the bonding bill last year that provided a sales tax exemption for construction materials for the Minneapolis Convention Center and the RiverCentre facility in St. Paul.

Many of the sales tax exemption bills are related to exempting construction materials for projects involving convention centers or community centers. S.F. 105, authored by Sen. Jerry Janezich (DFL-Chisholm), exempts construction materials used in building a community pavilion in Biwabik. S.F. 896, authored by Douglas Johnson, exempts the purchases of materials and supplies used in renovating a municipal building in Babbitt. S.F. 1335, sponsored by Sen. Don Samuelson (DFL-Brainerd), exempts the purchase of construction materials used in building a community center in Brainerd. S.F. 1385, sponsored by Sen. Dave Kleis (R-St. Cloud), exempts the purchase of construction materials used in building the Central Minnesota Events Center in St. Cloud. S.F. 1390, carried by Sen. Dean Johnson (R-Willmar), exempts the purchases of property used in constructing a multi-purpose center in Granite Falls. S.F. 1447, authored by Sen. David Ten Eyck (DFL-East Gull Lake), provides an exemption for construction materials for the Deep Portage Environmental Learning Center. S.F. 1942, authored by Sen. Cal Larson (R-Fergus Falls), exempts materials used for construction of the Fergus Falls Community Center. The measure for the Fergus Falls Community Center exemption was amended to include a similar

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exemption for the Lake Crystal Area Recreation Center.

The panel, chaired by Sen. Steve Murphy (DFL-Red Wing), also heard a bill, S.F. 1644, sponsored by Kleis, raising a spending limit from local bonds and taxes for the Central Minnesota Events Center. Under the bill, the spending limit is raised from \$50 million to \$75 million for construction of the facility. No action was taken on the measure.

The panel also heard several additional bills relating to sales taxes. S.F. 258, authored by Sen. Douglas Johnson, exempts admission to regional high school league tournaments from sales tax. S.F. 566, carried by Ten Eyck, exempts equipment and materials used to make improvements to resorts classified as 1c and 4c. S.F. 474, carried by Murphy, exempts vitamin, mineral and whole food supplements from sales and use tax. S.F. 728, carried by Sen. Steve Kelley (DFL-Hopkins), exempts the sale of gold and silver coins and bullion from the sales tax. S.F. 795, also sponsored by Kelley, provides for the filing of sales tax returns and remittance of tax by material suppliers.

Transportation

County plat approval discussed

Sen. Jim Vickerman (DFL-Tracy) presented S.F. 702, a bill regarding county approval of plats to the Transportation Committee at the meeting Thurs., Mar. 11. Sen. Carol Flynn (DFL-Mpls.) chairs the committee. The bill authorizes county review and approval of plats on real property that is bordering existing or proposed county highways. It specifies that no city or town may grant final approval of a plat until it has received comments from the county engineer or a 30-day review period has expired. Under the bill, no person may obtain a building permit for a plat that borders a county road or highway until the plat has been approved by the county board.

Cecil Selness, director of the Office of Access Management for the Department of Transportation (MnDOT), said access management is an effort to maintain the effective flow of traffic and the safety of all roads while accommodating the access needs of adjacent land development. He reported on an access management study in Minnesota conducted through

research and consultation with counties, cities and townships. Selness said MnDOT cannot manage access on its own, and local governments throughout Minnesota must share the responsibility. "We need a comprehensive strategy and to know where growth will occur," he said.

Dennis Berg, Anoka County commissioner, was a participant in the study. He said that 80 to 90 percent of the time, the county has a good working relationship with the cities, but disagreements do occur over approval of plats. He said disagreements happen most often when newly elected officials take office who don't understand the issue. "We just want to protect our highways," he said.

Harlen Madsen, Kandiyohi County commissioner, said that a number of access points coming onto Kandiyohi County roads are accidents waiting to happen. He said he supports the bill because he believes it promotes safety for the general public. Mike Sheehan, Olmsted County engineer, said access management is a major safety issue in Minnesota.

Allen Gray, Eden Prairie city engineer, testified against the bill. He said he agreed with concern over safety issues, and that most city councils share the concern for public safety. He added that city councils also need more education on access management. Gray said that in the process of county review of plats, there is no public hearing process, and he believes there should be. Remi Stone, representing the League of Minnesota Cities (LMC), expressed some concerns with the bill. She said the bill defeats the uniformity of traffic planning and puts landlords and realtors at a disadvantage. She said LMC supports the concept of statewide access management guidelines that can be used in a coordinated review process. Sen. Steve Murphy (DFL-Red Wing) moved to lay the bill over. The motion was approved.

Sen. Bob Lessard (DFL-International Falls) offered S.F. 1012, a bill that relates to Itasca County. The bill modifies accounting and expenditure requirements for road and bridge fund tax money derived from unorganized townships. The bill was approved and sent to the Consent Calendar.

Murphy also presented S.F. 739, a bill that authorizes blue lights on motorcycles as part of the rear brake light. Testifying

in favor of the bill was Ray Egan of the Minnesota Motorcycle Riders Association. "This is a major safety issue for motorcyclists," he said. He said it provides higher visibility and a bit of contrast to make brake lights more visible to drivers behind the motorcyclist. The bill was recommended to pass and sent to the floor.

Low speed vehicles discussed

Sen. Charles Wiger (DFL-North St. Paul) presented a bill making changes in provisions relating to low speed vehicles to the Transportation Committee at the meeting Tues., March 16. The committee, chaired by Sen. Carol Flynn (DFL-Mpls.), heard testimony on S.F. 1325, a bill that regulates the operation of low-speed vehicles.

Capt. Brian Erickson of the State Patrol said the vehicles in question are battery-operated and typically used in the Southwestern United States. He said he is aware of two franchises interested in manufacturing the cars in Minnesota. He said the vehicles are prohibited from use on high-speed roadways. The bill places the vehicles under the same regulations as motorized golf carts, limiting them to local roads. The low speed vehicles may be driven with a special permit, according to the bill. The vehicles are equipped with headlights and brake lights as well as seat belts. Erickson said they are required to display a triangle, which designates a slow-moving vehicle. "The low speed vehicles are operated in the driving lane and are used to get around in limited-access communities," Erickson said. S.F. 1325 was recommended to pass and sent to the floor.

Wiger also authored S.F. 1324, a bill that disqualifies a person from operating a commercial motor vehicle for violating an out-of-service order. The bill also imposes civil penalties of not less than \$1,000 for a driver who is convicted of a violation of an out-of-service order, and not less than \$10,000 for each employee who is convicted of knowingly allowing a driver to violate an out-of-service order. Alice Gonzalo, Department of Public Safety, said the bill imposes disqualifications and penalties for a vehicle that is out-of-service or a driver who is out-of-service. Maj. Gene Halverson of the State Patrol explained that if there is a serious defect on a vehicle, the defect must be repaired before the vehicle can

be back on the road. The defect can include brake problems or a flat tire. A driver is considered out-of-service if he or she is intoxicated, has driven over the allowed amount of hours or has a disqualified license. Halverson said that often a driver waits until the patrol officer leaves, then begins driving. Halverson said the company employing the driver tells him or her to get the truck to its destination or be out of a job. The bill was recommended to pass and sent to the floor.

S.F. 1645, authored by Sen. Dean Johnson (R-Willmar), exempts vehicles carrying milk from seasonal weight restrictions under certain circumstances. According to the bill, the weight restriction does not apply to a vehicle transporting milk from the point of production to the point of first processing if, at the time the weight restriction is exceeded, the vehicle is carrying milk loaded at only one point of production. Lee Johnson of the Milk Producers Association spoke in support of the bill. "We just want the Legislature to okay the driver so he won't be out of compliance with federal law," Lee Johnson said. An amendment, offered by Sen. Gary Laidig (R-Stillwater), limits the exemption to a vehicle transporting a load consisting only of milk. The amendment was adopted. S.F. 1545 was approved and sent to the floor.

Earlier, Sen. Douglas Johnson (DFL-Tower) authored a bill, S.F. 347, that allows parents to provide home-school instruction to children as the classroom component of driver education. Larry Ollila from the Department of Public Safety said that currently a parent cannot provide driving instructions to his or her child unless the parent is certified as a driving instructor. The bill was approved and sent to the floor.

S.F. 1712, authored by Sen. Pat Pariseau (R-Farmington), changes the schedule for the Metropolitan Transit System's (MTS) operation performance audit. Under the bill, the Metropolitan Council must evaluate the performance of the MTS operation in 1999 and every four years thereafter. The bill was approved and sent to the Consent Calendar.

Sen. Arlene Lesewski (R-Marshall) presented S.F. 1101, a bill that requires the Department of Transportation (MnDOT) to erect directional signs at specified locations for the New Life

Treatment Center. The bill was approved and sent to the floor.

Leaseholds debated

The rights of leaseholders in railroad right-of-way were outlined in a bill authored by Sen. Steve Murphy (DFL-Red Wing) at the Transportation Committee meeting Tues., Mar. 16. The committee is chaired by Sen. Carol Flynn (DFL-Mpls.)

S.F. 770 extends the current right of first refusal to a leaseholder of property in a railroad right-of-way to a nonrailroad lessor and extends the right of first refusal to proposed leases and offers to lease. The measure also requires a railroad interest to provide notice to a leaseholder of any proposed sale or lease. The bill also changes the definition of "fair market value" to take into account the nature of the title being transferred.

Tom Cashman, Northwest Agri-dealers Association, spoke in favor of the bill. He said that rail and grain industries are both old industries. He said railroads received lots of property from the government to encourage the transportation system, and elevators obtained leases to build along the tracks. He said that when the railroad is no longer interested in a particular line, it tends to sell the property along the line, but not at market value.

Bob Zelenka, Minnesota Grain and Feed Association, said the railroad is selling the property at ten times its present value. Brian Sweeney, Burlington Northern-Santa Fe Railroad, said he believes the bill is addressing problems that don't exist. He said his company has sent letters to 70 leaseholders, and sells the property for ten times its rental price, a standard practice. "Most sales are around \$30,000--the same price as a pickup truck," he said. "That is not too much to pay for land you have built your business on," he said.

Bill Durusch, Twin City and Western Railroad, said the bill is a response to a problem a small number of elevators have with railroads. He said the issues can be solved without legislation. The bill was laid over.

S.F. 1280, authored by Sen. Dick Day (R-Owatonna) requires the commissioner of transportation to transfer excess highway easements to the city of Kenyon. The bill was approved and sent to the Consent Calendar.

S.F. 1869, authored by Sen. Janet Johnson (DFL-North Branch) allows a delivery vehicle to project a white light to the rear, and a red light to the front, from a top-mounted sign, if the sign projects one or more additional colors to the rear and front. An amendment setting a sunset date of July 31, 2000, was adopted. The bill was approved and sent to the floor.

S.F. 1665, a bill that changes the way passenger carriers are regulated in Minnesota, was presented by Sen. Sandra Pappas (DFL-St. Paul). Pappas said the bill does not affect special transportation services, but does offer passengers more choices. An amendment to the bill, offered by Pappas, specifies that until July 1, 2000, only a motor carrier with valid certificates or a carrier authorized by the Metropolitan Airport Commission (MAC) may pick up passengers at the Minneapolis-St. Paul Airport. Another amendment, offered by Pappas, allowing cities to enforce regulation requirements was also adopted. The bill was approved and re-referred to the State Government Finance Committee.

Sen. Jim Vickerman (DFL-Tracy) offered S.F. 702, a bill that relates to the county review and approval of plats. An amendment, offered by Vickerman, deletes language requiring submittal of plats abutting a county highway or stateaid highway to the county engineer for review and comment. The amendment prevailed. The bill does require any proposed preliminary or initial plat in a city that includes land that borders a county road, highway or state-aid highway to be submitted to the county engineer within five business days for written comments and recommendations. The bill also creates a dispute resolution board. Under the bill, the city cannot grant approval of a plat unless it is consistent with the decision of the board. The bill was approved and sent to the floor.

Sen. Randy Kelly (DFL-St. Paul) authored S.F. 1460, a bill that provides for the expansion and improvement of driver testing facilities and operations. The bill also requires an adult driver's license applicant to hold an instruction permit for six months. The bill authorizes the Department of Public Safety to include paid advertisement in department publications. Kelly said the bill provides that driver testing facilities at Eagan and New Brighton will be remod-

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eled, and a new station will be built at the St. Croix scale on Interstate 94. An amendment, offered by Sen. Gary Laidig (R-Stillwater), provides that a person 18 and over is eligible for a driver's license if the person has been previously licensed to drive in another jurisdiction. The amendment prevailed. The bill was approved and referred to the Transportation Budget Committee.

S.F. 1537, a bill by Sen. Ellen Anderson (DFL-St. Paul), repeals outdated provisions and obsolete laws pertaining to transportation. The bill was approved and sent to the floor.

Flynn authored S.F. 1600, a bill that eliminates the requirement that motor vehicle registration be in writing. The bill was approved and sent to the Consent Calendar.

Floor action

Final argument bill approved

The Senate resumed and completed its discussion of the final argument order in criminal trials issue during the Mon., Mar. 15, floor session. The Senate voted to recommend passage of S.F. 168, sponsored by Sen. Randy Kelly (DFL-St. Paul). The bill gives the prosecution the authority to rebut the defense's closing argument.

Kelly said that the bill makes Minnesota consistent with the other 49 states and the federal court system. Sen. Warren Limmer (R-Maple Grove) argued against the bill. He said that in a criminal trial, the "resources of the state are unleashed against an individual." He urged members to protect civil liberties and keep justice balanced and fair. Limmer then offered an amendment giving the authority to decide the issue to the Supreme Court, which he said is the ruling authority of the judicial branch of government.

But Kelly opposed the amendment. He said that the Supreme Court has had 124 years to decide the matter but hasn't. He argued that since the issue is in law, it is up to the Legislature to decide. The Limmer amendment was rejected on a 24-35 roll call vote.

Sen. Thomas Neuville (R-Northfield) offered an amendment giving the defense the right of surrebuttal at the judge's discretion. He said the right could be exercised when the prosecution makes a misstatement of law or an inflammatory

remark in the rebuttal. Kelly opposed the amendment. He said current law gives the prosecution an opportunity for rebuttal to the defense's closing argument at the judge's discretion. Kelly said the law doesn't work because judges don't grant a rebuttal to the prosecution. He said that is because judges don't want the trial thrown out on reversible error or to give jurors the impression that they favor one side or the other. Neuville countered that a judge makes an impression on the jury with every ruling throughout a trial, not just on the matter of the closing argument rebuttals. The Neuville amendment was also rejected on a 29-32 roll call vote. The Senate then gave preliminary passage to the bill on a 44-17 roll call vote.

The Senate also adopted Senate Concurrent Resolution 7, authored by Senate Majority Leader Roger D. Moe (DFL-Erskine), adopting revenue targets for the next and following biennia and setting the price of government. Assistant Senate Majority Leader Ember Reichgott Junge (DFL-New Hope) said the targets in the resolution represent a savings in the cost of government of \$1.1 billion for the 2000/01 fiscal biennium, and \$1.2 billion in the following biennium compared to the current biennium. Sen. Linda Runbeck (R-Circle Pines) offered an amendment reducing the percentage of personal income received by the state through taxes from 17.6 percent to 17.2 percent. Sen. Steve Murphy (DFL-Red Wing) argued against the amendment. He said Runbeck's amendment would tie the Legislature's hands from making the investments they need to make, such as K-12 education funding and long-term health care. Junge also argued against the amendment. She said that it would require giving the tobacco settlement money back to taxpayers, making it taxable by the federal government, and would require the state to sell bonds for projects rather than paying cash. "It raises the price of government," Junge said. The amendment failed on a 20-41 roll call vote. The price of government resolution was adopted on a 55-7 roll call vote.

Three bills, S.F. 333, carried by Kelly, regulating requests for consumer credit information and prohibiting the use of another person's identity; S.F. 609, carried by Sen. Leonard Price (DFL-Woodbury), requiring the use of rain

checks on new irrigation systems; and S.F. 129, carried by Sen. David Knutson (R-Burnsville), the Uniform Child Custody and Jurisdiction Act, were all given final passage on the Senate Calendar. The Senate also granted final passage on the Consent Calendar to S.F. 1180, carried by Sen. Sandra Pappas (DFL-St. Paul), extending juvenile court jurisdiction over a minor to the 18th birthday, and S.F. 1150, carried by Sen. Janet Johnson (DFL-North Branch), allowing townships to set rural residential district speed limits at 30 miles per hour.

Brief sessions held

The Senate met for two very brief floor sessions Tues., Mar. 16, and Weds., Mar. 17. Both floor sessions were held to facilitate bill referral between committees in order to meet the first committee deadline Fri., Mar. 19.

Members did grant concurrence and repassage to one bill. S.F. 757, authored by Sen. Ember Reichgott Junge (DFL-New Hope), is a resolution memorializing Congress to enact legislation to prohibit federal recoupment of the state tobacco settlement recoveries.

Final argument bill passed

The Thurs., Mar. 18, was devoted primarily to processing bills on General Orders and adopting committee reports to facilitate the movement of bills between committees in time for the first committee deadline Fri., Mar. 19. However, members did give final passage to the bill specifying that the prosecution has the right to reply in rebuttal to the closing argument of the defense in criminal trials. S.F. 198, authored by Sen. Randy Kelly (DFL-St. Paul), gained final passage on a 45-13 roll call vote.

In other action, a variety of bills were given preliminary approval on General Orders. S.F. 567, sponsored by Sen. Steve Murphy (DFL-Red Wing), clarifies and restates the powers of the Rural Policy and Development Center. S.F. 488, authored by Sen. Sheila Kiscaden (R-Rochester), modifies the membership, duties and reporting requirements for the State Advisory Council on Mental Health. S.F. 480, carried by Murphy, allows port authorities to retain lease or management contract revenues from commercial navigation projects financed by the state. S.F. 626, also carried by

Murphy, authorizes the private sale of tax forfeited land in Wabasha County.

H.F. 379, sponsored by Sen. Sandra Pappas (DFL-St. Paul), makes technical and clarifying changes in provisions relating to mortgage registry and deed taxes. S.F. 346, authored by Sen. Jane Ranum (DFL-Mpls.), expands provisions for relatives to gain temporary of a child. S.F. 836, sponsored by Sen. Mark Ourada (R-Buffalo), changes food handlers license provisions for food processors or manufacturers operating at the state fair. S.F. 552, carried by Sen. Don Betzold (DFL-Fridley), requires the Revisor of Statutes to reorganize and recodify the data practices law. S.F. 1094, also sponsored by Betzold), changes provisions

in the Uniform Probate Code and changes nomination provisions for conservators and guardians.

S.F. 881, authored by Sen. Dave Kleis (R-St. Cloud), creates a parks and trails plan of regional significance in central Minnesota. S.F. 829, authored by Sen. William Belanger (R-Bloomington), authorizes the commissioner of human services to sell specific surplus state land to the Bloomington House and Redevelopment Authority. S.F. 77, carried by Murphy, allows a 1998 levy limit adjustment for certain payments in lieu of tax in Goodhue County. S.F. 727, sponsored by Sen. Steve Kelley (DFL-Hopkins), provides for the continuity of contracts affected by the European currency. S.F.

303, authored by Sen. Leo Foley (DFL-Coon Rapids), clarifies the admissibility of evidence regarding seat belts and child passenger restraint systems.

Members also granted concurrence and repassage on one measure. S.F. 255, authored by Ranum, specifies that it is a misdemeanor to interfere with an emergency call. Finally, two bills were granted final passage on the Consent Calendar. S.F. 1012, authored by Sen. Bob Lessard (DFL-Int'l. Falls), modifies accounting and expenditure requirements for road and bridge fund tax money derived from unorganized townships in Itasca County. S.F. 768, authored by Pappas, makes changes in the Ramsey County personnel process.

Preview

Monday, March 22

Environment and Agriculture Budget Division

Chair: Sen. Jane Krentz

8 a.m. Room 107 Capitol

Agenda: S.F. 149-Price: LCMR recommendations.

Rules and Administration Committee

Chair: Sen. Roger D. Moe

9 a.m. Room 112 Capitol

Agenda: Permanent Rules of the Senate. Bill Referral Subcommittee report on S.F. 854: Relating to land use.

The Senate is in Session at 10 a.m.

Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

12 noon Room 107 Capitol

Agenda: Red Lake fisheries revitalization overview.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: H.F. 463/S.F. 578-Lourey: Review of ambulance services and first responders. S.F. 1047-Solon: Roth IRA treatment identical to other retirement accounts. S.F. 1084-Fischbach: Reducing

notary commission recording fees. S.F. 436-Foley: Relieving 911 dispatchers for tort liability in certain cases. S.F. 985-Knutson: Prohibiting discrimination on the basis of national origin.

Election Laws Committee

Chair: Sen. John Marty

12:15 p.m. Room 112 Capitol

Agenda: HF 9/SF 46-Marty: Revolving door. S.F. 172-Lourey: Lowering eligibility age for certain elective offices.

Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: S.F. 866-Hanson: Theft penalty for failure to return rented property. S.F. 1087-Spear: Transfer of authority to set local corrections fees. S.F. 1152-Kelly, R.C.: Part-time peace officer cap, training. S.F. 1854-Ramsey County domestic assault prosecution. H.F.475/S.F. 517-Vickerman: Township reimbursement of officer, employee criminal defense costs. H.F. 735/S.F. 495-Knutson: Scope of crime of adulteration.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

2 p.m. Room 125 Capitol

Agenda: Budget overview, Department of Administration.

Crime Prevention and Judiciary Budget Division

Chair: Sen. Randy Kelly

5 p.m. Room 112 Capitol

Agenda: S.F. 75-Foley: .08 DWI bill. S.F. 752-Kelly: Gang Strike Force appropriation. Budget requests from Private Detective Board, Crime Victim Service Center, Department of Human Rights, and Office of Drug Policy and Violence Prevention.

Environment and Agriculture Budget Division

Chair: Sen. Jane Krentz

6 p.m. Room 318 Capitol

Agenda: MN-WI Boundary Area Commission budget overview. Citizens' Council on Voyageurs National Park budget overview. MN Zoo budget overview.

Tuesday, March 23

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8 a.m. Room 15 Capitol

Agenda: S.F. 1820-Lesewski: Removing obsolete child care system reports from statute. S.F. 1263-Lesewski: Child care; fraud investigation. S. F. 1358-Robling: Child Care; at-home infant care program.

Preview

Higher Education Budget Division

Chair: Sen. LeRoy Stumpf

8 a.m. Room 107 Capitol

Agenda: Budget presentation, HESO.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: S.F. 589-Stumpf: Fund transfer. S.F. 668-Ourada: Maximum debt service levy. S.F. 1270-Sams: Reducing average per pupil requirement for debt service. S.F. 1299-Fischbach: Accelerated payment of health/safety revenue for Independent School District 740. S.F. 1364-Vickerman: Appropriation to Comfrey School District for tornado damage.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: To be announced.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: To be announced.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

12 noon Room 125 Capitol

Agenda: Budget overview: Department of Administration; Office of Technology.

Transportation Budget Division

Chair: Sen. Janet Johnson

12 noon Room 112 Capitol

Agenda: To be announced

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

2 p.m. Room 107 Capitol

Agenda: To be announced.

Commerce Committee

Chair: Sen. Sam Solon

2 p.m. Room 112 Capitol

Agenda: S. F. 1423-Novak: Regulating rental-purchase agreements. S.F. 1715-Oliver: Providing enforcement authority for commerce commissioner. S.F. 1894-Larson: Transferring HMO regulatory authority to commissioner of commerce. S.F. 470-Murphy: Prohibiting Minnesota Comprehensive Healthcare Association maximum lifetime benefit limit.

Economic Development Budget Division

Chair: Sen. Jerry Janezich

2 p.m. Room 123 Capitol

Agenda: To be announced.

Environment and Agriculture Budget Division

Chair: Sen. Jane Krentz

4 p.m. Room 318 Capitol

Agenda: DNR budget overview.

Property Taxes and Local Government Budget Division

Chair: Sen. Sandra Pappas

4 p.m. Room 15 Capitol

Agenda: S.F. 22-Marty: Prohibiting new or expanded TIF districts. S.F. 924-Pappas: Prohibiting use of TIF for social/rec facilities. S.F. 1100-Pappas: Prohibiting creation of TIF in certain cities. S.F. 26-Samuelson: TIF-Nisswa. S.F. 33-Stevens:TIF-Onamia. S.F. 34-Stevens: TIF-Milaca. S.F. 1044-Metzen: TIF-Inver Grove Heights. S.F. 542-Scheid: TIF-Brooklyn Park Shopping District. S.F. 1134-Scheid: TIF-changing effective date. S.F.1882-Scheid: TIF-exempting certain superfund sites.

Health and Family Security Budget Division

Chair: Sen. Don Samuelson

5 p.m. Room 112 Capitol

Agenda: S.F. 253-Moe: Tobacco endowments. S.F.1269-Moe: Tobacco endowments.

Wednesday, March 24

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8 a.m. Room 15 Capitol

Agenda: S.F. 1828-Anderson: Drug policy and violence prevention; residential program for women leaving prostitution. S.F. 610-Lourey: Child care; modifying provisions related to unlicensed child care; appropriating money to the basic sliding fee child care assistance program. S.F. 1621-Department of Children, Families and Learning; Office of Community Services omnibus bill.

Higher Education Budget Division

Chair: Sen. LeRoy Stumpf

8 a.m. Room 107 Capitol

Agenda: S.F. 1139-Kiscaden: University Center Rochester proposal. HESO budget presentation.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: S.F. 750-Hottinger: Declining pupil aid. S.F. 453-Janezich: Declining pupil aid. S.F. 1479-Stumpf: Declining pupil aid. S.F. 1624-Hottinger: Declining pupil aid.

Governmental Operations and Veterans Committee

Chair: Sen. James Metzen

10 a.m. Room 15 Capitol

Agenda: S.F. 1308-Ten Eyck: State funding of the Trial Courts. S.F. 1105-Kelley, S.P: Establishing the Intergovernmental Advisory Council for Technology, abolishing the Intergovernmental Information Systems Advisory Council. S.F. 851-Vickerman: Delaying the expiration of corporations created by political subdivisions. S.F. 157-Cohen: Providing standards for state assistance to capital improvement projects of political subdivisions.

Transportation Budget Division

Chair: Sen. Janet Johnson

10 a.m. Room 112 Capitol

Agenda: To be announced

The Senate is in Session at 12 noon.

Election Laws Committee

Chair: Sen. John Marty

After Session Room 112 Capitol

Agenda: S.F. 678-Terwilliger: Initiative and referendum. S.F. 676-Betzold: Providing voting rights for civilly committed persons.

Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

12 noon Room 15 Capitol

Agenda: S.F. 1543-Laidig: Wolf management plan. S.F. 1823-Lessard: Wolf management plan.

Judiciary Committee

Chair: Sen. Jane Ranum

After Session Room 107 Capitol

Agenda: To be announced.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

2 p.m. Room 125 Capitol

Agenda: Budget overview: Department of Administration; Office of Technology.

Local and Metropolitan Government Committee

Chair: Sen. Jim Vickerman
2 p.m. Room 107 Capitol
Agenda: To be announced.

Environment and Agriculture Budget Division

Chair: Sen. Jane Krentz
4 p.m. Room 318 Capitol
Agenda: Dept. of Natural Resources budget overview.

Health and Family Security Budget Division

Chair: Sen. Don Samuelson
4 p.m. Room 112 Capitol
Agenda: Public Testimony on health and human services budget.

Taxes Subcommittee on Income and Sales Tax

Chair: Sen. Steve Murphy
4 p.m. Room 15 Capitol
Agenda: S.F. 448-Knutson: Modify the tax brackets and alternative minimum tax exemption amount to reduce marriage penalties. S.F. 813-Flynn: Provide a credit against income taxes for employers who provide certain transit benefits to employees. S.F. 882-Neuville: Provide a subtraction for personal and dependent exemptions. S.F. 960-Johnson, D.J.: Reduce income tax rates and change the brackets; reduce marriage penalties; eliminate accelerated liability for sales, cigarettes and tobacco, and liquor taxes; exempt sales to veterans homes from the sale and use tax; exempt sales of tangible personal property used in the production of t.v. commercials from the sales and use tax; changing administration of the sales tax exemption for capital equipment; etc. S.F. 1053-Murphy: Provide an income tax credit for certain employers that provide immunizations to employees. S.F. 1210-Pappas: Provide an income tax credit for expenditures for historic structure rehabilitation. S.F. 1344-Hottinger: Modify the percentages for the working family credit. S.F. 1417-Runbeck: Extend the credit for increasing research activities to noncorporate taxpayers. S.F. 1494- Kelley, S.P.: Reduce individual income tax rates; increase the income limitations for the dependent care credit; provide income tax credits for children; adjust property tax refund amounts; provide sales tax exemption for capital equipment used to

provide telecommunications services; appropriating money. S.F. 1744-Belanger: Provide an income tax credit for certain expenses related to tobacco-related illness.

Legislative Commission on Pensions and Retirement

Chair: Rep. Harry Mares
5 p.m. 500N State Office Building
Agenda: H.F. 1314/S.F. 1019-Johnson, D.H.: MSRS-General; Purchase of temporary veterans home employment service credit. H.F. 1853/S.F. 1689-Johnson, D.H.: PERA-P&F; Merger of local police and fire consolidation accounts. H.F. 1483/S.F. 1540-Moe, R.D.: Expansion of minimum fire state aid to Post-1993 VFRA's. H.F. 1487/S.F. 1394-Ten Eyck: Expansion of minimum fire state aid to Post-1993 VFRA's. H.F. 1444/S.F. 1468-Stevens: PERA; Conversion of part-time employee exclusion from dollar amount to employment hours. H.F. 1842/S.F. 1694-Frederickson: PERA; Benefit coverage following Glencoe Public Hospital privatization. H.F. 256/S.F. 277-Pogemiller: Minneapolis Fire; Board of trustee governance; asset disposition upon plan termination. H.F. 1561/S.F. 1739-Wiger: MSRS-General; Metropolitan Council early retirement incentive. H.F. 1076/S.F. 508-Mares: Lump sum volunteer fire plans; increase supplemental benefit maximum to \$2,500. H.F. 1830/S.F. 1748-Pogemiller: Minneapolis Police; establishment of board of trustees salary. S.F. 1886-Sams: TRA; Retirement eligibility for Bertha-Hewitt School District teacher. H.F. 1743/S.F. 1641-Johnson, J.B.: PERA; Military service credit purchase for certain Rush City School District employee.

Thursday, March 25

The Senate is in Session at 8 a.m.

Health and Family Security Committee

Chair: Sen. John Hottinger
10 a.m. Room 15 Capitol
Agenda: To be announced.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak
10 a.m. Room 123 Capitol
Agenda: To be announced.

Governmental Operations and Veterans Committee

Chair: Sen. James Metzen
12 noon Room 15 Capitol
Agenda: To be announced.

Transportation Committee

Chair: Sen. Carol Flynn
12 noon Room 112 Capitol
Agenda: House files.

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams
2 p.m. Room 107 Capitol
Agenda: To be announced

Commerce Committee

Chair: Sen. Sam Solon
2 p.m. Room 112 Capitol
Agenda: S. F. 1182-Lesewski: Regulating insurance for burial expenses. S.F. 218-Solon: Regulating safety of persons on amusement rides. S.F. 521-Pappas: No fault auto insurance medical benefits to include sign interpreting and language translation. H.F. 872/S.F. 682-Novak: Providing for enforceability of agreements indemnifying against environmental liability.

Economic Development Budget Division

Chair: Sen. Jerry Janezich
2 p.m. Room 123 Capitol
Agenda: To be announced.

Environment and Agriculture Budget Division

Chair: Sen. Jane Krentz
4 p.m. Room 318 Capitol
Agenda: DNR budget overview.

Health and Family Security Budget Division

Chair: Sen. Don Samuelson
4 p.m. Room 112 Capitol
Agenda: Public testimony on health and human services budget.

Property Taxes and Local Government Budget Division

Chair: Sen. Sandra Pappas
4 p.m. Room 15 Capitol
Agenda: S.F. 1276-Johnson: Tax levy increase for a hospital district in St. Louis and Koochiching Counties. S.F. 1421-Johnson: Authorizing Lake Co., Two Harbors and ISD 381 to abate delinquent taxes. S.F. 1452-Johnson: Inflation

adjustment to payments by the DNR to counties in lieu of taxes. S.F. 1088-Runbeck: Property eligibility for green acres treatment. S.F. 289-Berg: Reduce class rates of 2d tier of non-commercial seasonal rec. S.F. 1380-Laidig: Stillwater annexation bill. S.F. 1538-Anderson: Increasing amount of rent constituting property taxes. Discussion of S.F. 1065-Moe: Increasing first tier valuation limit for agricultural homestead property.

Friday, March 26

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8 a.m. Room 15 Capitol

Agenda: S.F. 135-Stumpf: Adult basic education; modifying the funding formula; appropriating money. S.F. 1399-Stumpf: Adult basic education; modify-

ing the funding formula; appropriating money. S.F. 1429-Foley: Early childhood family education; including expectant parents in the program; appropriating money. S.F. 1508-Marty: Adult basic education; providing a set-aside for support services; appropriating money.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: S.F. 1132-Neuville: Qualified economic offer in teacher contracts. S.F. 1249-Olson: MN Foundation for Student Organizations. S.F. 755-Pappas: Learn and Earn. S.F. 296-Robertson: Special Education provisions. S.F. 200-Runbeck: Exempting oral deaf teachers from ASL.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: To be announced.

Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

12 noon Room 107 Capitol

Agenda: To be announced.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: S.F. 499-Hottinger: Providing protection for disclosure of job reference information.

Saturday, March 27

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

9 a.m. Room 112 Capitol

Agenda: To be announced.

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Senate Briefly

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A bright afternoon sun illuminates the west wing of the Capitol as viewed from the grand staircase to the Senate Chamber.

Photo by Andrea G. Murrill



March 26, 1999

Senate Highlights

Wolf management discussed

Two bills pertaining to management of gray wolf in the state were heard by the Environment and Natural Resources Committee, Weds. Mar. 24.

Sen. Gary Laidig (R-Stillwater), author of S.F. 1543, said the bill is an initiative of the Dept. of Natural Resources (DNR), and represents the agreement reached by a citizen's roundtable on wolf management. Laidig said the roundtable included representatives of all areas of the state and of all interests, from deer hunters, trappers and livestock producers, to wolf protectionists. He said the roundtable discussions were needed as the federal delisting process of removing the wolf from the jurisdiction of the Endangered Species Act begins this year. "I don't know of any group or individual who felt that they were not represented by the roundtable," he said.

Laidig said the bill establishes a penalty of a gross misdemeanor for a person who takes, harasses, destroys, buys, sells, possesses, transports, or ships a gray wolf in violation of game and fish laws. He said the bill allows a person at any time and without a permit, to kill a gray wolf in defense of the person's own life or the life of another. The bill provides that a person who kills a gray wolf must protect

all evidence and report the taking to a conservation officer within 24 hours. "The bill makes it very, very clear that a human life is more important than a gray wolf," Laidig said. He said the bill also allows a person at any time and without a permit, to harass a gray wolf that is within 500 yards of people, buildings, dogs, livestock, or other domestic animals and allows owners of livestock and guard animals, and the owner's agents, to shoot a gray wolf when the animal is posing an immediate threat to livestock or a guard animal on the owner's property. The bill also requires the DNR to prepare a comprehensive wolf management plan, he said.

Ginny Yingling, the state director of the North Star Chapter of the Sierra Club and a member of the roundtable, said the agreement that was reached represents a consensus from divergent opinions on wolf management. "Our agreement has been criticized by some for not being based in pure biology," Yingling said, "A plan based only on wolf biology would not have addressed the larger social problems that are involved in this debate." She said members of the roundtable were asked to consider and balance various concerns and values about the wolf, from environmental im-

portance of predators, economic impacts to farmers, fears of attacks on humans, to the spiritual and cultural issues of the wolf. She said the no hunting or trapping element of the roundtable plan was critical for gaining acceptance by many members. "The bills in the House and the Senate that call for a hunting season may not be a bounty in the purest sense of the word, but I doubt the public will make the distinction," she said, "Such a plan will create a backlash that not only will threaten delisting of the wolf, but could also seriously harm to the tourist economy in Northern Minnesota."

S.F. 1823, authored by Sen. LeRoy Stumpf (DFL-Thief River Falls), allows sport hunting and trapping of wolves to keep their population from exceeding the federal recovery goal of 1,250 to 1,400. "The bill addresses not only the number of wolves but also the method of control," Stumpf said, "It looks at geographic issues, how the wolves are dispersed around the state, where they are and where they are causing trouble." He said the bill requires the DNR and the Dept. of Agriculture to adopt a gray wolf management plan that includes a goal of no more than the number of gray wolves provided for in the federal wolf recovery plan for Minnesota and manages the wolf population in a manner intended to minimize conflicts between humans and gray wolves and the depredation of livestock and domestic pets. The bill requires the commissioners of the DNR and the Dept. of Agriculture to jointly submit a report to the chairs of the Senate and House environment and natural resources policy and funding committees by May 15, 1999. The report must provide recommendations on appropriations needed to accomplish the gray wolf management plan.

William Paul, supervisor of the U.S. Dept. of Agriculture's Federal Wolf Program, said Minnesota's wolf population is currently at an all-time high of about 2,445 wolves. He said the wolf range has expanded significantly in recent years and wolves are colonizing more agricultural areas of the state, causing an increase in depredation problems.

Winnie DauSchmidt, a farmer from Laporte, Minnesota, said requiring farmers to preserve evidence until a conservation officer arrives will not work since there usually is no evidence left after a wolf kills livestock. "Wolves do not kill and then patiently back off and

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leave the carcass intact until an inspector can check that it was a wolf kill," she said. DauSchmidt said that last summer wolves killed a third of her flock of lambs. "I need the right to handle the confrontation myself," she said, "I don't want to be a wolf hunter. I want to be a farmer."

Committee Chair Bob Lessard (DFL-Int'l. Falls) said the committee will act on the bills at its next hearing.

Murder review bill advanced

A bill establishing a domestic murder review panel and providing funding for court monitoring programs was approved at the Fri., Mar. 19, meeting of the Crime Prevention Committee. S.F. 1523, sponsored by Sen. Lawrence Pogemiller (DFL-Mpls.), authorizes the creation of a domestic fatality review team pilot project in Hennepin County to assess domestic violence deaths in order to develop recommendations for prevention and intervention initiatives. Sheila Wellstone, a longtime advocate on behalf of domestic violence victims, spoke in favor of the bill. "Our goal is to stop violence and this legislation will take us one step closer to that goal; we need to understand what went wrong in order to understand what we can do in the future to stop violence," she said.

The bill also provides for grants to an existing nonprofit volunteer-based organization that works to improve how the criminal justice system handles cases of domestic abuse, child abuse and neglect and sexual assault through the use of court monitoring, research and increasing public awareness of the criminal justice system. Kathryn Quaintance, chief deputy Hennepin County attorney and Elizabeth Hughes, assistant public defender in Hennepin County, both testified in support of the measure. Quaintance said that there is "cross system unity" in support of the measure. The bill was approved and advanced to the Crime Prevention Judiciary Budget Division.

The committee, chaired by Sen. Allan Spear (DFL-Mpls.), also approved a bill dealing with penalties associated with the illegal production of methamphetamine. Sen. Linda Higgins (DFL-Mpls.), chief author of the bill, S.F. 1002, said the measure contains three pieces designed to assist law enforcement in the crack down on the growing problem of methamphetamine production in home made laboratories. The first portion of the bill

specifies that a conviction for neglect or endangerment of a child is not a bar for a conviction of another offense committed as part of the same conduct and authorizes consecutive sentences in those cases. The second portion of the bill imposes criminal penalties for placing a booby trap in locations where controlled substances are manufactured. Finally, the third portion of the bill enhances penalties for the theft of anhydrous ammonia, which is used in the production of methamphetamine. The bill was approved and sent to the full Senate.

Several additional bills were approved by the panel with little or no debate. S.F. 748, authored by Sen. Jane Ranum (DFL-Mpls.), provides for the approval of education programs for minors in facilities for the detention or confinement of juvenile offenders. The measure was approved and re-referred to the Children, Families and Learning Committee. S.F. 983, authored by Sen. Steve Kelley (DFL-Hopkins), makes changes to the statutes concerning psychologist licensure. The measure makes primarily housekeeping changes in the law, however one provision changes the penalty for engaging in the unlicensed practice of psychology from a misdemeanor to a gross misdemeanor. The bill was approved and sent to the Senate floor. S.F. 1527, sponsored by Sen. Dennis Frederickson (R-New Ulm), specifies that a person who has been convicted of an offense for which registration as a predatory sex offender is required is ineligible to run for school board. The bill was approved and sent to the Senate floor. Finally, members also approved and sent to the full Senate S.F. 1639, a bill detailing the criminal disqualifications for taxi cab driver licensure. The bill is sponsored by Sen. Randy Kelly (DFL-St. Paul).

Three bills discussed

Members of the Children, Families and Learning Committee, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), Sen. Pat Piper (DFL-Austin) and Sen. LeRoy Stumpf (DFL-Thief River Falls), met Fri., Mar. 19, to discuss three bills.

Sen. John Marty (DFL-Roseville) carried S.F. 1557, a bill that establishes a mental health services professional grant program under the authority of the Higher Education Services Office to provide grants to Asian-Pacific Americans enrolled in a graduate level program

in mental health services. In order to receive a grant, an Asian-Pacific American student must be enrolled in a mental health services graduate level program in Minnesota. The student must also work for a minimum of two years in local clinics and agencies that serve the Asian-Pacific American population after obtaining licensure in the mental health services field. Marty said the bill is designed to help provide quality care in order to meet severe needs in the Asian community. The bill was approved and referred to the Health and Family Security Committee.

Sen. Jane Ranum (DFL-Mpls.) presented S.F. 1221, a bill designed to deal with the impact of expansion at the Minneapolis-St. Paul International Airport. The bill authorizes the establishment of airport impact zones and tax increment finance districts in the cities of Richfield, Bloomington and Minneapolis. According to the language of the bill, an impact zone is a discrete geographic area that meets criteria established by the Metropolitan Council based on the study of airport impact. The bill also creates an airport impact fund in the state treasury into which is deposited each year all revenues derived from sales taxes imposed and collected as the result of sales and uses occurring on property owned by the Metropolitan Airports Commission. The money in the fund is spent to pay the principal, interest and redemption on any obligations issued by the city of Richfield to finance the cost of improvement within the city's tax increment districts and to finance the cost of a tax increment district in any of the three cities. The money is also used to pay the costs of approved airport mitigation measures conducted by any of the three cities. The bill was approved and re-referred to the Committee on Taxes.

Sen. Claire Robling (R-Prior Lake) offered S.F. 862, a bill that makes permanent the definitions in current law of "preschooler," "toddler" and "school-age" for purposes of family day care licensure. The definitions were only applicable through June 30, 1998. Robling said the original intent of the definitions was to increase the number of openings in child care for the youngest children; she said the bill simply reorganizes the descriptions for the age grouping. The bill was approved and sent to the Senate floor.

Committee update

Agriculture and Rural Development

Organic farming discussed

The Agriculture and Rural Development Committee met Thurs., Mar. 18, to hear bills relating to organic farming and the Farmer-Lender Mediation Program. The committee is chaired by Sen. Dallas Sams (DFL-Staples).

"Organic farming is one area of agriculture that is flourishing," said Sen. Janet Johnson (DFL-North Branch) as she presented S.F. 1257. The bill adds organic farmers to review panels for sustainable agriculture grants and loans, requires the commissioner of agriculture to promote organic agriculture, adds a person representing the organic industry to the advisory board for the Agriculture Utilization Research Institute, and provides funding for organic agriculture.

Minnesota Dept. of Agriculture Organic Advisory Task Force Member James Riddle said the organic market is booming. Sales of organic foods have been increasing by 20 percent per year for the past 10 years, and are expected to top \$6 billion in the U.S. in the year 2000. Minnesota farmers are well positioned to take advantage of the growing market, but there are obstacles to overcome, he said. The obstacles include the lack of awareness of organics by conventional farmers, lack of scientific research on organic methods, regulatory cost, and lack of marketing expertise among farmers, said Riddle. The bill provides more visibility and focus for organic agriculture at the department, the Minnesota Extension Service and the Agricultural Utilization Research Institute.

The bill was recommended to pass and re-referred to the Environment and Agriculture Budget Division.

Discussion resumed on S.F. 708, a bill transferring the direction of the Farmer-Lender Mediation Program from the University of Minnesota's Humphrey Institute to the University of Minnesota Extension Service. The bill, authored by Sen. LeRoy Stumpf (DFL-Thief River Falls), also repeals the sunset language, thereby making the program permanent. The bill was recommended to pass and re-referred to the Children, Families and Learning Committee.

Sen. Dean Johnson (R-Willmar) moved that S.F. 1102, a bill defeated in a

previous meeting, be reconsidered. The bill exempts agricultural land operated for the production of poultry or poultry products from the general prohibition against foreign ownership of agricultural land. The motion failed on a 5-6 roll call vote.

Members met during the evening Thurs., Mar. 18, to put together the agriculture omnibus bill. The bill, S.F. 907, provides for additional research on soybean diseases and genetics. The bill was amended to include establishment of a livestock processing plant loan and grant program, a grant to the city of Windom for loans to assist an agricultural processing facility, and new reporting requirements for livestock packers. The bill was also amended to include appropriations for the Minnesota Grown program, the Land Preservation and Conservation Assistance program, grants for farm-to-market initiatives, an appropriation for the Family Farm Advocacy program, and an appropriation to provide technical assistance and grants for the production of alternative crops.

Additionally, the bill was amended to include appropriations for the agricultural best management practices loan program, feedlot water quality upgrades and the Dairy Leaders Roundtable. An amendment relating to permit specifications in adulterated dairy products penalty situations was also adopted into the omnibus bill.

The omnibus bill was recommended to pass and referred to the Environment and Agriculture Budget Division.

Children, Families and Learning

Teacher prep programs reviewed

The Children, Families and Learning Subcommittee on Teacher Preparation met Thurs., Mar. 18, to continue discussion on teacher preparation programs. The subcommittee is co-chaired by Sen. Sandra Pappas (DFL-St. Paul) and Sen. Deanna Wiener (DFL-Eagan).

Pappas provided a working list of teacher preparation goals and objectives including incorporating the new Board of Teaching Rule, teaching reading strategies, providing early and continuous field experiences, and recruiting culturally diverse students. She listed the objectives of the school districts including hiring culturally diverse teachers,

providing a formal induction process that includes best practices, providing mentoring for beginning teachers, and providing competitive starting salaries.

Daniel Mueller, Senate Counsel & Research, reviewed existing and proposed training and staff development programs in the areas of professional development, curriculum development and teacher preparation. Mueller listed a number of bills extending current programs or creating new programs in the areas of professional development, curriculum development and teacher preparation.

Maja Weidman, Senate Counsel & Research, reviewed some of the MnSCU initiatives in teacher education and professional development. Weidman said the University of Minnesota has requested \$8.5 million for K-12 partnerships, K-12 teacher training and targeted industry partnership development. The appropriation funds training to increase the number of teachers prepared to teach in urban classrooms and expand the number of teachers of color graduating from MnSCU, said Weidman. The urban teacher education initiative, a joint venture of Minneapolis Community and Technical College, Inver Hills Community College and Metropolitan State University, has a mission of educating and creating an adequate pool of high quality urban teachers, Weidman said.

The MnSCU goals and strategies for teacher education include expanding the urban teacher education partnership, fully implementing technology competencies, providing more support for new teachers, and providing more focused and structured classroom experience, Weidman said.

High standards discussed

The Children, Families and Learning Subcommittee on High Standards Implementation met Thurs. evening, Mar. 18, to hear testimony on the profiles of learning. The subcommittee is chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

Christine Jax, commissioner, Dept. of Children, Families and Learning, told members that the governor supports the high standards portion of the profiles of learning. Jax said that she has been listening to complaints and suggestions from the public. Jax suggested that the number of content standards in the profiles of learning should be reduced. She did not offer a proposal from the depart-

ment on what, if any, changes should be made in the profiles of learning.

Public testimony continued from representatives of education groups, parent groups, school districts, political parties, and concerned citizens.

Commerce

Liquor shipment law debated

A bill modifying the direct shipment of liquor was presented to the Commerce Committee at its meeting Thurs., Mar. 18. Sen. Sam Solon (DFL-Duluth) chairs the committee.

S.F. 1342, authored by Sen. John Hottinger (DFL-Mankato) requires permits for common carriers and delivery agents of liquor and increases the criminal penalty for violation from a misdemeanor to a felony. Hottinger said the bill is necessary because of the availability of liquor over the Internet. He said under-age individuals can order liquor through a web site and have it delivered to their homes. "The bill provides some protection to insure the liquor is not getting into the hands of those under 21," Hottinger said.

The bill extends dram shop civil liability to those who deliver as well as sell alcoholic beverages. Under the bill, all employees of carriers who deliver alcoholic beverages are required to receive training. The bill requires that all packages must be clearly marked to indicate that they contain alcoholic beverages, and an adult signature over 21 is required upon delivery.

An amendment, offered by Hottinger, requires common carriers to file quarterly reports with the Commerce Department of the source of wine, volume of wine, and names of persons receiving wine under the law. The amendment reinstates the penalty for violation to a misdemeanor and no longer requires employee training. The amendment was adopted.

Jim Farrell, representing the Minnesota Beverage Association, spoke in favor of the bill. He said that anyone can order liquor from two dozen sites online, and no one checks their identification upon delivery.

Sen. Dick Day (R-Owatonna) said someone needs to talk to the consumer. He said he does not believe that high schoolers in Minnesota are ordering liquor over the Internet.

An amendment, offered by Sen.

Deanna Wiener (DFL-Eagan), removed the requirement for carriers to report to the commissioner of commerce on volume and sources regarding the shipping of wine. The amendment also removed the right of action for damages sustained against a person who causes the intoxication of an individual by illegally selling or delivering alcoholic beverages. The amendment prevailed. S.F. 1342 was approved and sent to the floor.

Another bill authored by Hottinger, S.F. 1075, was presented. The bill limits use of health information secured as part of HIV vaccine research for insurance underwriting. He said the bill is designed to help individuals who may be part of a clinical trial and may have a false positive test for the HIV virus. "They are concerned they cannot get insurance," Hottinger said. The bill was approved and sent to the floor.

Sen. Linda Scheid (DFL-Brooklyn Park) presented S.F. 1607, a bill that regulates rental vehicle coverages. The bill allows an auto rental company to sell liability and personal effects insurance.

John Benzian, National Car Rental, said most of his customers come from out of state. "They may live in New York and not own a car, so they have no liability coverage," he said. He said the coverage is even more important for visitors from another country, whose insurance may not apply here.

Craig McNulty, representing Independent Agents, said his organization is categorically opposed to the sale of insurance by people who are not licensed. Sen. Allan Spear (DFL-Mpls.) said the bill is designed to serve customers who don't own a car or have insurance, but do possess a driver's license. The bill was recommended to pass and was sent to the floor.

Scheid also authored S.F. 841, a bill that provides an alternative insurance benefit plan for small employers. The bill allows health insurers to offer small employers with 100 or fewer employees a benefit plan with different copayments or deductibles than those in current law. The bill also requires the Department of Commerce (DOC) to operate a pilot project to authorize health carriers to offer alternative benefit plans to small employers.

Carolyn Jones, DOC, spoke on behalf of the bill. She said the bill is designed to entice smaller insurance companies to

come to Minnesota, and gives flexibility to small businesses. The bill was approved and sent to the floor.

S.F. 1618, a bill authored by Solon, modifies judicial remedies pertaining to brewers and wholesalers. The bill allows Minnesota beer wholesalers to maintain an action before a jury in Minnesota against a brewer for violation of the beer wholesaling law.

Mike Madigan, counsel for the Minnesota Beer Wholesalers Association, said the bill guarantees procedural fairness. He said the right to a jury trial has existed for a hundred years. Mark Eastwood, counsel for Miller Brewing Company, spoke against the bill, saying jury trials are long. An amendment, offered by Scheid, eliminating the right to trial by jury failed. The bill was approved and sent to the floor.

Rental-purchase bill heard

The Commerce Committee, chaired by Sen. Sam Solon (DFL-Duluth), met Tues., Mar. 23. Several bills, including one that regulates rental-purchase agreements, were heard.

S.F. 1423 was presented by Sen. Steven Novak (DFL-New Brighton). The bill modifies definitions of cash price and cost-of-lease services. The bill provides for the calculation of the cash price of property and limits charges for cost-of-lease services. "It makes no sense to rent indefinitely," Novak said. He said the bill provides consumers with a choice. Currently, 2,000 Minnesotans are renting merchandise without an option to own. He said every other state offers some option of a rent-to-own policy that is affordable.

Jeff Lebakken, Lebakken, Inc., Eau Claire, Wisconsin, spoke in favor of the bill. "The bill puts options back in the hands of the consumers," he said. Also supporting the bill was Ted Grindal, representing Rent-A-Center in Minneapolis. He said the bill proposes to put an absolute cap on what the consumer is charged.

Opposing the bill was Curtis Lowe of the Attorney General's office. He said the attorney general opposes several key provisions of the bill because it does not provide adequate consumer protections and because the bill replaces the existing market based pricing with a mandated statutory method for setting price. Koebel Price of the Minnesota AFL-CIO

Committee update

said the organization believes the legislation takes advantage of consumers. He cited reports by the Legal Aid Society of Minneapolis that indicate the bill allows rental companies to charge interest rates as high as 740 percent.

Sen. Allan Spear (DFL-Mpls.) offered an amendment that requires an itemized statement. The amendment provides that if an item is used, the age of the item must be disclosed and that the total rental payments not include taxes, or other fees required by law. The section of the amendment relating to the age of the item failed but the section relating to fees and taxes was adopted. The bill was approved and sent to the floor.

Sen. Edward Oliver (R-Deephaven) presented S.F. 1715, a bill that provides enforcement authority for the commerce commissioner. The bill raises the limit on the amount of civil penalties per violation the Department of Commerce (DOC) may impose from \$2,000 to \$10,000. The bill allows a party to serve process on the commissioner by sending a copy of the process by certified mail. The DOC is given a general summary license suspension authority under the bill. Oliver said the bill limits the exemption from securities registration for offerings by cooperatives to offerings under \$1 million. The bill amends the definition of "roofer" to require that only the contracting party, and not employees, must be licensed. An amendment, offered by Sen. Deanna Wiener (DFL-Eagan), exempted the business of hair braiding from the profession of cosmetology. The amendment was adopted. The bill was recommended to pass and sent to the floor.

S.F. 1894, a bill authored by Sen. Cal Larson (R-Fergus Falls), was also presented. The bill transfers regulation of health maintenance organizations (HMOs) from the Department of Health to the Department of Commerce. The bill also transfers regulation of community integrated service networks, health care cooperatives and community purchasing arrangements. The bill was approved and sent to the floor.

Sen. Steve Murphy (DFL-Red Wing) presented S.F. 470, a bill that prohibits a maximum lifetime benefit limit on Minnesota Comprehensive Health Association (MCHA) plans. According to the bill, the policies that provide a number one or number two qualified plan must not impose a maximum lifetime benefit limit.

An amendment, offered by Sen. John Hottinger (DFL-Mankato), set a maximum lifetime benefit on these plans at \$2.5 million. The amendment was adopted.

Ted Siefert, Association of MCHA Policyholders, testified in support of the bill. As the parent of a child who is receiving maximum benefits, he said he does not know what to do if MCHA has a cap. He said a family has to spend down to qualify for Medical Assistance, if insurance does not cover the costs. The bill was approved and sent to the floor.

Crime Prevention

Part time peace officers discussed

Members of the Crime Prevention Committee, chaired by Sen. Allan Spear (DFL-Mpls.), met Mon., Mar. 22, to discuss a bill relating to training requirements for part time peace officers.

Carried by Sen. Randy Kelly (DFL-St. Paul), S.F. 1152 requires individuals preparing to become a part time peace officer to receive a minimum of 320 hours of peace officer training. Under current law, individuals preparing to become a part time peace officer are required to undergo 54 hours of training. The bill requires the Peace Officers and Standards Training (POST) Board to develop a new licensing examination for part time peace officers, compels all licensed part time peace officers to complete the expanded training described and prohibits the POST Board from renewing the licenses of officers who have not completed the new course by July 1, 2002. Also, the bill allows current part time peace officers to test out of the new training requirements.

Kelly said part time officers are required to understand procedures of arrest, search and seizure, confessions and interrogations, rules of evidence, the Minnesota Criminal Code, juvenile law, general principles of criminal investigations, crime scene search and investigation, the preservation and collection of evidence and traffic enforcement. No one can adequately learn such principles, he said, with just 54 hours of training. He said the bill increases the hours of training to ensure that part time peace officers understand the essentials of their duties.

Dennis Flaherty, executive director of the Minnesota Police and Peace Officers

Association, testified in support of the bill. He said because part time officers have all of the powers entrusted to full time officers there must be an upgrading of the part time training. He said the current law was put into place two decades ago and as the world has changed, so should the requirements for part time officers. He said many part time officers are not well trained and that citizens of the state have a right to have the standards and training of part time officers to be raised.

Sen. Leo Foley (DFL-Coon Rapids) asked why the bill doesn't simply phase out part time officers. In response, Kelly said he would eventually look at phasing out part time officers. The bill is a step, Kelly said, in making progress toward maintaining fully trained officers throughout the state.

Winthrop Police Chief Thomas Frank testified in opposition to the bill. He said the bill nullifies the ability of Greater Minnesota towns to provide police related services. Part time peace officers, he said, are currently utilized differently in every small community with no evidence of less than credible services being rendered. He said he is not opposed to training but it must be achievable. The bill was laid over to be discussed again at a future meeting.

Kelly also offered S.F. 1854, a bill that appropriates \$536,000 from the general fund to the Ramsey County Attorney's Office to establish and fund the domestic assault and child abuse prosecution unit. The pilot project is comprised of a team of attorneys, a victim and witness advocate and a small support staff to provide special attention to cases involving domestic abuse. According to information provided, the goals of the project are to ensure that children are recognized as victims and witnesses by investigators, to charge and prosecute cases with the best interests of the children and adults in mind and to reduce the amount of domestic violence experienced by a child and adult victims. Kelly said the project is an innovative way to better focus on child abuse and domestic assault.

Ramsey County attorney Susan Gaertner testified in support of the bill. She said the proposed collaboration between the city and county attorney's offices focuses on the entire family to break the cycle of violence. The project,

she said, treats domestic abuse cases differently to ensure that the children involved receive the services they need. The bill was approved and referred to the Crime Prevention and Judiciary Budget Division.

Sen. Paula Hanson (DFL-Ham Lake) presented S.F. 866, a bill that relates to theft of rental equipment. The bill amends the theft provision under current law to include those who do not return rental property to the lessor or do not pay the rental charges at the end of the rental term with intent to deprive the lessor of possession of the property.

Bob Ellingson, a representative from the Board of Public Defense, said he is concerned with the provision in the bill that makes it a theft when the merchandise is returned but not paid for. In that situation, he said, a debt is created and not a theft. Sen. Thomas Neuville (R-Northfield) said he is also uncomfortable making what is normally a civil matter—when rental property is not immediately returned or returned unpaid—a criminal matter as well. He said certain situations arise to impede an individual from returning rental property and the solution, he added, is not to make criminals out of those people. Addressing his concern, Neuville offered an amendment that requires an individual to have intent to wrongfully deprive the lessor of the rental property. The amendment was adopted, and the bill was approved to the Senate floor.

Spear carried S.F. 1097, a bill that authorizes local correctional agencies to impose local correctional fees for offenders under the supervision and control of the local agency. Under current law, courts have the responsibility. The bill was approved and sent to the Senate floor.

Sen. Jim Vickerman (DFL-Tracy) presented H.F. 475, a bill that adds towns to the provision allowing the governing body of a home rule charter or statutory city to reimburse an officer or employee for costs and reasonable attorney's fees incurred in defending against criminal charges. The fees incurred must have arisen out of actions taken during the reasonable and lawful performance of duties. The bill was approved and sent to the Senate floor.

Sen. David Knutson (R-Burnsville) carried H.F. 735, a bill that expands the adultery crime to specifically include

situations in which the perpetrator knows or has reason to know that the adultery is capable of causing death, bodily harm or illness. Current law refers to situations in which the perpetrator knows the adultery will cause death, bodily harm or illness. The bill increases the maximum penalty for adultery that causes illness, pain or other bodily harm from five years with no fine to ten years with a \$20,000 fine. Also, the bill increases penalties for adultery that does not cause harm to a five year, \$10,000 fine—currently there is no criminal penalty—and adds a \$100,000 fine for adultery causing death. The bill was approved and sent to the Senate floor.

Peace officer discussion continues

Members of the Crime Prevention Committee, chaired by Sen. Allan Spear (DFL-Mpls.), met Wed., Mar. 24, to discuss a bill relating to increase training requirements for part time peace officers.

Carried by Sen. Randy Kelly (DFL-St. Paul), S.F. 1152 requires individuals preparing to become a part time peace officer to receive a minimum of 320 hours of peace officer training. Under current law, individuals preparing to become a part time peace officer are required to undergo 54 hours of training. The bill requires the Peace Officers and Standards Training (POST) Board to develop a new licensing examination for part time peace officers, compels all licensed part time peace officers to complete the expanded training described and prohibits the POST board from renewing the licenses of officers who have not completed the new course by July 1, 2002. Also, the bill allows current part time peace officers to test out of the new training requirements.

Kelly said the bill moves Minnesota toward the further professionalization of law enforcement officers and ensures the quality of service in the state. The amount of training required, he said, should be increased.

James Franklin, director of public safety for the City of Mankato, testified in opposition to the bill. He said in Mankato part time officers are only used in emergency or other special situations. He also said the POST Board should be the facilitator for change and that the current system can be improved but is not broken. Dennis Delmont, executive

director of the Minnesota Police Chiefs Association, said more collaboration needs to be done with the various police associations on the bill. He said he needs to be able to market the bill to his members so it is their bill, and not just the Legislature's bill.

Nancy Larson, executive director for the Minnesota Association of Small Cities, also opposed the bill. She said the bill has a negative impact on small cities because implementation is expensive and depletes police forces. She said many small towns utilize a part time officer to work one or two nights per week to give the full time officers a break. It is difficult, she said, to find full time officers willing to perform in that role.

Sen. Leo Foley (DFL-Coon Rapids) offered an oral amendment to delete the entire bill and simply add that the current part time peace officer law expires Jan. 1, 2004. There is no reason, he said, to employ two classes of police officers. The amendment, however, was not adopted. Several members stated the bill needs more discussion and were concerned with the bill's impact on small towns. Responding, Kelly said there has been no movement regarding increased training for 20 years and the year 2000 is not a better time to find a solution. He said more compromise can be reached by the end of the session. The bill was approved and referred to the Crime Prevention and Judiciary Budget Division.

Sen. Don Betzold (DFL-Fridley) presented H.F. 92, which amends the requirements for a petition for judicial review of an implied consent drivers license revocation. The bill strikes the current statutory requirement that the petition "state the facts underlying each claim asserted," and strikes current language limiting pre-hearing discovery to the notice of revocation, the test record, the peace officer's certificate and accompanying documentation and disclosure of potential witnesses.

Hennepin County District Court Judge Harry Crump spoke in support of the bill. He said current law increases the amount of court time spent on each case. Before the current law, he said, such cases lasted 10 to 15 minutes but now last 2 to 3 hours. He said the increased time takes time away from other issues and increases court costs.

Foley, the author of the bill enacting the current law, said there is no reason to

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dispense with the current law. The current law works well, he said, and does not deprive anyone of their rights. He moved to table the bill, but the motion was not adopted. The bill was approved and referred to the Crime Prevention and Judiciary Budget Division.

Sen. Steven Novak (DFL-New Brighton) offered S.F. 584, which expands the crime of first degree arson related to fires caused by accelerants to include fires caused by any flammable material. Novak said the bill provides investigators with further tools to deal with arson, which has a low rate of conviction. The bill was approved and sent to the Senate floor.

Sen. Dave Johnson (DFL-Bloomington) carried H.F. 216, a bill that clarifies the current law authorizing the transfer of prisoners between jails and workhouses. The bill requires agreement between sheriffs and workhouse administrators on the conditions of the transfer. The bill was approved and sent to the Senate floor.

Johnson also offered H.F. 240, which allows sheriffs to use money from their contingent fund for DWI investigations. Currently, sheriffs may only use money from the fund, which consists of portions of fines collected for violations of controlled substance and liquor control laws, to investigate those types of crimes. The bill was approved and sent to the Senate floor.

Johnson also carried S.F. 1119, which states that a person who intentionally trespasses on a railroad track is guilty of a misdemeanor. Sen. Linda Berglin (DFL-Mpls.), noting that a public bike trail and park in Minneapolis runs along a railroad track, asked if people using the trail are criminals under the bill. Spear said the railroad company likely has a contract with the city of Minneapolis and therefore consents to allow use along the tracks. Also, Kelly said railroad tracks are not constantly monitored under the bill, but the bill acts as a vehicle to allow prosecution in certain cases. The bill was approved and sent to the Senate floor.

Sen. David Knutson (R-Burnsville) presented S.F. 496, which allows a judge to order an extension of the ten day deadline for a search warrant for financial records sought from a financial institution. The bill limits such searches to 30 days and requires that it be necessary to achieve the warrant's purpose. The bill was approved and sent to the Senate floor.

Sen. Jane Ranum (DFL-Mpls.) carried S.F. 1114, which increases the membership of the task force that the criminal and juvenile justice information policy group appoints to assist it in formulating criminal justice system policy. The bill also makes modifications in current law that requires the policy group to review funding requests for criminal justice information systems from state and local government agencies and appropriates \$1.2 million to be awarded as grants for developing integration plans under current law.

The bill was approved and sent to the Crime Prevention and Judiciary Budget Division.

Crime Prevention and Judiciary Budget Division

.08 DWI bill advanced

A bill lowering the standard of a person's alcohol concentration from 0.10 to .08 percent for DWI offenses was approved at the evening hearing of the Crime Prevention and Judiciary Budget Division Mon., Mar. 22.

The bill, S.F. 75, carried by Sen. Leo Foley (DFL-Coon Rapids), specifies that the lower concentration level is applicable for the driving and hunting while impaired laws. The measure also changes the chemical testing laws, the criminal vehicular homicide and injury laws and the law applicable to driving or operating a vehicle or aircraft under the Uniform Code of Military Justice to reflect the lower standard. In addition, the bill changes the per se alcohol standard to .08 percent for operating a recreational vehicle or motorboat. The measure was approved and re-referred to the Transportation Committee.

The division, chaired by Sen. Randy Kelly (DFL-St. Paul), also considered a bill appropriating \$6 million to fund the operation of the Criminal Gang Oversight Council and Strike Force. S.F. 752, sponsored by Kelly, was laid over for inclusion in the division's omnibus budget bill.

Members also heard budget requests from the Private Detective Board, the Crime Victim Service Center, the Department of Human Rights, the Ombudsman for Correction and the Office of Drug Policy and Violence Prevention.

Economic Development Budget Division

Flipping bill heard

A bill appropriating money for an education campaign on mortgage flipping was heard by the Economic Development Budget Division, Thurs., Mar. 18. The division is chaired by Sen. Jerry Janezich (DFL-Chisholm).

S.F. 171, authored by Sen. Linda Higgins (DFL-Mpls.), appropriates \$100,000 to the Dept. of Commerce for an educational campaign aimed at stopping the fraudulent practice known as mortgage flipping. Mortgage flipping occurs when a house is bought at normal market value and the new owner uses inflated appraisals and fraudulent financial documents to deceive a mortgage lender into loaning an amount that exceeds fair market value. The house is then sold again at the inflated price, and if the new buyer defaults on the loan, the mortgage company is unable to recoup the amount of the loan because it exceeds the fair market price of the house.

Higgins said the bill establishes a gross misdemeanor penalty for a person found guilty of mortgage flipping, with a punishment of imprisonment for not more than one year or a fine of not more than \$3,000 or both. Gary Lavasseur, deputy commissioner of the Dept. of Commerce, said the appropriation, which is from the department's real estate education, research, and recovery fund, will be used to develop a public awareness campaign targeted in the communities hit hardest by the practice. The bill was approved and forwarded to the Jobs, Energy and Community Development Committee.

The division also approved S.F. 607, authored by Sen. John Hottinger (DFL-Mankato), a bill heard at an earlier hearing. The bill requires the author of a bill relating to new, or increases in existing, tax expenditures to prepare a purpose statement along with estimates of impact analysis, before a committee hearing on the bill. The bill establishes several requirements before a subsidy is awarded including holding public hearings, setting wage and job goals, and requiring that the subsidy satisfy a specific public purpose. Hottinger said the bill appropriates \$304,000 to the Dept. of Trade and Economic Development to publish an annual compilation

and summary of reports of business subsidies from local units of government. The bill was sent to the Jobs, Energy and Community Development Committee.

S.F. 1630, authored by Sen. Steve Dille (R-Dassel), adds poultry litter to the state's list of renewable energy sources. Speaking in favor of the bill was Rupert Fraser, CEO of Fibrowatt Limited, a company considering building a power plant in Minnesota that burns turkey litter for fuel, said the power plant will bring economic benefits to rural Minnesota. Fraser said the project will create 30-40 high skill jobs and bring \$8-10 million a year into local economies. He said representatives from the Minnesota turkey industry contacted his company after they learned of technology.

Reed Adamson, from the city of Benson's Economic Development Authority, said the bill is important both for the economic development benefits, and for the state's turkey industry, which is number one in the nation. "The jobs this project creates are of the caliber we don't often see in rural Minnesota," he said. "The poultry industry is growing and we want to keep it going."

The bill was approved and forwarded to the Jobs, Energy and Community Development Committee.

Fishing museum proposed

A bill appropriating money for a fishing museum was heard by the Economic Development Budget Division, Tues., Mar. 23. Sen. Jerry Janezich (DFL-Chisholm) is the chair of the division.

S.F. 1347, authored by Sen. Don Samuelson (DFL-Brainerd), appropriates \$75,000 to the Dept. of Trade and Economic Development (DTED), for a grant to the city of Little Falls for planning in connection with the establishment of a museum of fishing related artifacts, equipment and memorabilia. Samuelson said the bill will begin the process of construction of a new museum located on the Mississippi River in Little Falls. Rep. Stephen Wenzel (DFL-Little Falls), the author of the companion House bill, said the museum will display the largest collection of fishing memorabilia in the state. "Fishing is the largest pastime of Minnesota residents," he said, "This is an effort to promote the industry, the sport and its history."

Steve Lund, the director of the Little Falls Fishing Museum, said the number of

fishing licenses sold in the state is more per capita than any other state. He said plans for the museum also include education programs. "This is a great way to pay tribute to fishing in the state," he said. Mike Doucette, a member of the Little Falls City Council, said the museum will benefit not only the city but the entire state. "The city is excited about this project. It's much more than just a museum. Younger people are not fishing. This will get them back into fishing," he said. No action was taken on the bill.

The division then heard a budget overview from the Minnesota Historical Society. Director Nina Archabal said the Historical Society fosters awareness of the state's history so that people may draw strength and perspective from the past, and find purpose in the future. She said the organization serves as an educational institution by providing a variety of historical programs and services. Archabal said the Historical Society was created in 1849 and is the state's oldest educational institution.

She said the governor has recommended funding the Historical Society's base budget and is recommending an additional \$1.1 million for salary expenses in order to continue the current level of programs. She said the governor is also recommending \$736,000 for technology infrastructure improvements, \$50,000 to protect investment in state owned historic sites and facilities, and \$110,000 to merge the Labor Interpretive Center into the Historical Society.

Election Laws

Revolving door bill heard

The Election Laws Committee, chaired by Sen. John Marty (DFL-Roseville), met Mon., Mar. 22, to discuss the revolving door bill and lowering the eligibility age for elective offices.

Marty presented a bill, H.F. 9, prohibiting former Legislators from lobbying the Legislature for one year after leaving office. Marty offered an amendment expanding the categories of employees who are restricted from lobbying. The amendment specifies that members of the Legislature, legislative caucus leadership staff, a legislative committee administrator, researcher, legislative analyst, or attorney in the office of Senate Counsel and Research or House Research are prohibited from lobbying activities for one

year after leaving office or the department.

In addition, the amendment prohibits a commissioner, deputy commissioner or head of any state department or agency from acting as a lobbyist for one year after leaving office. Marty said the intent of the bill is to put some distance between the former employee and the current members and staff. He said that lobbyists are not bad people, but returning to the Legislature as a lobbyist within the first year is an unhealthy practice.

Sen. Ember Reichgott Junge (DFL-New Hope) said she is concerned about imposing the restriction on nonpartisan staff. She said staff members have professional expertise and should not be prohibited from using it in employment situations when they leave the Senate.

David Schultz, Common Cause Minnesota, said the purpose of the "revolving door" legislation is to prevent former state Legislators from unfairly competing with other citizens by using the special contacts they acquired as a result of being a public official. He said another purpose of the bill is to address any perceptions that citizens may have that Legislators are trying to "cash in" after leaving office. The amendment was not approved by the committee.

Sen. Dean Johnson (R-Willmar) said if a member leaves office and then comes back to lobby the Legislature, that person will have enemies, too, not just good relationships with the current members and staff. Johnson said he appreciates when former Legislators come back because they know the process. The bill failed to win approval on a 2-8 roll call vote.

Sen. Becky Lourey (DFL-Kerrick) presented a bill proposing an amendment to the Minnesota constitution to lower the eligibility age for elective offices. The bill lowers the from 21 to 18 the eligibility age for elective office. Lourey said the bill, S.F. 172, allows the voters to decide if an 18 year old should be eligible to hold office.

Rashan Moore, student, Minneapolis North High School, told members that more young people would get involved in the process if they could do it earlier. He said he knows the chances of an 18 year old winning an election are small, but taking part in the process provides valuable experience and keeps young people involved. The bill was recommended to pass and re-referred to the Rules and Administration Committee.

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Recodification bill heard

Members of the Senate Election Laws Committee, chaired by Sen. John Marty (DFL-Roseville), devoted most of the Weds., Mar. 24, hearing to discussion of a bill that recodifies the laws relating to ethics in government. The bill, S.F. 145, carried by Marty, clarifies and simplifies the law related to lobbyist registration, conflicts of interest and campaign finance. The measure is the product of work done over the interim by staff from the Senate and the House of Representatives, the Revisor's Office, the Campaign Finance and Public Disclosure Board and the Secretary of State's Office.

While the bill is primarily noncontroversial in nature, Peter Wattson, Senate Counsel and Research, said that some substantive changes were made. Dan Wolf, chief of staff of the Senate Republican Caucus, said that the changes were, however, noncontroversial. Wattson led members through an outline listing every change made from current law and explained the reasoning behind each change. Wattson also explained an amendment to be offered to the measure. The amendment makes several changes necessitated by language in another bill making its way through the process that would be in conflict with S.F. 145, should both bills become law. Members agreed to lay the bill over in order to consider the changes before taking formal action on the measure.

In other action, the panel approved a bill providing the same legal rights for all persons under commitment status. Chief author, Sen. Don Betzold (DFL-Fridley), said the bill, S.F. 676, is a response to a decision in a case in which residents of the security hospital at St. Peter were not allowed to vote in the 1996 presidential election. Betzold said that the bill attempts to restore the law so persons committed under the sexual psychopath civil commitment statute do not have grounds for further lawsuits. Members approved the bill and advanced it to the Senate floor.

Environment and Natural Resources

12 bills approved

The Environment and Natural Resources Committee met Thurs., Mar. 18 to hear several bills relating to state land

sale. The committee is chaired by Sen. Bob Lessard (DFL-Int'l. Falls).

The following bills were approved and sent to the Senate floor: S.F. 338, authored by Sen. Steve Murphy (DFL-Red Wing), authorizes the private sale of county land in Goodhue County. S.F. 1255, authored by Sen. Thomas Neuville (R-Northfield), authorizes the private sale of tax-forfeited land in Le Sueur County. S.F. 1264, authored by Sen. Paula Hanson (DFL-Ham Lake), authorizes the sale of surplus land in Anoka County. S.F. 1340, authored by Sen. Gary Laidig (R-Stillwater), authorizes the private sale of tax-forfeited land in Washington County. S.F. 1439, authored by Sen. Dean Johnson (R-Willmar), authorizes the public sale of tax-forfeited land in Kandiyohi County. S.F. 1470, authored by Sen. Don Samuelson (DFL-Brainerd), modifies the route of the Paul Bunyon State Trail. S.F. 1477, authored by Sen. Janet Johnson (DFL-North Branch), authorizes the conveyance of tax-forfeited land in Chisago County. S.F. 1572, authored by Sen. Dennis Frederickson (R-New Ulm), modifies provisions for exchange of leased lakeshore lots. S.F. 1743, authored by Sen. Roy Terwilliger (R-Edina), authorizes the conveyance of tax-forfeited land in Hennepin County. S.F. 1830, authored by Sen. Douglas Johnson (DFL-Tower), authorizes the private and public sale of tax-forfeited land in Cook County. S.F. 1402, authored by Sen. Carol Flynn (DFL-Mpls.), authorizes the commissioner of the Dept. of Natural Resources (DNR) to enter into a lease of land at Fort Snelling.

The committee also heard S.F. 1541, authored by Sen. Leonard Price (DFL-Woodbury), a bill that makes permanent a Minnesota Pollution Control Agency Environmental Improvement Pilot Project. Price said the program was established in 1995 to promote voluntary compliance with environmental requirements. He said the program encourages businesses and local units of government to conduct an environmental audit to determine whether or not a facility is in compliance with state environmental regulations.

Randy Hukriede, from the MPCA, said since the beginning of the project, the agency had received over 900 reports from participants and that 94 percent felt the program increased their understand-

ing of how to comply with environmental requirements. Price said the bill is supported by both business and environmental groups and that he knew of no opposition. The bill was approved and forwarded to the Senate floor.

Red Lake bill approved

A bill allowing the shipment of wild animals taken from the Northwest Angle portion of the Red Lake Indian Reservation was heard by the Environment and Natural Resources Committee, Fri., Mar. 19. Sen. Bob Lessard (DFL-Int'l. Falls) chairs the committee.

S.F. 173, authored by Sen. Roger Moe (DFL-Erskine), allows the taking and possession of wild animals from the Red Lake Reservation land north of the 49th parallel without a state hunting or fishing license. Moe said the bill deals with a jurisdictional issue and does not diminish state sovereignty. "The bill deals with a unique situation of the Red Lake Band, he said, "It's important for us to focus on what this bill does and not get swept up in other things." He said the Attorney General's Office said the bill does not establish an equal protection type precedent for other reservations.

Bobby Whitefeather, chairman of the Red Lake Band, said the state doesn't require people hunting in neighboring states to buy a Minnesota license to transfer game back into the state, and should view hunting in the Northwest Angle in the same manner. "Red Lake licenses to licensees are adequate," he said.

Mike Grupa, from the Dept. of Natural Resources, said the DNR is not taking a position on the bill but is concerned it may create a confusion by treating the Red Lake Indian Reservation different from other reservations. "One of the reasons laws are made is to let citizens know what is prohibited and what is allowed," Grupa said, "It is impossible to enforce and difficult to manage a checkerboard approach." The bill was approved and sent to the Senate floor.

S.F. 1592, authored by Sen. Dallas Sams (DFL-Staples), provides that a person with a mental disability who passes a firearms safety course but is unable to pass a written exam, be eligible for a provisional firearms safety certificate that can be used when accompanied and assisted by a parent, guardian or other adult designated by the parent or

guardian. Sams said the bill does not allow a person to possess a firearm if the person is otherwise prohibited from possessing a firearm under other state or federal laws.

Grupa said the DNR was concerned that the definition of "mental disability" was not clear enough. Sams offered an amendment changing the term "mental disability" to "mental retardation" and defining it as "a person who has been diagnosed as having substantial limitations in present functioning, manifested as significantly subaverage intellectual functioning, existing concurrently with demonstrated deficits in adaptive behavior, and who manifests these conditions before the person's 22nd birthday." He said the definition is the same used in other areas of the statutes. Sen. Jim Vickerman (DFL-Tracy), said he was offended by the use of the word "retardation" and said he would not support the bill if the term was used. Sams offered an amendment to the amendment changing "retardation" back to "disability" but keeping the rest of the definition. The amendment to the amendment was adopted. The amendment to the bill was also adopted. The bill was approved and sent to the Senate floor.

S.F. 1592, authored by Sen. Dan Stevens (R-Mora), repeals the prohibition against the use of certain heavy metals in products. Stevens said it was his third attempt at passing legislation to repeal the prohibition of the use of certain inks, dyes, paints, pigments, and fungicides. "It's time to accept science in Minnesota," he said. He said in 1997 a compromise was reached establishing a process by which a five member panel evaluates products containing the metals and the issues relating to the products. The Listed Metal Advisory Council (LMAC) consists of five members with expertise in the products being reviewed, and makes an evaluation and a recommendation to the Minnesota Pollution Control Agency (MPCA) whether or not the use of the metal in the product is appropriate and justified.

Bill Dunn, from the MPCA, said the LMAC assessment considers if there is a viable alternative product available, and if the product is economically practicable as well as if the alternative product provides an environmental benefit to the state. He said the costs of the listed

metals program is covered by a \$295 fee per product.

Sen. Jane Krentz (DFL-May Township), said because the bill could leave a \$200,000 hole in the agency's budget from the elimination of the fees collected, she thought the budget division should also discuss the bill. The bill was approved and sent to the Environment and Agriculture Budget Division.

S.F. 1462, authored by Sen. Leonard Price (DFL-Woodbury), directs the Environmental Quality Board to establish an urban development steering committee to advise the board on the scope and content of a generic environmental impact statement (GEIS) to examine the long term effects of urban development upon the economy, environment, and way of life in the state. Price said that in the city of Woodbury, issues of farm land being lost to strip malls and housing developments is a cause for concern. "The folks who are trying to make the decisions don't have enough information," he said, "This is information to help those people make the right decisions."

Judy Bellairs, from the Sierra Club, said that between 1982 and 1992, Minnesota lost 2.3 million acres of farmland to development. She said many new suburban residents drive to the Twin Cities for work and as a result, few urban areas have experienced a faster growing traffic problem than the Twin Cities. "The amount of time residents wasted stuck in traffic jams increased by 178 percent between 1982 and 1994," she said.

Sen. Pat Pariseau (R-Farmington), said she opposed the bill because the amount of planning information that already exists is sufficient. "To reinvent another method to do planning and to spend more state dollars is insane," she said.

Price said the bill is necessary because it provides a statewide look at planning issues. "This takes a larger picture of what is happening with urban development," he said.

The bill was approved and forwarded to the Governmental Operations and Veterans Committee.

Red Lake fishing ban

The Environment and Natural Resources Committee met Mon., Mar. 22, to hear an overview on the progress of revitalization efforts of walleye popula-

tion in Upper and Lower Red Lakes. Sen. Bob Lessard (DFL-Int'l. Falls) chairs the committee.

Jack Wingate, from the Dept. of Natural Resources (DNR), said Red Lakes is a 275,000 acre lake composed of Upper Red Lake and Lower Red Lake. He said all of the lower lake and 60,000 acres of the upper lake is within the Red Lake Indian Reservation, and the east portion of the upper lake, approximately 48,000 acres, is under state control. Wingate said the walleye population in the Red Lakes decreased because of excessive harvests. The DNR estimates there may not be enough mature female walleye to recover the lake or that recovery will be exceedingly slow without stocking. He said in 1989 normal experimental gill net catches were 15 to 20 walleye per net lift, and in 1996 they were measured as low as two to three per net lift. The Red Lake Band of Chippewa Indians discontinued all commercial fishing in 1997 and the DNR reduced the bag limit from six to two in 1998, Wingate said. He said a memorandum of understanding between the band and the department, which will be signed on April 9, bans all fishing on the lakes.

Wingate said the recovery plan includes more enforcement and information sharing, selective walleye fry stocking, banning the use of all gill nets except large mesh nets, and determining when the recovery has progressed far enough to allow for harvesting to resume. He said the DNR will spend \$28,000 to restock the lake while the Bureau of Indian Affairs (BIA) will pay \$40,000 annually. Lessard criticized the DNR's approach of using only fry and not fingerling to stock the lake. "Aquaculture is a viable industry in the state. I don't know why you consistently shut out that approach," he said.

Wingate said the DNR tries to closely match the genetics of the fry with the fish in the lake. "If the genetics are different, the potential damage is much worse than what we can ever hope to recover," he said. He said the restocking plan is to use fry from Lake Vermillion, a lake similar to the Red Lakes.

Bob Jackson, from BIA, said all sides agreed to approach the problem by looking for a solution rather than trying to place blame. He said the band is very concerned and committed to bringing back the walleye population of the lake.

Committee update

Environment and Agriculture Budget Division

License plate bill heard

The Environment and Agriculture Budget Division, chaired by Sen. Jane Krentz (DFL-May Township), met Mon., Mar. 22, to hear two bills.

S.F. 1637, authored by Sen. Leonard Price (DFL-Woodbury), establishes a revolving fund for the Dept. of Natural Resources (DNR) to purchase additional critical habitat license plates. "There are more of these plates sold than all other special plates combined," Price said. "There have been instances where there are not enough of the plates available, so people who are paying \$30 extra can't get them for a month or two."

Price said appropriations transferred to the critical habitat private sector matching account may be expended only to the extent they are matched with contributions from private sources or by funds contributed to the nongame wildlife management account. He said the bill allows the DNR to use money credited to the account to purchase additional license plates.

Tom Landwehr, formerly with the DNR and now with Ducks Unlimited, said the original appropriation paid for 10,000 plates which were used up last fall and the Legislature approved a one time deficiency appropriation to purchase more plates. Landwehr said to purchase a plate, a person pays an annual fee of \$30 which goes into the nongame wildlife management account, a one time fee of \$10 which goes to the highway user tax distribution fund, and \$3.50 for administrative costs. No action was taken on the bill.

S.F. 149, also authored by Price, appropriates \$42.2 million over the next biennium to fund projects recommended by the Legislative Commission on Minnesota Resources (LCMR). Price said LCMR members conducted site visits throughout the state during the summer and early fall of 1997. He said the trips offered members the chance to speak directly with the people in the field and learn about the current environmental needs in the state. He said issues addressed included trout preservation, well head protection, land acquisition, GIS applications, forest resources, trail connections, historical site renovations,

and sustainable farming. "There were 85 hours of hearings. It was a process we tried to make open to get as much input as possible," he said.

Price said the LCMR received 464 proposals, and has recommended funding 122 projects which if approved, will begin in July 1999 and run through 2001. No action was taken on the bill.

Agencies bid for continuation

Three state sponsored organizations, two of which the governor has recommended for abolition and the other for privatization, presented their budget requests at the Mon., Mar. 22, evening meeting of the Environment and Agriculture Budget Division. According to the governor's budget recommendations, the Minnesota-Wisconsin Boundary Area Commission and the Voyageur's National Park Citizens Advisory Council are slated for dissolution and the Minnesota Zoological Garden will be privatized.

Jim Fitzpatrick, chair of the Minnesota-Wisconsin Boundary Area Commission (MWBAC), said the commission acts as a liaison between regulatory agencies and residents of both sides of the two border rivers, the Mississippi and the St. Croix. He said that Gov. Ventura claims that the commission can be eliminated because it's duties overlap with other agencies. Yet, Fitzpatrick said, the governor has not stated which agencies' duties overlap with those of MWBAC. Fitzpatrick also said the commission has been instrumental in resolving conflicts such as the combined sewer overflow suit filed by Wisconsin against Metro Area cities. In addition, Fitzpatrick said, the commission recently took on the role of mediating the Stillwater bridge issue. He said the commission is seeking \$371,000 for continued operation in the next biennium.

Sen. Bob Lessard (DFL-Int'l. Falls) voiced support for the commission. He said that because of their mediation work, commissions like the MWBAC save money in the long run. MWBAC Executive Director Clarence Malik said that Wisconsin has on occasion studied commissions similar in nature to the MWBAC to make recommendations for abolition, but the MWBAC has always been recommended for continuation. Sen. Pat Pariseau (R-Farmington) asked if the commission could serve as an advisor to the Metropolitan Council.

Malik said that the commission held a forum on urban growth and can serve liaison to the council on that issue.

Most division members voiced support for funding the commission but took no formal action on the request.

The division heard testimony from Ronald Esau, chair of the Citizens' Council on Voyageurs National Park (CCVNP). Esau said the functions of the council include monitoring the watersheds in which the park is located and getting the federal appropriations necessary to accomplish the park's plan. The council is requesting \$66,000 in FY 00, and \$68,000 in FY 01.

Lessard also spoke in favor of keeping the council. He said the council has done a great job in resolving differences between the state and federal governments. Without the council, Lessard said, there would be a mismatch of power and the federal government would dominate that part of the state. Division Chair Jane Krentz (DFL-May Township) said that abolishing organizations like the CCVNP, which solicit citizen input, is contrary to the governor's emphasis on citizen involvement in government. Pariseau added that when the federal government created the park in 1978, the CCVNP was created in exchange for the land. She said that the governor doesn't know the history of the council. The division members expressed support for keeping the council, but took no formal action on the request.

Finally, the Minnesota Zoo presented its budget request. Most of the division discussion focused on the ongoing budget shortfalls suffered by the zoo. Jim Rheinholtz, spokesman for the zoo, said the problem is caused by a "structural deficit," resulting from attendance levels that are below those projected after the opening of the Discovery Bay exhibit. The zoo is seeking \$2 million in FY 2000 and \$2.4 million the following year from the general fund to cover the deficiencies. Rheinholtz said that without the appropriation, the zoo would have to close some exhibits and lay off staff. He said that adding \$2 million to the zoo's base budget each year will solve the problem. Although the governor recommends that the zoo be privatized, Rheinholtz said there would be negative fiscal impacts. He said the zoo buys supplies at a lower rate and is covered for tort liability at a lower cost as a state

entity. Those costs would increase with privatization, he said.

Sen. Steve Dille (R-Dassel) said many things in Minnesota that contribute to our high quality of life are hard to fund with user fees and the zoo is one of them. He said that the zoo and museums depend on public subsidies. He suggested that the division fund most but not all of the request to keep some pressure on the zoo to increase attendance. Lessard added that the zoo needs to increase its advertising in the Greater Minnesota. The division took no formal action on the funding request.

DNR budget begins

Discussion of the budget for the Dept. of Natural Resources (DNR) began at the Tues., Mar. 23, meeting of the Environment and Agriculture Budget Division. The division is chaired by Sen. Jane Krentz (DFL-May Township).

Roger Holmes, Fish and Wildlife division director for the DNR, said the department is facing program cuts and staff layoffs in the face of a projected \$10.4 million budget shortfall. According to a handout distributed by Holmes, the budget shortfall could affect the fisheries operations by cutting specific projects such as lake aeration and reclamation, reducing staff at fisheries field stations, reducing the MinnAqua program, and reducing fisheries stocking and survey data collection. The potential effect on wildlife operations include lower deer, bear and goose populations because of staff cuts, reduced technical assistance to landowners for habitat development, and deterioration of wildlife management areas. Ecological services would suffer by providing reduced technical assistance to local governments in minimizing ecological damage resulting from economic development, reduced analytical chemistry services that monitor water quality, reduced operations to inventory and manage rare species, reduced efforts to minimize the impact of exotic species, and reduced efforts to help lakeshore homeowners provide critical habitat for fish and wildlife, according to the handout from Holmes.

Sen. Bob Lessard (DFL-Int'l. Falls) said that if the governor is willing to raise the revenue target, he would support raising license fees. However, Lessard said, he doubted the license fee increases would

pass the other body. Krentz said that the governor should consider that alternative rather than giving all the surplus back. Sen. Leonard Price (DFL-Woodbury) suggested that by allowing the fisheries programs to be cut, public advocacy for the programs may develop or else the DNR will find that there isn't enough public support for certain programs to justify keeping them.

The panel then heard from Parks and Recreation Division Director Bill Morrissey. Morrissey said the division is requesting \$1.088 million in each of the next two years for state park operations. He said that \$325,000 of the appropriation is to install a campground management computer system. Sen. Dennis Frederickson (R-New Ulm) asked if once a person registers at one state park, would their personal information be available at other state parks for camping registration. Morrissey said that it would be and the intent of the system is to make it simpler for campers by taking the paperwork out of the registration process.

The division took no formal action on the budget requests but will consider the testimony when formulating the omnibus budget bill.

DNR ends support for council

The Dept. of Natural Resources (DNR) surprised members of the Environment and Agriculture Budget Division by announcing it was pulling its support for the Forest Resources Council. The announcement was made as part of the department's budget overview at the division's Weds., Mar. 23, hearing.

Brad Moore, an assistant commissioner of the DNR, said because of the differences between members on the council, the department no longer supports extending the sunset of the Sustainable Forest Resources Act, the act that governs the council's existence. "At present the department doesn't support the reauthorization because of the great division that exists between representatives from forest products industries and environmental groups," Moore said. He said the DNR maintains support for the concept of the council, and is working with both sides to find middle ground. "We remain hopeful that there will be a council. We need one for the state. But it has to be meaningful for citizens and involve all sides in a constructive dialogue," he said.

The Legislature created the Minnesota

Forest Resources Council to encourage cooperation and collaboration between public and private sectors in the management of the state's forest resources as well as to recognize and consider forest resource issues, concerns, and impacts at the site and landscape levels. Sen. Jane Krentz (DFL-May Township), the chair of the division, Sen. Bob Lessard (DFL-Int'l. Falls), and Sen. Steve Dille (R-Dassel) all said they were surprised and concerned by the department's decision. Dille asked Moore when and who from the department made the decision. Moore said the commissioner's office in consultation with the governor's chief of staff, Steven Bosacker, decided to withdraw support for the council that morning. Dille said he did not understand why representatives of environmental groups are dissatisfied with the council. "The majority of decisions that have been made have been made in their favor," he said. He said the council should continue even if members from all sides did not participate. Moore said all options are still being discussed, but the DNR feels that it is important for the council's effectiveness to continue to include all sides.

The division continued hearing the department's presentation of its budget. Jerry Rose, from the Division of Forestry, said the mission of the division is to work with people to manage the state's diverse natural resources for a sustainable quality of life. He said Minnesota forests have rebounded from the initial wave of harvest at the turn of the century and now comprise nearly one third of the state. Rose said forest acreage in the state has increased from a low of 11.9 million acres in 1895 to 16.7 million acres today. He said the total value of forest products manufactured in Minnesota has grown to more than \$8 billion annually, making it the third largest manufacturing industry in the state.

Leo Haseman, from the Enforcement Division, said the division's major responsibilities include ensuring compliance with state game, fish and recreational vehicle laws. He said the division provides educational training programs in firearms safety, advanced hunter education, bow hunter education, snowmobile safety, all terrain vehicle safety, and off highway motorcycle safety. Haseman said that for the first time in the state's history, there were no fatalities during last fall's hunting season.

Committee update

Family and Early Childhood Education Budget Division

Welfare to work grants discussed

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Fri., Mar. 19, to discuss a bill relating to welfare-to-work grant money.

Sen. Linda Berglin (DFL-Mpls.) carried S.F. 1655, which directs the commissioner of Children, Families and Learning to use up to \$5 million of state child care assistance expenditures per year on families who meet welfare to work requirements to provide a state match in order to obtain federal welfare-to-work grant money. The bill also requires that the discretionary portion of the welfare to work grant for the state be used for child care assistance or adult education programs. Berglin said the bill is an attempt to secure an additional biennial amount of \$10 million in federal funds that are available to the state.

Deb Bednarz, of the Minnesota Department of Finance, testified about some concerns the department has regarding the bill. Bednarz said the bill requires the department to change their current forecasting methodology, which, she said, compromises the department's ability to manage risk and control responsibility for child care.

Cherie Kotilinek, from the Department of Children, Families and Learning, said the department cannot provide the information about families receiving child care assistance required in the bill. She said the department does not have the level of specificity to know if families receiving child care assistance meet the criteria to obtain federal assistance, and it would require more time and money to compile the necessary data as well. Also, Kotilinek said the department does not currently have the technological capabilities to process the information.

Responding to the concerns raised by Bednarz, Sen. John Marty (DFL-Roseville) said the methodology of the Finance Department may be worth reorganizing in order to receive an extra \$10 million in federal funds.

Berglin, in reference to the concerns expressed by Kotilinek, said part of the proposal in the bill is to generate administration funds. The funds, she said, are slated to be used by the Department of

Health, but added that they could also be used by the Department of Children, Families and Learning. Berglin also said the Department of Health has the necessary information about families receiving child care assistance. Berglin said to say the state government cannot find a way to leverage the extra available federal funds is not acceptable to her constituents. The bill was laid over to be discussed again at a future meeting.

Berglin also offered S.F. 1028, a bill that eliminates the requirement that transition year families must have received Minnesota Family Investment Plan (MFIP) assistance for at least three of the last six months before losing eligibility due to increased income or support.

Suzanne Gaines, principal planning analyst with Hennepin County, testified in support of the bill. She said many people are unable to take or keep jobs under the current requirement. The bill was approved to be considered for inclusion in the division's omnibus bill.

Child care fraud discussed

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Tues., Mar. 23, to discuss a bill relating to child care assistance fraud.

Carried by Sen. Arlene Lesewski (R-Marshall), S.F. 1263 requires the development and distribution of an application form for child care assistance that includes notice of eligibility qualifications and penalties for wrongfully obtaining assistance. The bill requires the enforcement of child care fraud, defines wrongfully obtaining assistance as theft, gives local agencies authority to request a subpoena to compel the release of information prior to an administrative fraud disqualification hearing and provides penalties for families found guilty of wrongfully obtaining assistance. The bill also appropriates \$350,000 each year of the biennium for child care fraud prevention related programs. Lesewski said the bill deals with situations similar to a recent incident in her district, where a family was receiving child care assistance designated for students. She said the parents were enrolled in a school to provide proof of their education but did not actually attend classes.

Piper asked if fraud prevention is a top priority in the Minnesota Department of Children, Families and Learning. It is

good to eliminate fraud, she said, but added that she has not heard of many reports of fraud. She said \$750,000 could provide child care for approximately 150 families, which she said is a much better use of the division's limited budget.

Rosemary Frizell, representing the Children's Defense Fund, testified regarding some concerns with the bill. She said the bill sanctions children because a child is disqualified from day care if the parents are found to have committed fraud. She said it is better to implement a system similar to that of the Minnesota Family Investment Plan (MFIP), where a parent may be sanctioned but benefits for the child are still continued. She said parents commit fraud and not children.

The bill, she said, also penalizes families more severely than the provider who may also be part of the fraud and does not state that probable cause must be determined in order to issue a subpoena.

Responding, Lesewski said the bill is designed to move families in the direction of honesty. She said that families commit fraud and it is appropriate for them to be penalized. In order to deal with the various concerns, the bill was laid on the table and will be discussed again at a future meeting.

Sen. Claire Robling (R-Prior Lake) presented S.F. 1358, a bill that makes eligibility and assistance changes to the at-home infant child care program that provides assistance to parents during the time they stay home with their infants. The bill extends the maximum age eligibility of children from under age one to under the age of two and increases the total time of assistance through the program from 12 to 24 months. The bill also eliminates the requirement that families be a participant in the basic sliding fee program, limits eligibility to two parent families with one parent providing child care and allocates \$1.5 million each year of the biennium of the general fund appropriation for the basic sliding fee program for the at-home infant program.

Robling said the bill is necessary because under current law the program is not easily accessible. She said because the current program sometimes takes a year to implement those who apply no longer have eligible children when accepted. Not many are taking advantage of the program, she said, because it is so difficult to access and because many are not aware of it.

Sen. John Marty (DFL-Roseville) said he is concerned with the large amount of money set aside for the program. The money, he said, may be better utilized for programs dealing with those with a much lower income than is required to participate in the at-home program. Marty also mentioned his concern with language in the bill that makes only two parent families eligible for the at-home program.

Responding, Lesewski said eliminating the two parent family requirement eliminates the original intent of the law. Taking away the two parent requirement, she said, then limits the program to one parent families. Disagreeing, Marty said eliminating the two parent requirement simply expands eligibility to all families and not just two parent families. Sen. Roy Terwilliger (R-Edina) said the original intent of the law is to encourage two people to be married and to encourage one parent to stay at home with the child, rather than putting the child in day care. He said no damage is done by leaving in the two parent reference. Marty said the original language—which gives eligibility to “only one parent, in a two-parent family”—does not state that one parent must be part of a two parent family. Instead, he said, the law states that only one parent—not both parents—in a two parent family are eligible for assistance.

Tammy Pust, legislative liaison in the Office of Community Services with the Minnesota Department of Children, Families and Learning, said the department interprets the current law to say that just one parent in a two parent family is eligible for at-home infant care assistance. The department considers a single parent eligible for assistance as well, she said, because the legislation is silent regarding one parent families. The bill was laid on the table to be discussed further at a future meeting.

Lesewski also offered S.F. 1820, a bill that removes obsolete child care system reports from current law. The bill was approved to be considered for inclusion in the division’s omnibus bill.

CFL department bill reviewed

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Wed., Mar. 24, to review S.F. 1621, the omnibus bill from the Office of Community Services at the Minnesota

Department of Children, Families and Learning.

The bill provides a number of technical changes but includes a number of substantive changes as well. Among several substantial child care related provisions, the bill adds immunization, health and safety requirements for legally nonlicensed providers who receive a subsidy from the child care assistance programs. The bill also requires providers to register with the county, compels parents to sign a release acknowledging their responsibility to choose legal care and requires providers and parents to comply with state and local health ordinances, building and fire code provisions. The bill eliminates the definition of “accredited” for the payment of a ten percent bonus for providers participating in child care assistance programs, reduces the 20 hour minimum work requirement for full time students to be eligible for child care to ten hours and removes the prohibition against lowering parent fees with the addition of family members. The bill also transfers \$60.825 million in Temporary Assistance for Needy Families (TANF) funds over the 2000-01 biennium to finance the basic sliding fee child care program.

Among provisions relating to school-age care programs, the bill authorizes school districts without board sponsored school-age care programs to allow appropriate, insured groups to use school facilities for school-age care programs. Also, the bill adds a requirement that school-age programs must have access to school facilities if the facilities are not in use and allows a school district to establish reasonable rules for the use of school facilities.

A provision relating to family service collaboratives is also part of the bill. The bill authorizes the commissioner of Children, Families and Learning to designate a single collaborative to act as the lead in obtaining liability insurance coverage.

Among many appropriations provisions recommended by Gov. Ventura in the bill are funds relating to grants for children and family programs. The bill appropriates over the 2000-01 biennium a total of \$177.575 million for Minnesota Investment Program (MFIP) Child Care Assistance, \$41.502 million for Basic Sliding Fee Child Care Assistance, \$3.730 million for child care development programs, \$37.231 million for Early Childhood Family Education (ECFE) and

\$490,000 for extended day aid programs. The bill also appropriates a total of \$36.750 million to Head Start, \$5.95 million to health and developmental screening programs, \$20.79 million to learning readiness programs and \$950,000 for Way to Grow.

Among prevention and intervention related grants, the governor recommends appropriations that total \$1.89 million for abused children programs, \$11.52 million for after school enrichment programs, \$450,000 for the children’s trust fund, \$400,000 for family visitation centers and \$2.9 million for violence prevention grants. In the bill, the governor also recommends eliminating funding for grants related to adolescent parenting and male responsibility. The bill will be discussed again at future meetings.

Governmental Operations and Veterans

Occupational regulation discussed

The Governmental Operations and Veterans Committee, chaired by Sen. James Metzen, met Thurs., Mar. 18, to hear the Legislative Auditor’s evaluation report of occupational regulation.

“Minnesota has a complex, multifaceted system of occupational regulation,” said Elliot Long, Office of the Legislative Auditor. The state’s policy on occupational regulation is good, but it is not applied consistently, he said. The report recommends the Legislature require occupational groups to provide specific information relating to the statutory criteria for regulation when they seek to be regulated. The report also recommends that boards and agencies responsible for occupational regulation make their biennial reports more readable and useful to the Legislature, the governor, and the public.

Sen. Sheila Kiscaden (R-Rochester) offered S.F. 1266, a bill establishing the Occupational Regulatory Coordinating Council. The bill also establishes an interagency task force to identify the duties of the council. “The task force expires June 30, 2000, and we end up with a permanent council that provides a method for oversight,” said Kiscaden. She said the issue will be discussed further at interim hearings during the summer. No formal action was taken on the bill.

Committee update

In an effort to address concerns in the Legislative Auditor's report, S.F. 1746 was sponsored by Sen. Deanna Wiener (DFL-Eagan). The bill requires proponents of new or expanded regulation to provide certain information in writing to the chairs of the standing committees. The bill also lists the issues that the reports must address. The bill was recommended to pass and sent to the Senate floor.

A bill clarifying licensure requirements for the practice of traditional midwifery was presented by Sen. Sandra Pappas (DFL-St. Paul). The bill describes the licensing process, and lists the scope and restrictions of midwifery. The focus of the bill is to expand an existing law licensing midwives using the certified professional midwife credential, said Pappas. The bill updates the standards of midwifery to the needs of today's parents, she said. The bill was recommended to pass and re-referred to the Human Resources Finance Committee.

Sen. Don Samuelson (DFL-Brainerd) offered S.F. 527, a bill establishing a State Board of Physical Therapy and providing licensing requirements for physical therapists. Win Borden, representing the Minnesota Chapter of the American Physical Therapy Association, said the establishment of the board ensures that consumer complaints will be heard in a timely manner. Borden said the board is self-funded and no state dollars are necessary for its creation. The bill was recommended to pass and sent to the Senate floor.

Samuelson also presented S.F. 1360, a bill establishing a statewide advisory committee to look at the needs of intermediate care facilities. The bill also modifies payment rate determination for intermediate care facilities and requires a local system needs planning process. The advisory committee includes representatives of providers and counties and the commissioner of Human Services. The bill was amended to provide a sunset date of June 30, 2003. The bill was recommended to pass and re-referred to the Health and Human Services Committee.

Sen. Becky Lourey, (DFL-Kerrick) offered S.F. 1825, a bill establishing a Citizens Advisory Council on Food. Under the bill, the council is designed to analyze, discuss, debate, and recommend policies related to Minnesota's food system. The bill was recommended to

pass and sent to the Senate floor.

Pension bills advance

Two major pension bills were approved at the Thurs., Mar. 18, evening meeting of the Governmental Operations and Veterans Committee. The panel, chaired by Sen. James Metzen (DFL-South St. Paul), advanced both bills to the State Government Finance Committee. S.F. 1077, authored by Sen. Lawrence Pogemiller (DFL-Mpls.), concerns pension provisions of a general or statewide nature. S.F. 319, also carried by Pogemiller, concerns pension provisions primarily of a local nature. Pogemiller said both bills had been thoroughly reviewed by the Legislative Commission on Pensions and Retirement. In addition, he said that the decision was made this year to not embark upon any major pension initiatives.

S.F. 1077 contains an article relating to individual and small group pension changes, an article designating the supplemental needs trust as an optional annuity form recipient, an article making changes for volunteer fire relief associations, an article authorizing membership expansion of the Correctional Employees Retirement Plan, an article making changes in the Public Safety Employee Pension Plan, an article providing special retirement coverage for certain state fire marshal employees, an article authorizing the purchase of prior service credit under teacher retirement plans, an article making changes in the Minneapolis Employees Retirement Plan, an article making changes in provisions relating to the employer matching contribution tax-sheltered annuity, and an article making changes in the MnSCU individual retirement account plan.

S.F. 319 contains articles relating to the privatization of Luverne Public Hospital, the privatization of Waconia Ridgeview Medical Center, increased benefits for local police and paid fire relief associations, and authorization for the Kandiyohi County and Litchfield City Volunteer Rescue Squad Relief Associations.

Members also approved a bill, authored by Sen. Dave Johnson (DFL-Bloomington), authorizing the Minnesota State Retirement System, the Public Employees Retirement Association and the Teachers Retirement Association to purchase or construct an administrative

building. The measure, S.F. 711, was approved and advanced to the State Government Finance Committee.

A bill, S.F. 1486, authored by Sen. Don Betzold (DFL-Fridley), directing the commissioner of administration to study the feasibility and potential benefits of establishing a state travel office, was also approved. The measure was referred to the Governmental Operations Budget Division. S.F. 1941, carried by Sen. Dennis Frederickson (R-New Ulm), was also sent to the Governmental Operations Budget Division. The bill provides an appropriation to the government training service for ongoing operations, including technology upgrades. In addition, the measure provides an additional appropriation to develop educational programs to increase awareness of new Legislators and appointed state officials regarding the functions, operations and challenges of local governments.

Three bills were approved and sent to the Senate floor. S.F. 1692, sponsored by Sen. Ellen Anderson (DFL-St. Paul), permits the installation of non-hard wired stairway chair lifts in private residences. Anderson said the bill provides a small exception to the state building code to allow the devices to be installed. Currently, stairway chair lifts are grouped with elevators in the state building code and must be hard wired in order to be installed. Anderson said that changing the wiring in a typical home to provide for the chairs is a significant expense. S.F. 1920, carried by Sen. Leonard Price (DFL-Woodbury), changes the appointment process and position for the state archaeologists. Under the bill, Price said, the archaeologist position is transferred to the Dept. of Administration and changed from an unclassified to a classified position. S.F. 1441, authored by Sen. Linda Higgins (DFL-Mpls.), reclassifies certain MnSCU positions as classified positions. Higgins said the change affects about 500 positions.

Trial Court transfer okayed

The Governmental Operations and Veterans Committee, chaired by Sen. James Metzen (DFL-South St. Paul), met Weds., Mar. 24, to discuss bills relating to trial courts, establishing an Intergovernmental Advisory Council for Technology, and extending the civil service pilot project.

A bill providing a transfer of responsibility for funding various costs of the state trial court system from counties to the state was offered by Sen. David Ten Eyck (DFL-East Gull Lake). In the bill, S.F. 1308, beginning in FY 00-01, all court administration costs in the Fifth, Seventh, and Ninth Judicial Districts would be state funded. Court employees in the judicial districts who are now county employees would become state employees with a right to collective bargaining. The bill was recommended to pass and re-referred to the Judiciary Committee.

Sen. Steve Kelley (DFL-Hopkins) presented S.F. 1105, a bill establishing the Intergovernmental Advisory Council for Technology. Kelley said the bill abolishes the Intergovernmental Information Systems Advisory Council. He said the bill provides for the continuation of the council under a new name and with new membership but with similar goals. The council allows members of local units of government who work in information technology to work with other information technology professionals to discuss issues and problem solving.

The bill was amended to include one member from the Minnesota Historical Society on the council. Kelley said the Historical Society member helps address the growing issue of how historical resources are archived. Sen. Martha Robertson (R-Minnetonka) questioned whether the duties of the council and those of the Office of Technology overlapped. The bill was laid over for further discussion.

Sen. Richard Cohen (DFL-St. Paul) offered S.F. 157. The bill provides standards for state assistance to capital improvement projects of political subdivisions. Cohen said the bill establishes a set of criteria to use when considering requests from political subdivisions for state assistance. The criteria provide a way to prioritize the bonding requests that come from local governments, he said.

Nancy Larson, Minnesota Association of Small Cities, said she agrees with the intent of the bill, but has problems with some of the criteria. She said that proving a project is of strategic value to the state, which is one criteria, is difficult for small cities in rural areas to do. The bill was laid over for further discussion.

Sen. Jim Vickerman (DFL-Tracy)

presented S.F. 851, a bill delaying the expiration of corporations created by political subdivisions. The bill also establishes a task force on corporations created by political subdivisions. Under the bill, the duty of the task force is to review and consider the findings and recommendations of the report of the state auditor on corporations created by public entities, said Vickerman. The bill was recommended to pass and sent to the Senate Floor.

A bill extending the civil service pilot project in the Housing Finance Agency was offered by Sen. Charles Wiger (DFL-North St. Paul). Wiger said the bill extends the pilot project to June 30, 2001. The bill was recommended to pass and be placed on the Consent Calendar.

Governmental Operations Budget Division

Dept. of Admin. budget overview

The Governmental Operations Budget Division met Mon., Mar. 22, to review the department activities and budget request of the Dept. of Administration. The division is chaired by Sen. Leonard Price (DFL-Woodbury).

Dept. of Administration Deputy Commissioner Scott Simmons told members the mission of the department is to provide business management and administrative services that improve the quality and productivity of Minnesota government. The department generates over 80 percent of its operating funds through fee-generating activities. The office serves both state and local government agencies and consists of Operations Management, InterTechnologies Group, Facilities Management, Management Services, and Fiscal Agent, said Simmons. Fiscal Agent is a program established to meet the administrative needs of the grant money the department receives from the state and federal government that is not directly related to the department's mission.

Kent Allin, assistant commissioner, reviewed a statement prepared by the department in response to questions regarding internal service funds. Allin said that Minnesota has been lauded as a national model of responsible government for use of internal service funds.

Minnesota Office of Citizenship and Volunteer Services Director Bonnie

Esposito said the office is a resource center and an information clearinghouse for anyone managing volunteers or working with citizen initiatives. The mission of the office is to promote citizen participation efforts, increase the impact of volunteer programs, and stimulate public/private partnerships in Minnesota, said Esposito. The department acts as the fiscal agent of the Minnesota Alliance with Youth program. The mission of the alliance is to develop the capacity of Minnesota communities to engage children and youth in reaching full potential as citizens. Esposito said the program is a network of youth and adult stakeholders working to create active citizen leaders among the state's youth. She said the program equips youth with resources such as caring adult mentors, safe environments and opportunities for community service.

Admin budget continued

The Governmental Operations Budget Division, chaired by Sen. Leonard Price (DFL-Woodbury), reviewed the budget proposal of the Dept. of Administration Tues., Mar. 23.

Tom Ulness, assistant commissioner, Facilities Management said the office manages the land and buildings owned or leased by the state by planning, designing, constructing, operating, maintaining, leasing, renovating and preserving state buildings and grounds. The office also administers and enforces the Minnesota State Building Code, said Ulness. He said the goals of the office are to provide high quality, cost-effective, energy-efficient, safe and healthy facilities and to continue to implement capital budget improvements and the long-range strategic plan for locating state agencies.

Ulness said the governor recommends \$520,000 in FY 00 for critically needed security equipment replacement and upgrades in the Capitol Complex. Replacement of video/intercom switching systems improve overall security for state personnel and visitors, said Ulness. The replacement is needed due to failing equipment and Y2K issues with the video surveillance equipment, said Conrad Miller, Plant Management Division.

Joann Hanson, Office of Technology, discussed the North Star initiative of the department. Hanson said the project was created in 1995, and in 1997 North Star was designated by the 1997 Legislature as

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the state's official access point to electronic government information and services. The project assures that state agencies have an electronic world wide web presence, she said.

Hanson said the trade point/secure electronic authentication link initiatives are programs of the United Nations Conference on Trade and Development Partners for Development. The objective of the program is the development of global electronic commerce, which allows businesses, citizens and government to develop and transact business in a secure international forum, said Hanson. The UN conducted an investigation into trade point/seal and severely criticized the management of the project, she said. The Office of Technology has returned all unspent, appropriated monies for the program to the state general fund.

Budgets reviewed

The proposed budgets for the Dept. of Administration and the Children's Museum were reviewed by the Governmental Operations Budget Division, Weds., Mar. 24. The division is chaired by Sen. Leonard Price (DFL-Woodbury).

Discussion continued on the budget initiatives of the Dept. of Administration. Debra Bean, Office of Technology, reviewed the One-stop Licensing project. The project provides online, electronic transaction-based licensing capabilities for government agencies by creating the secure software infrastructure necessary to perform the functions. Once the project has established success, application for most business licenses and permits can be made electronically, said Bean.

Kimberly Peck, Employee Assistance Program, said the program is a vital component of the state's human resource management function and its services are sought throughout Minnesota by all branches of state government. Peck said the program provides in-person assessment and brief counseling for state employees and their dependents who are experiencing serious personal problems such as relationship difficulties, mental health problems, grief and loss, alcohol or drug abuse, legal or financial problems, parenting problems, and aging parent concerns.

Judy Plante, Management Services, described the citizens' suggestion web site initiative. She said the web site, operated by the Management Analysis

Division, provides an opportunity for the average citizen to offer views and comments on the operation and services of government. The suggestions relating to specific policies or programs are forwarded to the responsible agency for review, consideration and possible implementation, said Plante. The governor recommends an appropriation of \$50,000 in FY 00 and \$50,000 in FY 01 for the ongoing web site. The funding provides the web site infrastructure and part-time staffing.

Ronna Linroth discussed the System of Technology to Achieve Results (STAR) program. The STAR program has been a national model in developing a consumer-driven system of technology-related assistance for Minnesotans. The governor recommends a biennial appropriation of \$900,000 to the program for the purpose of developing a statewide technology-related assistance program for individuals of all ages with disabilities.

The Information Policy Analysis Division was discussed by Don Gemberling, Dept. of Administration. He said the division functions as a key resource to citizens, state, local and other government agencies, private sector institutions and the Legislature in interpreting the Data Practices Act. The division assists institutions and citizens in efforts to either comply with or effectively use existing law, and to develop and implement new law and policy, said Gemberling.

Pat Hvidston, director, Children's Museum, said the goal of the museum is for children to come there and play to learn and learn to play. She said the museum gets funding from several sources and that the governor's budget proposal represents five percent of the total funding for the museum. Hvidston discussed Project Greenstart, a program aimed at early childhood education in the environment and science. She said the mission of the program is to sow the seeds of environmental awareness and sensitivity in young children.

Discussion began on S.F. 1427, a bill appropriating money for the Minnesota Children's Museum Project Greenstart. The bill, authored by Sen. Richard Cohen (DFL-St. Paul), appropriates \$100,000 in FY 00 and \$100,000 in FY 01 to fund ongoing administrative costs of the project. No formal action was taken on the bill.

Higher Education Budget Division

HESO budget presentation

Robert Poch, director of the Higher Education Services Office (HESO), gave the agency's budget presentation to the Higher Ed Budget Division meeting Tues., Mar. 23. The division is chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls).

Poch said HESO is requesting \$100,000 in FY 2000 and \$200,000 in FY 2001 for the College Corps. He said the purpose of the program is to provide college students with an opportunity to serve as "ambassadors" of Minnesota post-secondary education to low income students in seventh and eighth grades throughout the academic year. The program is a two-year pilot project, with 20 work-study students receiving a salary of \$8 per hour to offset their college expenses. The funding includes a salary for the program coordinator. The governor has not budgeted for the program.

The Minnesota Promise Scholarship motivates and helps students from low income families with no previous post-secondary attendance to prepare for post-secondary education and reward them for their efforts, according to Poch. He said recipients who meet program requirements receive \$2,000 toward the price of attendance for the first year of college. An additional \$2,000 is available if the recipient completes the first year while making satisfactory progress. Poch said an appropriation of \$500,000 in FY 2000 and \$1 million in FY 20001 is to be maintained in a trust fund until scholarship recipients qualify for funds. The governor's recommendation allows no funds for the project.

Poch said the Intervention Investment Program for College Attendance provides mentoring, tutoring and information for low-income students if their parents have little or no higher education experience. The funding cost is \$500,000 per year. The program is not listed in the governor's recommendation. Poch said HESO is a partner in Minnesota Minority Education Partnership (MMEP), along with Minnesota State Colleges and Universities (MnSCU) and the University of Minnesota, as well as private colleges. He said the program increases the success of students of color in the

state's schools, colleges and universities. HESO is requesting increased funding of \$42,000 per year for the program. No funding is in the governor's recommendation. "I think, very happily, the trend of diversity is going to continue in the state," Poch said, citing the need for the continuation of the program.

In an overview of state financial aid policy, Poch said the purpose of Minnesota state grants is to enable Minnesotans of all economic backgrounds to attend Minnesota post-secondary education institutions of their choice.

Poch said HESO wants students to understand completely what kind of loan they are getting. Cheryl Maplethorpe, HESO, said students can take out a variety of loans. She said self-loans can be consolidated with other self-loans, but not with federal loans. Self-loans require co-signers and federal loans do not, she said. She said self-loans require co-signers because banks are typically afraid to loan to students without collateral.

Poch said HESO hopes to strengthen financial access to higher education for students by reducing from 47 to 45 percent the amount of the price of attending that students are expected to contribute, and by increasing the price of attendance components for inflation each year. He said the maximum grant per child per year for childcare is increasing from \$2,000 to \$2,100. Minnesota Family Investment Program (MFIP) participants are being allowed to participate in child care grants. Additional jobs for state work study are also being created. He said HESO also supports financial obligation under interstate tuition reciprocity.

The increased funding for child care grants, according to Poch, is \$641,000 per year. He said HESO recognizes increases in child care prices faced by students and wants to provide equal opportunity for low and moderate income students with children to pursue post-secondary education. The governor has not recommended any increased funding. The interstate tuition reciprocity reduces cost barriers and increases access to and choice among public post-secondary institutions for residents of neighboring states, according to Poch. The increased funding request is \$500,000 per year, and the governor is in agreement with the request.

Post-secondary Education Service Learning is a program that supports

campus/community collaborations that address significant long-term community needs and enhance students' academic and civic development, Poch said. He said college students go into the communities and serve as reading tutors or they test water quality, for example. "I have more advocates for this program than any other," Poch said. He said HESO is requesting an increased funding of \$260,000 per year for the program. The governor recommends no additional funding.

Sen. Cal Larson (R-Fergus Falls) said the program started in 1987, and he is aware of its success. "Why can't we get someone from the governor's office down here to explain why some of these programs are not in the governor's budget?" he asked. He suggested an invitation be extended to the governor's office to have the governor or a representative visit the Higher Education Budget Division and explain the reasoning behind some of the budget cuts.

Bills, HESO budget heard

Three bills and a completion of the Higher Education Services Office (HESO) budget proposed were heard at the Higher Education Budget Division meeting Weds., Mar. 24. The division is chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls).

Sen. John Hottinger (DFL-Mankato) authored S.F. 1199, a bill that provides additional funding for the primary care physician training initiative and appropriates money. The bill appropriates \$1 million in FY 2000 and \$1 million in FY 2001 from the health care access fund to the board of regents of the University of Minnesota. Under the bill, the money will be used to further develop specific curriculum elements and expand rural programs designed to educate residents about the health care needs of rural communities and to encourage placement of physicians in rural Minnesota. The bill also enhances faculty development and program quality improvement and evaluation. A motion to consider the bill for inclusion in the omnibus bill was approved.

Hottinger also presented S.F. 1397, a bill that relates to income taxes and provides a credit for certain higher education expenses. The bill allows a nonrefundable income tax credit of 100 percent of "qualifying higher education

expenses," up to \$1,000, for each eligible student. Under the bill, the credit is subject to an income-based phase-out. The credit is only allowed for two tax years per eligible student, according to Hottinger.

S.F. 1139, a bill that appropriates money for course and degree offerings at the University Center Rochester, was presented by Sen. Sheila Kiscaden (R-Rochester). The bill appropriates \$1.7 million in FY 2000 and \$3.6 million in FY 2001 from the general fund to the Board of Regents of the U of M. The appropriations, under the bill, are to expand the university's responsibility for upper division and graduate course and degree offerings at the University Center Rochester. Kiscaden said Rochester is compact, but growing rapidly. Dr. Richard Weinshilboun, Mayo Clinic, said he strongly supports the legislation. He said that as the largest employer in Rochester, as well as an education center, Mayo has many students and employees who move in with spouses or significant others who have higher educational needs. Valerie Pace, IBM, added her approval of the bill. "We've advocated long and hard for higher education in Rochester," she said. The bill was approved for consideration in the omnibus bill.

Robert Poch, director of HESO, spoke of the MINITEX proposal. He said the program provides residents of Minnesota and contiguous states with cost effective access to library resources through sharing among academic, public, state government and other special libraries, including cooperative licensing and access to electronic resources.

The budget request, according to Bill DeJohn, MINITEX programs, is for \$275,000 to maintain the quality of current document delivery service; \$515,000 to support the inter-institutional service of the Minnesota Library Access Center; \$600,000 to purchase online tables of content for new academic books; and \$1.46 million for access to more online journals and data bases.

An appropriation of \$497,000 per year for ongoing coordination and operation of the Gateway is requested as part of the Minnesota Library Information Network (MnLINK) Project. The Gateway is hardware and software that enables a MnLINK user to simultaneously retrieve records and other information from state

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libraries and other selected databases, Poch said. The Learning Network of Minnesota, which provides access to education programs and library resources electronically, requires increased funding of \$2.677 million each year of the biennium, according to Poch.

Health and Family Security

Health care coverage discussed

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Thurs., Mar. 18, to discuss two bills relating to health care coverage.

Sen. Charles Wiger (DFL-North St. Paul) carried S.F. 208, a bill that mandates health care coverage for cochlear implants. Cochlear implants provide those who are deaf some ability to hear. The bill requires all health plans to provide medical benefits for cochlear implantation, the cochlear prosthesis, and associated medical costs, including follow-up rehabilitation, therapies, training, replacement parts and replacement to new technology. Wiger said implants are safe and effective, and provide deaf people with a link to the hearing world. The bill, he said, represents the right thing to do.

Julie Ainsworth, a mother of two deaf children, testified in support of the bill. Ainsworth said the implants allow her children the opportunity to learn speech and lip reading. She said her children deserve the chance to learn how to hear and to speak like all other children.

Sen. Richard Cohen (DFL-St. Paul) offered S.F. 243, a bill that requires health care coverage for eyeglasses for those who are deaf or hard-of-hearing and rely on visual communication and for hearing aids. The bill specifies that no special deductible, coinsurance, co-payment or other limitation on the coverage that is not generally applicable to other coverages can be imposed.

Carolyn Jones, a representative of the Minnesota Chamber of Commerce, testified in opposition to both bills. Jones said Minnesota ranks second in the nation for number of health care mandates and with the addition of two more mandates ranks first. She said the mandates add costs to health insurance, and as a result, will drive small businesses out of the health care market. There are real consequences to mandating, she said,

and health insurance will become too expensive for many employers.

Sen. Martha Robertson (R-Minnetonka) stated that the mandates proposed do not solve the problems that are trying to be solved. She said that none of the self-insured plans—which equal approximately 60 percent of the market—are part of the mandate process. The amount of plans that are covered, she said, is small.

Sen. Sam Solon (DFL-Duluth) said although the insurance industry has always opposed mandates he has never regretted voting to support them. Mandates do cost money, he said, but a decision must be made if it is good policy to ensure people are covered.

Sen. Sheila Kiscaden (R-Rochester) said every time a new mandate is added the cost to insure rises, causing employers more difficulty when providing insurance for their employees. As a result, she said, some employees do not receive insurance. “Sometimes out of our compassion an inequity is created where people can’t afford insurance or they don’t receive it at all,” she said. That is, she said, the hidden side to the decisions the Legislature makes. Both bills were approved and sent to the Senate floor.

Hottinger presented S.F. 1638, a bill that makes a number of changes to existing home visiting programs that are designed to prevent child abuse and neglect. The bill, he said, helps families make the best decisions for their children by providing them with the best information. Hottinger said the bill promotes safety and healthy development for children.

Mary Wellick, director of Public Health for Olmstead County, testified in support of the bill. She said by providing for home visits, the bill helps break generations of patterns of chronic abuse and neglect. She said the bill provides for many teaching opportunities. The bill was approved and re-referred to the Health and Family Security Budget Division.

Solon offered S.F. 775, a bill relating to the geographic access to mental health services. The bill requires mental health services to be available to health maintenance organizations (HMO) enrollees within a maximum travel distance or time of 30 miles or 30 minutes. Current law applies the 30 minute and mile standard to primary care services and general hospital services, but applies an 60 minute and mile standard to specialty

and ancillary health services. The bill, Solon said, makes the system fair for those with mental health needs. The bill was approved and sent to the floor.

Sen. Jerry Janezich (DFL-Chisholm) carried S.F. 1353, a bill appropriating money for planning and transition grants to nursing homes and other elderly service providers. The bill, said Janezich, allows unused nursing home beds and space to be converted into apartment style housing. The bill was approved and referred to the Health and Family Security Budget Division.

Several bills discussed

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met the evening of Thurs., Mar. 18, to discuss several bills.

Sen. Leo Foley (DFL-Coon Rapids) carried S.F. 23, a bill that repeals the administrative law judge process for child support and establishes a new process in the judicial branch. According to Foley, the bill is the result of much work by a group called together by the Office of the Supreme Court Administrator. Foley said the bill allows persons to deal with the system without needing an attorney. He said the bill creates a simple, user friendly system that enables an effective collection of child support. The bill was approved and referred to the Health and Family Security Budget Division.

Sen. Keith Langseth (DFL-Glyndon) offered S.F. 680, a bill that appropriates \$72,000 for a grant to a non-profit dental provider group operating a dental clinic in Clay County. The grant must be used to increase access to dental services for recipients of Medical Assistance (MA), General Assistance Medical Care (GAMC) and the MinnesotaCare program in the northwest area of the state. Langseth said the bill helps to bring dental care to those with little or no access to care. The bill was approved and referred to the Health and Family Security Budget Division.

Sen. Dallas Sams (DFL-Staples) presented S.F. 1615, a bill that establishes a task force to develop a new day training and habilitation payment rate structure. Sams said the bill allows the study of payment rates that reflect the individual needs of facilities that deal with the disabled. The bill was approved and sent to the Senate floor.

Sen. Don Samuelson (DFL-Brainerd) offered S.F. 1334, a bill that extends the age limit for health coverage of dependents with a cleft lip and cleft palate to the age of 25. Currently, coverage extends until the age of 18. The bill was approved and sent to the Senate floor.

Hottinger carried S.F. 1361, a bill that establishes the supportive housing and managed care project and appropriates money to the Group Residential Housing Program. According to the language of the bill, the project is to provide rent subsidies and social services for up to 350 homeless people with mental illness, a history of substance abuse or people with the human immunodeficiency virus. Sen. Sheila Kiscaden (R-Rochester) offered an amendment that allows up to 150 families with multiple social and behavioral health problems to be eligible for Group Residential Housing services. According to the amendment, the funds are for counties with a high population of families living below the poverty level and families receiving Minnesota Family Investment Plan (MFIP) assistance. The amendment was adopted, and the bill, as amended, was approved and referred to the Health and Family Security Budget Division.

Sen. Becky Lourey (DFL-Kerrick) presented S.F. 1350, a bill that requires the Health Data Institute to prepare and issue annual reports assessing performance and consumer satisfaction of health plan companies, health care delivery systems, hospitals, clinics and other health care provider organizations. Lourey said the bill enables information regarding health provider organizations to be provided on a more consistent basis. The bill was approved and referred to the Health and Family Security Budget Division.

Sen. Steve Kelley (DFL-Hopkins) offered S.F. 1710, a bill that authorizes grants to establish a Minnesota telemedicine network, requires the Board of Medical Practice to regulate interstate telemedicine services and authorizes Medical Assistance (MA) reimbursement of telemedicine services. Kelley said the goal in the bill is to set up a statewide network of telemedicine services. The bill was approved and referred to the Health and Family Security Budget Division.

Sen. Linda Berglin carried S.F. 1127, a bill that establishes a charity care equity

fund to compensate qualified hospitals for charity care services. Berglin said there are some hospitals with a disproportionate burden of providing care for the uninsured, and the bill is an attempt to offset some of the costs relating to providing the uninsured care. The bill was approved and referred to the Health and Family Security Budget Division.

Berglin also offered S.F. 875, a bill that makes a number of changes to the senior drug program. The bill eliminates the annual enrollment fee of \$120 and increases the asset limit for qualified Medicare beneficiaries (QMBS) and for service limited Medicare beneficiaries (SLMBS). The bill also requires the study of the extent and type of Medicare supplemental health coverage for low income seniors, as well as a study to document the possibility of developing a comprehensive set of services to supplement Medicare that QMBS may need to ensure independence. The bill was approved and referred to the Health and Family Security Budget Division.

Berglin carried S.F. 876, a bill that expands qualification to the senior citizens drug program to any individual regardless of age who is an eligible QMB or an SLMB, and eliminates the \$120 annual fee. The bill also expands the asset limit for QMBS to \$10,000 for one person and \$20,000 for a couple, requires the costs of the drug program to be forecast, and provides for funding the program using proceeds from the tobacco settlement. The bill was approved and referred to the Health and Family Security Budget Division.

DHS health care bill discussed

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Fri., Mar. 19, to discuss the Minnesota Department of Human Services health care bill.

Carried by Sen. Linda Berglin, S.F. 1553 includes a number of provisions necessary to implement the DHS budget proposal. The bill makes several budget neutral health care program policy changes, refines the senior drug program policy and increases rates for hospitals, physicians and dentists. The bill also expands Medical Assistance (MA) coverage for employed disabled persons, establishes a new care management approach for approval of therapy services,

modifies MA coverage of special education services and expands access to dental services. The bill makes a number of changes to MinnesotaCare policy as well.

Anne Henry, a representative of the Disability Law Center, said she had significant concerns with sections in bill regarding physical therapy. One concern, she said, is a provision in the bill that replaces annual thresholds with one time thresholds for approval of physical therapy, occupational therapy and speech language services. The thresholds, according to the bill, are not renewable. Henry said the provision hinders those with chronic conditions receiving ongoing therapy. An unrenewable lifetime amount, she said, may run out, causing care to be terminated.

Sen. Dan Stevens (R-Mora) questioned the proposal to replace the annual renewable thresholds with the one time thresholds. He said people can make progress when the proper services are available and services must be provided for people to allow for recovery to take place. It is not right, he said, to eliminate necessary therapeutic services. Stevens offered an amendment that deletes references to the one time thresholds and allows for the continuation of yearly thresholds. The amendment was adopted.

William Bond, from the Minnesota Pharmacist Association, also spoke regarding concerns with the bill. He said the bill singles out small pharmacies by providing that maximum allowable costs be set for multi-source drugs not on the federal upper limit list as described in current federal law. The provision hurts small pharmacies, he said, who cannot pay the more inexpensive bulk rate utilized by large pharmacies. Annette Hingum, from the Minnesota Retailers Association, also testified against the provision. She said the section limits access to drugs by small pharmacies.

Sen. David Ten Eyck (DFL-East Gull Lake) offered an amendment to delete the section of the bill referring to maximum allowable costs. The amendment was adopted, and the bill was approved and referred to the Health and Family Security Budget Division.

Berglin also presented S.F. 1016, a bill authorizing hospitals and clinics to bill the county of residence when a resident from another county is served.

Stevens questioned the need to bill

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counties for hospital services provided in other counties to their residents. He said 40 percent of those jailed in his county are residents of a different county, and asked why it would not be possible to bill other counties for jail related expenses as well. As a compromise, Sen. Sheila Kiscaden (R-Rochester) suggested billing counties for hospital services not provided in the county of residence. Despite the questions, the bill was approved and sent to the Senate floor.

Berglin also offered S.F. 1921, a bill that requires the enforcement of existing child support payments for those involved in the FATHERS project to be waived. The FATHERS project is designed to enable estranged fathers to forge a better relationship with their children. The bill was approved and referred to the Health and Family Security Budget Division.

Ten Eyck carried S.F. 673, a bill that defines and prohibits network shadow contracting. Among other things, the bill prohibits network organizations—which are preferred provider organizations and managed care organizations as defined in current law—from requiring a health care provider to participate in a network under a category of coverage that differs from the existing contract between the network organization and the provider and establishes remedies for providers in the event that a network organization violates the provision. The bill also requires a network organization that wishes to apply an existing contract with a provider to a different category of coverage to first notify the provider in writing. The bill was approved and sent to the Senate floor.

Kiscaden offered S.F. 1268, a bill relating to the prompt payment of home care providers. The bill requires prompt payments to home care providers with valid claim for home care services and establishes conditions under which interest is to be paid to providers if a health maintenance organization (HMO) fails to pay a valid claim. The bill was approved and sent to the Senate floor.

Kiscaden also carried S.F. 1651, a bill that makes a number of changes to the rural hospital grant program, the sole community hospital grant program, the rural community health center program and to the various health professional loan repayment programs. The bill was approved and sent to the Senate floor.

Wading pool bill discussed

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Tues., Mar. 23, to discuss a bill relating to requirements for wading pools at family day care homes.

Carried by Sen. Arlene Lesewski (R-Marshall), H.F. 352 requires current health department rules to be amended to specify that wading pools used at licensed and unlicensed family day care homes are not regulated as public swimming pools. Current law regulates the pools under the same standards. Lesewski said the goal of the current law is to protect children from infectious disease but the odds of a child becoming infected are slim. She pointed to a study that reported of over 85,000 policies written during the past 15 years by Adults and Children's Alliance—one of the nation's largest insurers of home child care—there has not been one wading pool related claim. The state, she said, is regulating a non-existent risk.

Jeff Bender, an epidemiologist with the Minnesota Department of Health, testified in opposition to the bill. Bender said the use of wading pools in home day care can facilitate the transmission of several pathogens that can cause serious damage to children. One of the pathogens, he said, called *ecoli* 157, is fatal in up to five percent of cases. He said also that Minnesota has the highest number of reported cases in the nation and every year there are documented incidences of outbreaks in both small and large day care facilities. Wading pool use, he said, is a potentially dangerous practice that the department cannot support.

Sen. Leo Foley (DFL-Coon Rapids) asked why the bill does not attempt the regulation of wading pools instead of simply exempting them from rules applying to swimming pools. Responding, Lesewski said rules for public swimming pools were not intended to deal with wading pools. It doesn't make sense, she said, to use the same regulations for a large public pool and a tiny wading pool.

Sen. Martha Robertson (R-Minnetonka) said Department of Health regulations already outlaw wading pools at both center and family day care homes. As a result, she said, the bill may not address the issue of allowing the pools to be used in day care centers. Sen.

Becky Lourey (DFL-Kerrick) asked if reducing the current \$200 inspection fee for pools to \$25 helps centers to deal with wading pool regulations. Lesewski said only a fee reduction does not help solve the problem. Foley suggested looking at what rules are effective and what rules are not. It may be possible, he said, to delete rules not appropriate for wading pools. After further discussion the bill was not approved.

Hottinger presented S.F. 170, a bill that expands the definition of "practice of pharmacy" and clarifies the existing definition. The definition includes the monitoring of drug therapy, as well as the participation in therapeutic device selection, drug administration for first dosage and emergencies, drug regimen reviews, drug related research and managing and modifying drug therapy on a case by case basis. The managing must be done in accordance with a written protocol between the pharmacist and the physician responsible for the patients care.

James Armbruster, president-elect of the Minnesota Pharmacists Association, testified in support of the bill. He said the bill clarifies the role of a pharmacist and helps a patient to achieve the desired outcome of their treatment. He said the bill allows a collaborative practice and improves patient care by improving access to pharmacists. The bill was approved and sent to the Senate floor.

Sen. Don Betzold (DFL-Fridley) offered H.F. 60, a bill that requires the commissioner of Human Services to seek federal approval to pay spouses to provide private duty nursing services as part of the community alternative care program. The bill was approved and sent to the Senate floor.

Sen. Charles Wiger (DFL-North St. Paul) carried S.F. 1584, a bill that modifies the duties of the Deaf and Hard-of-Hearing Services Division. The bill also strikes a requirement that the Equipment Distribution Program (EDP) have purchasing guidelines specifically to mitigate the economic harm that the implementation of the EDP may cause local retailers and dispensers. The bill was approved and sent to the Senate floor.

Sen. David Ten Eyck (DFL-East Gull Lake) presented S.F. 1186, a bill that modifies the regulation of non-certified boarding care homes and assisted living

home care providers. The bill prohibits the adoption of rules that restricts a non-certified boarding care home registered as a housing with services establishment from providing home care services in accordance with the home's registration. The bill also authorizes non-certified boarding care homes to register as housing with services establishments, and modifies record keeping provisions. The bill was approved and re-referred to the Health and Family Security Budget Division.

Sen. Pat Piper (DFL-Austin) offered S.F. 1391, a bill relating to the licensure of chiropractors. The bill modifies current licensure by reciprocity requirements by permitting the granting of a chiropractic license to an applicant who is licensed in another state and who has passed a practical examination that is approved by the Board of Chiropractic Examiners. Currently applicants licensed in another state must pass a specific practical examination before the board. The bill was approved and sent to the Senate floor.

Sen. Sheila Kiscaden (R-Rochester) carried S.F. 1794, a bill relating to Department of Health developmental disabilities initiatives. The bill modifies the consolidated standards for developmental disability services and allows greater flexibility in the use of personal care assistant hours allowed, recipients of personal care services to use fiscal agents and allows recipients to share private duty nursing care. Among other changes the bill also modifies capitation rates for the demonstration project for persons with disabilities. The bill was approved and referred to the Health and Family Security Budget Division.

Health and Family Security Budget Division

Tobacco settlement bills discussed

Members of the Health and Family Security Budget Division, chaired by Sen. Don Samuelson (DFL-Brainerd), met Tues., Mar. 23, to discuss S.F. 253 and S.F. 1269, two bills relating to the use of tobacco settlement funds.

Carried by Sen. Roger D. Moe (DFL-Erskine), S.F. 253 establishes three endowment funds—the medical and research endowment fund, the children's endowment fund and the tobacco

endowment fund—which are to be created through a portion of the payments made to the state from the recent \$1.3 billion tobacco settlement. A specific portion of the funds from the settlement are to be paid into each of the endowment funds between the time period of Jan. 2000 and 2003. According to previous testimony by Moe, the endowments are part of a long term plan designed to help the next generation of children from becoming addicted to smoking.

Moe also presented S.F. 1269—the administration's proposal—which establishes the Minnesota Families Foundation, the tobacco settlement fund, the health professional education and medical research endowment fund, the medical education and research costs endowment fund and the local public health endowment fund. Also designed to prevent smoking and provide research dollars, the governor's proposal—through the Minnesota Families Foundation—utilizes the settlement funds to promote self-sufficiency for individuals and families.

Sen. Linda Berglin (DFL-Mpls.) offered an amendment to the governor's bill relating to the health professional education and medical research endowment fund. The amendment expands eligibility for education and research funds from the University of Minnesota and the Mayo Foundation to hospitals affiliated with the university. Berglin said that because the university collaborates with its affiliated hospitals and does not operate in isolation, the funds should be available for the other hospitals. The amendment was adopted.

Moe said at some point both bills may be combined into one. He requested his bill be referred to the Human Resources Finance Committee and the administration's bill be referred to the Governmental Operations and Veterans Committee to allow the structure of the proposal to be considered. However, members believed decisions regarding the bills should be made in the budget division. Moe agreed, and while the governor's bill was referred to the Governmental Operations and Veterans Committee, Moe's proposal was laid on the table to be discussed again at future meetings.

Members also heard testimony regarding both tobacco settlement bills. Jean Harris, mayor of Eden Prairie and co-

chair of the Minnesota Health Improvement Partnership, said tobacco is the leading health threat in Minnesota. She said current prevention efforts are failing, as Minnesota teens are smoking more now than at any time during the last 25 years. She said tobacco prevention efforts in the future must begin at the local level and recommended spending approximately \$18 million per year for the efforts.

Jean Forster, from the Division of Epidemiology at the University of Minnesota's School of Public Health, said the perception people maintain about the risks of smoking is much different from reality. She said in a March 1999 Allina Health System study for which respondents were asked to name the cause of death for most Americans, only 12.5 percent chose tobacco. However, she said, tobacco is actually the leading cause of death of most Americans—three times higher than deaths caused by alcohol and almost ten times higher than death caused by car accidents.

Budget testimony heard

Members of the Health and Family Security Budget Division, chaired by Sen. Don Samuelson (DFL-Brainerd), met Wed., Mar. 24, to hear public testimony regarding Gov. Ventura's proposed 2000-01 health and human services budget.

Ann Barnwell, director of the Search Epilepsy program, discussed the budget proposal for the program, which she said is not funded for the first time in ten years. She said the Search Epilepsy program provides a group residential housing living arrangement for individuals who have severe seizures related to epilepsy. The 15 month program, she said, provides individuals with affordable housing, teaches life skills and helps clients become self-sufficient. She said 83 percent of the current residents were unemployed upon their entrance into the program, but now, 67 percent are employed. The remaining 33 percent, she said, are involved in educational or vocational programs. Also, she said the total income for the 1998-99 participants in the program was \$8,100 upon entrance and at discharge was \$45,600. The program works, she said, and should not be discontinued.

LaMonique Fairbanks, program director of New Chance, testified in support of

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S.F. 1292, which appropriates \$140,000 to the program in each year of the 2000-01 biennium. The bill is carried by Sen. Linda Berglin (DFL-Mpls.). New Chance, eliminated this year from the governor's budget, she said, provides services to individuals who have major barriers on the path to self-sufficiency. She said the program provides life skills classes, where participants learn such things as parenting skills, money management, communication skills and interviewing skills. She said the program also helps participants obtain employment and develops positive relationships with potential employers to build trust between New Chance and the employers. The program, she said, should be state wide, because overcoming barriers to self-sufficiency is a state wide issue.

Teen Challenge representative Rick Scherber testified in support of S.F. 1422, carried by Sen. Sheila Kiscaden (R-Rochester). The bill appropriates \$645,000 in fiscal year 2000 and \$4.841 million in 2001 to fund Group Residential Housing (GRH) programs. Teen Challenge, he said, provides housing for up to 110 teenagers who have a chemical dependency problem. He said residents can stay up to 12 months and that the program has a 70 percent success rate for those who complete the program. Scherber said Teen Challenge is needed because there is a continual waiting list to enter the program. He said without the program those currently enrolled would instead be in state sponsored primary or extended care, which he said can cost the state up to \$10,000 per month per person. By comparison, he said, Teen Challenge treats youth for up to \$600 per month and provides a tremendous savings for the state.

Bob Provost, representing the Metropolitan Council on Aging, testified in support of S.F. 1113, carried by Sen. Sam Solon (DFL-Duluth), which appropriates \$375,000 in each year of the biennium to fund aging grants. The grants, Provost said, support the planning and continued development of access to supportive nutrition services that assure older people can be self-sufficient and remain in their homes. As a result, he said, the grants increase the rates of volunteerism, support care givers with timely education, promote early access to information and assistance, increase the availability of low cost housing and maximize the

potential and ensure the best use of resources for meals on wheels and other community support services.

Jobs, Energy and Community Development

MHFA housekeeping bill heard

The Jobs, Energy and Community Development Committee, chaired by Sen. Steven Novak (DFL-New Brighton), met Thurs., Mar. 18, to hear three bills.

S.F. 1529, authored by Sen. Dave Johnson (DFL-Bloomington), appropriates \$22.5 million over the next biennium to the Dept. of Trade and Economic Development's Office of Tourism. Johnson said the appropriation will be used to increase the office's publications to include trade, promotion, and advertising programs and information distribution. Johnson said the bill clarifies the purpose marketing publication proceeds are used for by providing that proceeds may be used to implement the programs for which the revenue is collected, rather than allowing the proceeds to be used only to prepare and distribute the publications.

Steve Markuson, director of the Office of Tourism, said that although the office's advertising budget has remained at \$2 million since 1985, the rate of inflation and the rising cost of printing has put the state at a competitive disadvantage. He said the appropriation will come from three different funds, \$20.2 million from the general fund, \$1.5 million from the trunk highway fund, and \$874,000 from the technology fund. The bill was approved and sent to the Economic Development Budget Division.

Sen. Linda Higgins (DFL-Mpls.), author of S.F. 1821, said the bill is the Minnesota Housing Finance Agency's (MHFA) housekeeping bill. Tonja Orr, from the MHFA, said the bill changes housing program language in the statutes to make it consistent with the language used by the Minnesota Family Investment Program. She said the bill authorizes the agency to make home improvement loans when the debt to value ratio is up to 110 percent, and to make equity take-out loans to owners of federally subsidized housing. Orr said the bill allows participants to receive rental assistance for family stabilization for up to 60 months instead of 36 months, and

clarifies the purposes for which community rehabilitation funds may be used. The bill also establishes an account to provide home ownership opportunities for the disabled and modifies low-income housing credits, she said.

Sen. Warren Limmer (R-Maple Grove), said several of the provisions in the bill made major changes that go beyond housekeeping items. He said he was most concerned with the provision allowing the agency to make home improvement loans for up to 110 percent of a home's market value to people with low to moderate incomes. "We're allowing them to put more indebtedness into their homes, the most secure thing they have in their lives. I don't know if we really want to go in that direction," Limmer said, "To give them the opportunity to get more in debt, I don't think that is wise state policy."

Sen. Kenric Scheevel (R-Preston), offered an amendment to strike the 110 percent figure from the bill. He said he agreed with Limmer's concern in allowing the agency to make loans to people for an amount higher than the value of their house. The amendment was adopted.

Sen. Arlene Lesewski (R-Marshall), said the agency's bill contained many good provisions. "Low income people are often forced to pay consistently more on a monthly basis for rent. Home ownership can often run two to three times less than rent," she said. The bill was approved and sent to the Senate floor.

S.F. 1471, authored by Sen. Steve Murphy (DFL-Red Wing), places a cap on the screening fee amount a landlord can charge an applicant. Murphy said the bill specifies that a landlord cannot charge a screening fee for more than the actual expense of using a tenant screening or consumer credit reporting service, and a landlord conducting a background screening may not charge more than the customary fee imposed by a tenant screening service. He said the bill also requires a landlord to return an application fee if a screening is not actually performed, and prevents a landlord from accepting an application fee if a rental unit is not available.

Nancy Mischel, an attorney from the Legal Services Advocacy Project, said the bill offers protection to people with limited incomes whose money gets tied up in application fees. "It is rare but

there are some occurrences where landlords are using application fees for purposes other than intended," Mischel said, "The bill tries to prevent landlords from profiting from application fees."

Jack Horner, from the Minnesota Multi-Housing Association, said the association supports the provisions in the bill requiring a unit be available if an application fee is charged, and that a fee must be returned if a screening is not performed, but objects to putting a cap on application fees. "Screening is a process where an investigator has to do what is necessary to find out information," Horner said, "We don't tell people in other professions what their time is worth, yet this bill does exactly that." No action was taken on the bill.

Eleven bills approved

Members of the Jobs, Energy and Community Development Committee held an evening meeting Thurs., Mar. 18, to continue hearing bills leftover from the morning hearing.

S.F. 1770, authored by Sen. Linda Berglin (DFL-Mpls.), creates a new home ownership program within the Minnesota Housing Finance Agency's Rental Assistance to Family Stabilization Program. Berglin said rental rates continue to rise, and the bill helps make owning a house a more affordable option for lower income people. She said the bill limits the duration of the program's assistance to three years and that in each of the three years, an amount of the assistance, to be determined on a sliding scale, must be escrowed for emergencies. "This program allows people to stabilize their financial situation through home ownership," she said. The bill was approved and sent to the Economic Development Budget Division.

S.F. 1524, authored by Sen. Lawrence Pogemiller (DFL-Mpls.), appropriates \$5 million in FY 2000 to the Metropolitan Council to be used as a local match for a federal empowerment zone designation grant awarded in 1999. Pogemiller said the grant was one of fifteen awarded nationally. Joan Campbell, a Minneapolis City Council member, said more than \$2 billion has been committed to the empowerment zone, including more than \$600 million from the city's banking community, \$133 million from local foundations, \$175 million from other private organizations, and \$1 billion from

the state, Hennepin County and the city. She said the grant is an exciting opportunity for the city and will create close to 7,000 living wage jobs, assist over 400 businesses, and redevelop approximately 900 housing units. The bill was approved and sent to the Economic Development Budget Division.

S.F. 2010, authored by Sen. Ember Reichgott Junge (DFL-New Hope), establishes income tax credits for job training program expenditures and for post-secondary education. "We hear concerns about businesses being able to meet their training needs. This bill takes a new approach to job training," Sen. Dave Johnson (DFL-Bloomington), a co-author of the bill said.

Johnson offered an amendment to the bill transferring funds from the Dept. of Economic Security's (DES) dislocated workers fund, to the Dept. of Trade and Economic Development's (DTED) Job Skills Partnership. "When I meet with businesses, one of the things I often hear is that the dislocated workers' program is funded by payroll taxes that end up going to different programs," Johnson said, "The Job Skills Partnership is a program that has enjoyed tri-partisan support. This gets dollars to education to respond to specific skills that employees need." The amendment was adopted.

Sen. Linda Runbeck (R-Circle Pines), said she opposed the bill because of the amount of money involved is more than the state should spend on a workers training program. "This is far bigger than it needs to be. Employers like to do their own training and frankly, they are the best at it. Training needs will never be met by a state program and they shouldn't be," she said. Runbeck said the Job Skills Partnership currently has a budget of about \$6 million and the amendment transfers approximately \$60 million from DES. She offered an amendment cutting the fund from one-tenth of one percent per year on all taxable wages to three-one hundredths of one percent. Sen. Steve Murphy (DFL-Red Wing), spoke against the amendment because he thought the bill broadens the state's training programs and is a way for businesses to meet some of their training needs. Runbeck's amendment was not adopted.

Mark Lofthus, from the DTED, said the department had not seen the amendment until earlier in the day and therefore

could take no position on the proposal. Lee Nelson, from DES, said because the funding is not in the governor's budget, the department opposed the bill.

Sen. Steven Novak (DFL-New Brighton), the committee chair, spoke in favor of the bill. "The Job Skills Partnership is a program that has worked. It's a partnership between business and government, and it's a more market driven approach," he said, "We have to find some way to reshuffle the deck to address the major problem we have in the economy today, retraining employees." The bill was approved and sent to the Committee on Taxes.

S.F. 1311, offered by Sen. Steve Kelley (DFL-Hopkins), creates an electronic commerce (e-commerce) investment program to be administered by DTED. Kelley said the bill creates criteria by which a municipality can be designated as e-commerce ready, and increases the capacity of citizens, businesses, and communities to stay competitive in the emerging e-commerce economy. Kelley said the bill authorizes DTED to make grants and loans to public entities and nonprofit organizations to advance e-commerce readiness statewide. The bill was approved and sent to the Economic Development Budget Division.

S.F. 284, authored by Sen. Randy Kelly (DFL-St. Paul), expands the definition of "personal injury" in workers' compensation law for peace officers to include post traumatic stress syndrome. Kelly said the bill allows peace officers to recover lost wages and seek treatment just like they would for any other work related personal injury.

"This bill addresses a problem plaguing our industry," Dennis Flaherty, the executive director of the Minnesota Peace Officers Association said, "We need to help officers involved in shootings. They are human. Any time they have to fire a weapon, or take a life, it's not just another day at the office."

Beth Hartgarden, an attorney from the Dept. of Labor and Industry, said the department opposed the bill because the department does not support any bill not endorsed by the Workers Compensation Advisory Council. She said the council did not endorse the bill because there were concerns about what was covered under the definition of traumatic injury. The bill was approved and sent to the Senate floor.

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S.F. 1893, authored by Novak, appropriates \$60 million to DTED for a grant for construction of a steel mill in the city of Nashwauk. "This is a significant opportunity for the state of Minnesota," Novak said, "It is a \$1 billion industrial project that when it's completed will be the only fully integrated steel operation in North America. It will create over 1,000 jobs."

Bob Greer, chair of Minnesota Iron and Steel Company (MIS), said the plant will mine its own taconite ore, convert the ore into taconite pellets, convert the pellets into direct reduced iron, convert the iron into low residual liquid steel, and convert the steel into high quality rolled coils. He said the plant will use the most recent steelmaking technology and combine them in a way that has never been done before. Greer said the plant will use an electric arc furnace, as part of its "mini-mill" technology, a technology that is capturing an increasing share of the U.S. market. "This project will preserve the long range viability of the Iron Range," he said.

John Lefler, president and CEO of MIS, said the company has reached multi-year agreement with Ford Motor Company to provide steel to the auto manufacturer.

Novak said the bill authorizes Itasca County to create a tax increment financing district, appropriates \$21.7 million from the bond proceeds fund for a grant to the Itasca County Railroad Authority for capital improvements for railroad access, \$10.1 million from the bond proceeds fund for a grant to the county for public highway improvements, and \$3.6 million from the bond proceeds fund for a grant to the city of Nashwauk to design and construct freshwater wells and wastewater treatment facilities and pipelines. The bill was approved and sent to the Committee on Taxes.

S.F. 1647, authored by Kelley, restricts regulation of the Internet, interactive computer services, digital broadband services, and high-speed data and Internet access services. Kelley said the bill promotes competition among providers of packet switch technology. James Burroughs, executive vice president of Summit Academy OIC, said the bill helps students by providing opportunities that are currently limited. "The bill gives us access to all the technology that is out there instead of limiting our

choices," Burroughs said, "The expansion of service, and access to more providers encourages innovation."

Coralee Wilson, from the North Suburban Cable Commission, said the commission was concerned by the definitions in the bill. "The definitions are broad enough to capture our institutional networks," she said. Institutional networks (I-Net), are a hybrid fiber/coaxial cable distribution system reserved for use by cities and city authorized institutions such as schools, connecting the institutions to each other and to the city's cable TV to make up a network.

Dan Lipshultz, from the Attorney General's Office, said the agency opposes the bill. "Consumers and companies are in harms way," he said, "This takes the Public Utilities Commission away from these services without showing there is competition in place." Lipshultz said regulation is needed and the deregulation in the bill actually restricts competition. "It is comparable to allowing Northwest Airlines not only to dominate the Minneapolis/St. Paul Airport, but to own it."

Mike O'Connor, of GoFast.net, Inc., a Internet provider, said the bill will put small companies like his out of business. "I have to commend Sen. Kelley for his efforts to deregulate the Internet," O'Connor said, "But this bill doesn't accomplish what he wants to accomplish, and may accomplish things he doesn't want to accomplish." O'Connor said the bill will not only deregulate the Internet protocol layer and above but will also deregulate the physical and packet services layer that people using the Internet do not see, but that is necessary to provide service.

Runbeck said she opposed the bill because the PUC is needed to regulate the area. "This is a case of a lot of little guys and one big guy. That's where government ought to step in," she said.

Kelley said the bill has a simple purpose. "The bill tries to make sure that everyone in Minnesota, no matter where they are, can get Internet service. That's all I'm trying to do," he said. The bill was approved by an 8-6 vote.

S.F. 1471, authored by Murphy, which was heard during the morning hearing, places a cap on the screening fee amount a landlord can charge an applicant. Murphy said the bill was a fair compromise between groups representing tenants and landlords. The bill was approved and

sent to the Senate Floor.

The committee also approved two bill heard earlier, and approved by the Economic Development Budget Division. S. F. 1630, authored by Sen. Steve Dille (R-Dassel), adds poultry litter to the state's list of renewable energy sources. S.F. 607, authored by Sen. John Hottinger (DFL-Mankato), increases reporting and accountability for government subsidies to businesses. Both bills were sent to the Human Resources Finance Committee.

Workers' comp bill heard

A bill making technical changes to the state's workers' compensation laws was heard by the Jobs, Energy and Community Development Committee, Fri., Mar. 19.

S.F. 1848 authored by Sen. Steven Novak (DFL-New Brighton), the committee chair, modifies third party liability provisions in the law, requires attorneys to file statements of attorney fees with the Dept. of Labor and Industry, modifies special compensation fund procedures, and provides alternative cost allocation accounts. Novak said all the provisions in S. F. 1848 were approved by the Workers' Compensation Advisory Council.

He said although another workers' compensation bill, S.F. 295, authored by Sen. John Marty (DFL-Roseville), heard by the committee at an earlier hearing was not approved by the council, S.F. 1848 addresses issues raised in Marty's bill by containing a provision allowing families of workers injured or killed on the job to seek compensation to the extent the employer has fault, in an amount proportional to the employer's percentage of fault. The bill provides that an employer may avoid contribution exposure by waiving, before selection of a jury, the right to recover worker's compensation benefits paid, thus removing compensation benefits from the damages payable by any third party. If the employer waives or settles the right to recover workers' compensation benefits paid, the employee or the employee's dependents have the option to present all common law or wrongful death damages whether they are recoverable under the Workers' Compensation Act or not.

Sen. Mark Ourada (R-Buffalo), offered an amendment raising the amount an employer must pay for burial expenses from \$7,500 to \$15,000, for workers

killed on the job. Ourada said the amendment raises the fine that can be imposed on an employer who willfully or repeatedly violates safety standards and rules from \$70,000 to \$80,000, raises the maximum fine on citations issued from \$7,000 to \$8,500 and in the case of a violation that causes or contributes to the death of an employee, raises the maximum fine from \$25,000 to \$35,000. The amendment was adopted. The bill was approved and sent to the Senate floor.

S.F. 961, authored by Sen. Ellen Anderson (DFL-St. Paul), extends the unpaid leave of absence an employer must grant to an employee following the birth or adoption of a child from six to twelve weeks. "We've all heard so much about infants bonding with their primary caretaker. The bill gives children the ability to be with one of their parents in the first few months," Anderson said. She said the bill also increases employee leave to attend school conferences and other school related activities from 16 hours per year to 32 hours.

Alan Sroufe, a child development professor at the University of Minnesota, said that the first months of a child's life are critical for its social development. "Nothing is as important as the relationship a child develops with its care giver in the early months," he said, "All relationships unfold over time. The foundation is what leads to secure and adequate relationships."

Tom Hesse, from the Minnesota Chamber of Commerce, said the amount of leave mandated by the bill is not necessary because many businesses already allow more than six weeks leave to parents. "The employers are in the best position to work with their employees to develop the best employee benefit package," Hesse said, "To mandate one benefit may take away from other benefits. It is better to give employees the ability to choose the benefits that best meet their own needs." The bill was approved and sent to the Senate floor.

S.F. 1218, authored by Sen. Kenric Scheevel (R-Preston), makes technical changes to reemployment insurance provisions. Scheevel said the bill simplifies and clarifies language in the statutes, and is supported by the Reemployment Insurance Advisory Council, the AFL-CIO and the Minnesota Chamber of Commerce. The bill was approved and sent to the Senate floor.

Judiciary

Patient protection debated

S.F. 953, a bill providing for patient rights and protections, was heard at the Judiciary Committee meeting Thurs., Mar. 18. The committee, chaired by Sen. Jane Ranum (DFL-Mpls.), heard testimony on the bill, authored by Sen. Don Samuelson (DFL-Brainerd).

Attorney General Mike Hatch spoke on behalf of the bill. He said that if a patient sustains damage because his or her Health Maintenance Organization (HMO) denies treatment prescribed by a physician, the bill holds the HMO accountable. Hatch said similar legislation is in place in 39 states. "The purpose of the bill is not to encourage lawsuits, but to have an HMO take responsibility for its actions," he said.

Carolyn Jones, Minnesota Chamber of Commerce, said she has several concerns about the costs of the bill. "The actual court costs are only one aspect," she said. She said the bill may result in medical resolutions taking years. She said HMOs will begin to cover everything to avoid liability, and as a result insurance premiums for small businesses will greatly increase. She said small businesses will drop employee coverage, decrease the benefit package or shift costs to the employees.

John French, an attorney for Allina Health Systems, said his concerns are with the new language the bill puts into Minnesota law and the vicarious liability for the HMOs. "This bill establishes a type and range of liability not found anywhere else," he said. He said health carriers, under this bill, are held to a higher level of responsibility than any other entity. He also said tort and contract remedies are confused by the bill.

"The bill encourages a lawyer to take a bad case," he said. Michael Scandrett, Minnesota Council of Health Plans, said the smallest employers will pay the most if the bill is approved. He said HMOs will have difficulty in complying with the bill, deciding whether to have patients treated with the prevailing practice of treatment or the best practice of treatment. He said he believes the bill may constrain the ability of the HMO to provide appropriate care, because of their caution in being held liable for the wrong treatment. "I would advise an HMO to scale back rather than try any experimen-

tal treatment," he said. Scandrett said a patient currently has three options if he or she is denied treatment. He said the patient can appeal directly to the health plan, appeal to the Department of Health or go to court.

Sen. Don Betzold (DFL-Fridley) moved to strike the term "ostensible agent", referring to someone who makes a health care decision, from the bill. The amendment was adopted.

Sen. Thomas Neuville (R-Northfield) offered an amendment deleting that part of the bill referring to the Health Care Liability Act, that defines health care treatment and holds a health carrier liable for a health treatment decision. Samuelson spoke against the amendment, saying he has never heard a bill raise such scare tactics as this one has. Spear also spoke against the amendment. "It has been the general will of this committee that people should be treated equally," he said, "and for some reason HMOs have been granted immunity." He said he had not heard one good reason why HMOs should not be held as responsible as doctors or hospitals for treatment of patients. The amendment failed.

An amendment, offered by Sen. Sheila Kiscaden (R-Rochester), deletes the awarding of attorney fees to the patient. The amendment was not adopted. An amendment stating the court may award attorney fees, rather than shall, was offered by Betzold. The amendment prevailed. S.F. 953 was approved and sent to the floor.

Data practises bill okayed

A number of bills were brought before the Judiciary Committee at the meeting Fri., Mar. 19. Sen. Jane Ranum chairs the committee.

Sen. Don Betzold (DFL-Fridley) presented S.F. 653, the omnibus data practices bill. The bill relates to the collection and dissemination of data and classification of data as private and nonpublic.

Betzold said that under the Data Process Act, the public can view a public government document for free, but there is a charge for photocopies. He said that with the electronic age, the situation becomes more complicated. Under the bill, free inspection of data includes remote access to the data and the ability to print copies of or download the data on the public's own computer equipment.

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Sen. Warren Limmer (R-Maple Grove) said he believes there is a big difference in what various cities charge for service fees. He expressed disappointment in cities using high fees as revenue makers.

An amendment, offered by Sen. David Knutson (R-Burnsville), provides that inspection does not include printing copies by the government entity, unless printing a copy is the only method to provide for inspection of the data. The amendment also incorporates language that provides that a government entity can charge a reasonable fee for remote access to data under a specific statutory grant of authority. The amendment was adopted.

S.F. 653 also provides for the Tennesen Warning to be given at the beginning of each academic year to an individual asked to supply educational data. The Tennesen Warning is the information required to be provided an individual when he or she is asked to supply private or confidential data about himself or herself. Limmer said he is concerned that parents receive questions on detailed information and are not given the Tennesen Warning. Betzold said the warning is not intended to be given every time a teacher talks to a child or parent and giving the warning at the beginning of the academic year offers a compromise between omitting the warning completely and using it for every discussion.

Under the bill, site investigations for studying the malformations in frogs will not be disclosed until the investigations are completed. The bill also authorizes sharing of certain data for tax administration purposes; clarifies and modifies access to data on employees reporting violations of law; and clarifies the status of data on parents held by educational entities. The bill was approved and sent to the floor.

A bill, authored by Sen. Ember Reichgott Junge (DFL-New Hope), S.F. 486, establishes a process for background investigations for firefighter positions. The bill requires disclosure of certain employment information and provides civil and criminal penalties in cases where an employer refuses to disclose information. The bill also provides employers immunity for certain disclosures.

Junge said that as new applicants are recruited, there has been difficulty in

getting background checks from employers. She said the bill is designed to insure public safety. Sen. Linda Berglin (DFL-Mpls.) said she is not convinced the background check is any more necessary for firefighters than other employees. Junge said firefighters are working more and more with young children in fire safety programs, visiting households to check on fire prevention equipment and holding master keys to certain buildings in case of fire.

Jim Hansen, assistant fire chief of Spring Lake Park/Mounds View, said there is a trust factor with children to be considered. He said a number of issues do not show up on a regular criminal background check. An amendment by Sen. Sheila Kiscaden (R-Rochester) adds a probationary period for new firefighters in the city of Rochester. The amendment prevailed. S.F. 486 was approved and sent to the floor.

Other bills heard by the committee included S.F. 1093, authored by Sen. John Hottinger (DFL-Mankato). The bill relates to civil mediation and provides for the effect of a mediated settlement agreement. S.F. 1273, a bill presented by Sen. Dallas Sams (DFL-Staples), modifies provisions relating to nursing home administrator licensing. The bill provides that members of the board of examiners for nursing home administrators and persons employed by the board or engaged in investigations and other activities on behalf of the board are immune from civil or criminal liability for their actions relating to those duties. Knutson authored S.F. 1060, a bill that regulates service of process and certain notice requirements. Betzold presented H.F. 1037, a revisor's bill that corrects erroneous, ambiguous, and omitted text and obsolete references. All of the bills were approved and sent to the floor.

Ambulance service review

The Judiciary Committee heard a bill that provides for review of ambulance services and first responders at the meeting Mon., Mar. 22. Sen. Jane Ranum (DFL-Mpls.) chairs the committee.

H.F. 463, presented by Sen. Becky Lourey (DFL-Kerrick), provides for the establishment of review organizations to review ambulance and first responder services. Under the bill, the activities of the review organizations are governed by provisions dealing with limitations on

liability for persons who provide information, limitations on the liability of review organizations and their members, and confidentiality and use of records.

Speaking in favor of the bill, O.J. Doyle, Emergency Medical Services consultant, said emergency physicians, ambulance services and medics, whom he represents, are concerned that ambulance services are not under the protection of peer review. Minnesota peer review statute provides that certain review activities conducted by health care professionals are confidential and privileged and cannot be subject to discovery. "We're trying to protect quality assurance programs internally," he said. Doyle said the law requires quality assurance be conducted by ambulance medical directors, yet all of the information that arises from this process is discoverable. He said that without peer review protection, which the bill provides, keeping local physicians involved with their community ambulance services will be difficult.

Peter Schmit, a Minneapolis attorney, spoke against the bill. He said the peer review statute is being abused and is used to shield facts. He said if there are specific guidelines, the patient should be aware of them and know if they have been followed. An amendment, offered by Sen. Don Betzold (DFL-Fridley), struck ambulance run forms from review information. The amendment prevailed. H.F. 463 was recommended to pass and sent to the floor.

S.F. 1047, a bill authored by Sen. Sam Solon (DFL-Duluth), provides that Roth IRAs will be treated identically to other retirement accounts. The bill was approved and sent to the floor.

Sen. Leo Foley (DFL-Coon Rapids) presented S.F. 436, a bill that relieves 911 dispatchers from tort liability in certain cases. An amendment, offered by Foley, provides immunity for any claim based upon the acts or omissions of a 911 dispatch operator providing prearrival medical instructions, unless the claim is based upon willful and wanton misconduct of the 911 dispatcher. The amendment prevailed.

Paul Kent, director of St. Louis County 911 Communications Department, spoke on behalf of the bill. He said people can reach 911 from anywhere, and dispatchers can give safe and effective information on the phone. "It's not a case of

people doing tracheotomies on the phone," he said.

Stacy Bonnema, director of Kandiyohi County Sheriff Emergency Communications, said that currently, without liability protection, 911 operators are instructed by employers to not give any medical instructions, even if they are knowledgeable. Spear said it seems the liability is greater if the dispatcher doesn't give instructions, especially if the ill or injured person died.

Betzold said there seems to be an underlying assumption that every 911 dispatcher has a good medical background. "Maybe they're giving the wrong advice--why should we protect them?" he asked. Sen. Richard Cohen (DFL-St. Paul) said he is concerned that 911 dispatchers have adequate training.

Schmidt spoke against the bill, saying there should not be immunity for unreasonable medical advice. Sen. Thomas Neuville (DFL-Northfield) said he believes that if the dispatchers are trained, they should be given immunity. The bill was laid over.

Discrimination bills presented

Bills regarding housing and business discrimination and case studies of autopsies were brought before the Judiciary Committee at the meeting Weds., Mar. 24. Sen. Jane Ranum (DFL-Mnpls.) chairs the committee.

Sen. David Knutson (R-Burnsville) presented S.F. 985, a bill that prohibits business discrimination on the basis of national origin. Knutson offered an amendment to the bill prohibiting business discrimination on the basis of creed and religion, also. The amendment was adopted. Knutson said he believes it is an oversight that national origin, religion and creed were omitted from the business discrimination statute.

Edwin Sisam, an Edina attorney, said the omission was found when he recently represented Somali taxi drivers who sued the cab companies on charges of discrimination. He said he was shocked to find the current statute does not prohibit business discrimination based on national origin. "We want to prevent such a thing from happening again," he said. The bill was approved and sent to the floor.

Sen. Dave Johnson (DFL-Bloomington) authored S.F. 1203, a bill that amends the Human Rights Act provisions dealing with housing discrimina-

tion. The bill provides that the provisions dealing with discrimination based on status with regard to public assistance do not require an owner to accept Section 8 certificate or vouchers held by a tenant or prospective tenant, if the owner has not entered into a contract for housing assistance payments under Section 8. The bill also provides that an owner is not required to enter into a contract for Section 8 housing assistance payments.

Rita Ander, Section 8 program manager with St. Paul Public Housing Authority, said that in 1996 some provisions of Section 8 housing changed to make the program more landlord-friendly. A landlord can charge the same amount for a security deposit from all tenants. An endless lease is not required. Currently, an initial lease has to be for one year. She said an annual inspection of the property is required, and if the landlord fails the inspection and does not make the necessary changes, the rent is not paid.

Nancy Mischel, Legal Aid, said she is concerned landlords can use the legislation as a blanket to discriminate. "If they refuse to rent to Section 8 tenants, we cannot prove there is a discriminatory motive," she said. She said that under current law, a landlord is not required to accept a Section 8 tenant if the tenant has a criminal history. She said landlords are not eligible for Section 8 tenants if the rents are above fair market value, their property does not meet inspection requirements or they do not accept a one-year lease. Janine Rosas, commissioner of the Department of Human Rights, spoke against the bill. "We are saying the current law is adequate for both landlords and Section 8 tenants," she said. Sen. Allan Spear (DFL-Mpls) moved that the bill be laid on the table. The motion was adopted.

Sen. Steve Kelley (DFL-Hopkins) presented S.F. 286, a bill requiring case studies of certain autopsies. He said the bill requires a professional association representing coroners and medical examiners in Minnesota to conduct a series of case studies to examine cases in which performing autopsies would be controversial, or in which they are opposed by a decedent's relatives or friends, based on the decedent's beliefs. The bill also provides that all records held by the professional association are private data on individuals. "We must be cautious in trying to balance valid

religious concerns with the needs of medical examiners," Kelley said. The bill was approved and sent to the floor.

K-12 Education Budget Division

Repealer bill discussed

The K-12 Education Budget Division met Fri., Mar. 19, to begin discussion of the education mandate repeal bill. The division is chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

Pogemiller offered S.F. 1187, a bill repealing, modifying and expanding certain provisions of the K-12 education code. He said the bill reorganizes some of the statute language to clarify the meaning of the law. Other parts of the statute are outdated and need to be repealed, Pogemiller said. Discussion focused on the repealed portions of the statute. The bill removes some sections of the statute that are unnecessary, such as the section relating to the general control of schools, which applies to a one-room schoolhouse.

Charter school bills heard

The K-12 Education Budget Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met Sat., Mar. 20, to hear bills relating to charter schools and home school extracurricular activities.

Several bills relating to charter school issues were discussed. Sen. Ember Reichgott Junge (DFL-New Hope) presented S.F. 515, a bill allowing a school district to be converted to a charter district by a majority vote at a district election. Junge said it is time to move charter schools forward by providing every charter school with the same funding as every public school and by removing the barriers for starting and operating a charter school. The bill was laid over for further discussion.

Junge also offered S.F. 1900, a bill providing aid to charter schools for growth costs and amending charter school compensation units and S.F. 706, which adds education cooperatives and the governing entity of a city or town as a potential charter school sponsor. S.F. 706 also provides for the creation of a Charter Schools Appeals Board consisting of nine members. S.F. 1900 was laid over for further discussion. The portion of S.F. 706 relating to employment and

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other operating matters was not adopted by members. The remaining sections of the bill were recommended for inclusion in the K-12 omnibus bill.

Sen. Gen Olson (R-Minnestrta) presented S.F. 1589, a bill giving charter schools greater flexibility. The bill requires charter schools to provide instruction in at least the areas of basic communications skills, including reading, writing, literature, and fine arts; math and science; social studies, including history, geography, and government; and health and physical education. The section of the bill relating to teacher duties was recommended for inclusion in the K-12 omnibus bill, and the remaining sections of the bill were laid over for further discussion.

A bill increasing transportation funding for charter school students, nonpublic students, and students subject to hazardous conditions was offered by Sen. Sandra Pappas (DFL-St. Paul). The section of the bill relating to pupil transportation levies and bus purchases did not win the approval of the committee. The other sections of the bill were laid over for further discussion.

Sen. Linda Scheid (DFL-Brooklyn Park) presented S.F. 1518, a bill requiring school boards to allow students receiving instruction in a home school to participate in extracurricular activities. The bill also defines "home school" as a home school with five or fewer students receiving instruction. The bill was laid over for further discussion.

Sen. Jane Ranum (DFL-Mpls.) offered S.F. 1033, a bill providing for termination of participation in the enrollment options program for truant students. The bill specifies that the student may be terminated at the end of the school year if the student meets the definition of a habitual truant, the student has been provided appropriate services and the student's case has been referred to juvenile court. The bill was laid over for further discussion.

Pogemiller offered S.F. 824, a bill modifying staff development committee outcomes and revenue. The bill requires that the majority of the staff development team must be teachers and that ongoing staff development activities include effective mentoring and support for teachers new to the school or district. The bill was laid over for further discussion.

Hottinger (DFL-Mankato). St. Peter also sustained extensive damage from the Mar. 29, 1998, tornado. The bill, S.F. 1783, provides a grant for facilities replacement costs not covered by the district's insurance settlement or through federal emergency management agency payments. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Dallas Sams (DFL-Staples) offered S.F. 1270, a bill reducing the average per pupil requirement for debt service equalization. In the bill, the average number of pupils per grade required to qualify for debt service equalization is reduced from 66 to 40. The bill was recommended for inclusion in the K-12 omnibus bill.

A bill modifying the definition of maximum effort debt service levy and modifying the loan repayment account was presented by Sen. Mark Ourada (R-Buffalo). David Flannery, superintendent, Elk River Area Schools, said a problem exists for all school districts in how to build, maintain and pay for the schools needed today, that will be used for 50 years, without taxing current residents out of homes and businesses. Flannery said the bill addresses the problem because it establishes a limit on the percentage of a person's property tax that is used to pay off long-term debt. The bill was laid over for further discussion.

Sen. Michelle Fischbach (R-Paynesville) offered S.F. 1299, a bill authorizing an accelerated payment of health and safety revenue to the Melrose School District. The bill specifies that the grant must be used for the construction of a new school bus corral required by order of the fire marshal. Nurdy Nelson, superintendent, Melrose School District, said the school district does not have the funds to make the changes needed to comply with the Minnesota Uniform Fire Code. He said the grant allows them to make the corrective action in a timely manner. Pogemiller questioned whether it was the responsibility of the Legislature to provide the funding for the project. The bill did not win the approval of the committee.

Members discussed a bill, S.F. 589, authorizing a fund transfer for the Oklee School District. The bill, authored by Sen. LeRoy Stumpf (DFL-Thief River Falls), permanently transfers the balance from the debt service fund to the general

A bill making cooperative units eligible for graduation standards implementation revenue was offered by Sen. Jane Krentz (DFL-May Township). In addition, the bill, S.F. 1063, makes a cooperative unit eligible for summer school, transition programming, and technology revenues. The bill was laid over for further discussion.

Krentz also offered S.F. 196, a bill establishing a board of educational administrators. The bill changes the authority to issue licenses for educational supervisory personnel from the State Board of Education to the Board of Educational Administration. The bill was not approved by members.

Sen. Thomas Neuville (R-Northfield) presented S.F. 442, a bill entitling public school students to an education without serious classroom disruption. The bill allows a student to be dismissed who significantly disrupts the rights of others to an education, including conduct that interferes with a teacher's ability to teach. The bill also allows a student to be removed from class for willful conduct that disrupts the rights of others to an education. The bill was laid over for further discussion.

Bills advance

The K-12 Education Budget Division took action on several bills at the Tues., Mar. 23, meeting. The division is chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

Sen. Jim Vickerman (DFL-Tracy) presented S.F. 1364, a bill appropriating money to the Comfrey School District for losses related to the Mar. 29, 1998, tornado. Comfrey School District Superintendent Bob Meyer said the tornado last year nearly destroyed the entire community including the school district's education facilities. He said even with FEMA assistance, insurance proceeds and grants, the district continues to come up short in the effort to fully finance the replacement of facilities that meet the joint needs of the city and the school district. Meyer said the requested appropriation is to pay for technology expenses, daycare expenses, and geothermal heating and cooling equipment for the district. The bill was recommended for inclusion in the K-12 omnibus bill.

A bill authorizing a disaster relief facilities grant for the St. Peter School District was offered by Sen. John

fund of the Oklee School District. The bill was laid over for further discussion.

Declining pupil aid discussed

Several bills relating to declining pupil aid were discussed at the Weds., Mar. 24, meeting of the K-12 Education Budget Division. The division is chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

Sen. John Hottinger (DFL-Mankato) presented S.F. 750, a bill creating a declining pupil unit aid by adjusting the definition of a pupil unit and S.F. 1624, a bill providing for declining pupil unit aid for the St. Peter School District. Also presented for consideration was S.F. 1479, authored by Sen. LeRoy Stumpf (DFL-Thief River Falls), a bill providing for declining pupil unit aid for the school districts of Climax, Kittson Central, and Stephen-Argyle Central. Members heard testimony relating to all three bills from several education groups.

Vernae Hasbargen, Minnesota Rural Education Association, said aid for declining enrollment is the critical need of the rural schools. She said the situation has to be looked at realistically, since half of the school districts in the state have declining enrollment. Hasbargen provided a series of charts showing that rural average pupil counts are declining, with a large gap between the current number of kindergarten students and the number of elementary and secondary students. The chart also showed that the suburban schools are starting to have declining enrollment, while the urban average pupil counts are rising.

Tim Collins, Blue Earth School District, told members declining enrollment is crippling the school district. He said the district attempted to have an excess levy, but the issue was defeated in several attempts. He said the school district has cut as much as it can. "Declining enrollment is a problem that is easily recognized and one that needs a solution that is fair to all districts," said Cornelius Smith, superintendent, Murray County Central.

The two bills providing aid to specific school districts with declining enrollment, S.F. 1624 and S.F. 1479, were recommended for inclusion in the K-12 omnibus bill. S.F. 750 was laid over for further discussion.

Discussion began on two bills authored by Sen. Jerry Janezich (DFL-Chisholm).

The first, S.F. 453, creates a declining pupil unit aid by adjusting the definition of a pupil unit. The second, S.F. 1989, creates marginal cost pupil units. Brad Lundell, Schools for Equity in Education, said he strongly opposes the marginal pupil aid. He said the marginal pupil unit aid is a general solution for a specific problem. The problem needs to be addressed categorically, said Lundell. The bills were laid over for further discussion.

Sen. Dean Johnson (R-Willmar) presented S.F. 1406, a bill appropriating money for enhanced pairing combination aid. The bill provides a grant to a group of school districts participating in the enhanced pairing program that intend to combine into a single school district, said Johnson. The bill was recommended for inclusion in the K-12 omnibus bill.

A bill exempting noncommercial seasonal residential property from school levies was offered by Sen. William Belanger (R-Bloomington). The bill states that in determining the net tax capacity tax or the referendum tax of certain property, the school district's local tax rate or referendum tax rate must not be applied to the property. In the seasonal recreation areas, the school district has no impact on the value of the property, said Belanger. No formal action was taken on the bill.

Local and Metropolitan Government

Twins ownership bill heard

A bill providing a process for community ownership of the Minnesota Twins baseball team was heard by the Local and Metropolitan Government Committee, Fri., Mar. 19.

S.F. 801, authored by Sen. Ellen Anderson (DFL-St. Paul), requires the Metropolitan Sports Facilities Commission and the governor to work with the Twins to transfer ownership to a community foundation or nonprofit corporation. "This is not a stadium bill," Anderson said, "It is an attempt to take a step back from the stadium issue and reevaluate what we want to see done with our Twins, to keep a valuable community asset here."

Anderson said during the stadium debate, Twins owner Carl Pohlad offered a deal similar to what is proposed in the bill. She said upon transfer of ownership,

two types of stock would be put up for sale, one providing full voting rights and the other allowing input on any plan to move the team. The bill provides that a managing partner oversees the day to day operations of the team and that the partner can own up to 25 percent of the stock. "This does not mean the state buys the team," Anderson said, "It provides a process for the public to voluntarily buy the team and decide if major league baseball will stay in our state."

Julian Loscalzo, a fan of the team, said he supports the bill because it allows fans to decide the fate of baseball in Minnesota. "The public has spoken clearly about the stadium. The bill allows baseball fans an opportunity to change the way business is done. Major League Baseball will make a decision about the Twins. It would be difficult for them to turn their back on 50,000 fans who own the team," Loscalzo said. The bill was approved and sent to the Senate floor.

The committee heard four other bills. S.F. 1884, authored by Sen. Randy Kelly (DFL-St. Paul), authorizes local bonding to acquire conservation easements. Lee Ronning, executive director of 1000 Friends of Minnesota, said purchase development rights programs (PDR) establish a method to accomplish growth while still preserving open space. He said since 1974, over 400,000 acres of land have been saved nationwide due to PDR programs. The bill was approved and sent to the Senate floor.

S.F. 1619, authored by Sen. Jim Vickerman (DFL-Tracy), allows pull-tab sales from off-sale liquor establishments. Vickerman, the committee chair, said the bill allows the State Gambling Board to adopt rules for tipboard games with multiple seals and for tipboard games with cumulative or carryover prizes. He said the bill increases consolation prizes in progressive bingo games from \$100 to \$200 as well as setting the maximum prize for tipboard tickets at \$500 and for cumulative tipboard prizes at \$2,500. The bill was approved and sent to the Senate floor.

S.F. 604, authored by Sen. Sandra Pappas (DFL-St. Paul), provides that if a municipal construction contract is estimated to exceed \$2 million and if the state has provided a grant or loan for at least one-third of the estimated cost of the contract, the municipality must

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submit a request for a primary design to the state Design Selection Board. Pappas said the bill helps local units of government with a process that they often times are not familiar with, in selecting a qualified designer. Vickerman said he was concerned that the bill restricts local government from choosing a designer that they want for a project. Sen. Steve Kelley (DFL-Hopkins), offered an amendment changing the provision in the bill from "shall" submit a written request to the Design Selection Board, to "may" submit a request. The amendment was adopted. The bill was approved and sent to the Senate floor.

S.F. 1741, authored by Sen. Charles Wiger (DFL-North St. Paul), allows employees from the Metropolitan Council to transfer to other political subdivisions. Richard Johnson, an associate regional administrator of the Met Council, said the agency is reducing its Environmental Services Division and the bill allows employees from that division, mostly engineers, to transfer to other units of government. He said the Met Council worked with representatives from the labor unions involved, to get their support for the bill. The bill was approved and sent to the Senate floor.

S.F. 1839, authored by Sen. Deanna Wiener (DFL-Eagan), requires local units of government to base any fee it charges on the direct expenditures related to the purpose for which the fee is imposed. "This bill gives a local governmental unit the authority to impose fair and reasonable fees that reflect the actual cost of the service for which the fee is imposed," Wiener said. She said currently there is no requirement that a local municipality use the fees they collect toward the service the fees are collected for and that opens up the possibility of abuse for fees to be used as a source for generating revenues without increasing property taxes. She said that while researching the bill she discovered that often different cities charge vastly different fees for the same service.

Jim Stanton, from Shamrock Developers, said the fees set by municipalities are passed on to home buyers. He said fees can add from to \$8000-\$10,000 to the cost of a project. "We are willing to pay our way but we feel that we should pay for what we get, and get what we pay for," he said.

Anne Hurlburt, the director of the city

of Plymouth's Community Development Department, said that most cities realize fees have to be fair. She said that many cities charge fees that are actually lower than the cost of the service provided. "In most cases, I believe this bill would cause fees to go up, not down," she said. Hurlburt said the bill's provision that a public hearing must be held for public comment on the use of fees, would require a person seeking the city's permission in a home expansion project, to require the city hold a public hearing about the fees involved. Jim Miller, the executive director of the League of Minnesota Cities, said he agreed that it was likely the bill would cause fee increases and that the bill addresses a problem that doesn't exist. "This is premature, and I think it will cause consequences that you do not intend."

Wiener moved that the bill be laid on the table so that she could work further on it. Sen. Kenric Scheevel (R-Preston), said the issue raised about whether or not municipalities are overcharging on fees, should continue to be addressed. The committee voted to lay the bill on the table.

Five bills heard

The Local and Metropolitan Government Committee, chaired by Sen. Jim Vickerman (DFL-Tracy), met Weds., Mar. 24, to hear five bills.

S.F. 321, authored by Sen. Linda Scheid (DFL-Brooklyn Park), authorizes cities to establish home improvement areas. Scheid said the bill was originally proposed for the city of Brooklyn Park to help improve the city's many townhouses, in order to increase their property value. She said after the bill was heard by the Jobs, Energy and Community Development Committee, the bill was amended to include the entire state. Sen. Steve Kelley (DFL-Hopkins), said the bill takes existing law for special taxing districts limited to commercial industrial areas and expands the law to include housing improvement districts. He said under the bill, the same safeguards that apply to commercial taxing districts also apply to the new districts. The bill was approved and sent to the Senate floor.

S.F. 1243, authored by Sen. Charles Berg (IND-Chokio), adds the University of Minnesota to the definition of "governmental unit" to permit the University to enter into joint powers agreements

with other governmental agencies. Berg said the bill allows the University of Minnesota to govern a newly built fitness center at its Morris campus. The bill was approved and sent to the Children, Families and Learning Committee.

S.F. 404, authored by Sen. Linda Runbeck (R-Circle Pines), makes cities in Anoka County responsible for dangerous dog registration. Runbeck said currently the county is responsible for the registrations and that there are nine dangerous dogs on file. She said all nineteen cities in the county support the bill. The bill was approved and recommended for the Consent Calendar.

S.F. 1279, authored by Sen. Dan Stevens (R-Mora), which was heard at an earlier committee hearing, was taken off the table. Stevens said the bill provides that the state must not acquire land located in a county that has 50 percent or more of its acreage in public or nonprofit ownership unless the state makes a qualified transfer of other property. Dennis Fink, a St. Louis County Commissioner, said the bill helps counties achieve balance in their property tax base. He said in St. Louis County, 15 percent of the land generates 90 percent of the tax base. "At some point we need to have reasonable balance," Fink said.

Kelley offered an amendment providing if the state acquires land in a county that has 50 percent or more of its acreage in public ownership, the Dept. of Natural Resources (DNR) at the request of the county, shall recommend to the Land Exchange Board a sale or exchange of other property owned by the state to the county. Kelley said the amendment requires the Land Exchange Board, which is comprised of the governor, the state auditor, and the attorney general, to review the recommendation, obtain and consider the county's response and approve, reject, or amend the recommendation. He said the amendment also requires that after approval of a transfer of land, the county must offer the property for sale to potential property taxpayers. Kelley said if the land is not sold within two years of the transfer, the county may derive income from the property, but must continue to attempt to sell the property to a taxable entity. He said the amendment requires the county to remit to the state all proceeds from a sale of the land, or from income derived from holding the property.

Stevens said he agreed with most of Kelley's amendment, but asked that a provision exempting application of the requirement in the acquisition of a parcel of ten acres where there is no adjacent property acquired during the subsequent five years be deleted. Kelley agreed with the deletion. The amendment was adopted. The bill was approved and sent to the Senate floor.

S.F. 1177, authored by Sen. Becky Lourey (DFL-Kerrick), authorizes the establishment of a sanitary sewer district in the water area around Banning Junction. Lourey said the district will connect Banning State Park and Finlayson Township, to the city of Finlayson's sewer system. She said the bill also establishes a board for the district, composed of three members appointed from the township, one appointed from the city, and one appointed from the DNR. The bill was approved and sent to the Committee on Taxes.

Property Tax and Local Government Budget Division

TIF bills heard

The Property Tax and Local Government Budget Division, chaired by Sen. Sandra Pappas (DFL-St. Paul), met Tues., Mar. 23, to hear 13 bills mostly relating to tax increment financing (TIF). The division discussed the bills but did not act upon any of them.

S.F. 26, authored by Sen. Don Samuelson (DFL-Brainerd), provides that a TIF district in the city of Nisswa will remain in effect until December 31, 2014. Samuelson said the current date of decertification for the district is April 4, 2000. Jerry Krause, the mayor of Nisswa, said in 1989 the Minnesota Pollution Control Agency (MPCA) approved plans and specifications for the construction of a wastewater treatment facility in the city. Project plans included the construction of an irrigation site where treated effluent would be discharged. Krause said although MPCA standards are being met regarding treatment, the agency has cited concerns relating to the irrigation system and has ordered the city to initiate corrective action to eliminate the ponding of land applied effluent. He said the city of Nisswa and Grand View Lodge have worked jointly on the design and

construction of improvements that will satisfy MPCA standards, which include additional purification equipment, a holding pond, and restructuring the irrigation system of 18 holes of the Pines Golf Course near the facility. The city is requesting the extension of the district because it may not secure financing with terms that make the project financially feasible nor on a schedule that responds to the directive of the MPCA, Krause said.

S.F. 22, offered by Sen. John Marty (DFL-Roseville), provides that after May 31, 1999, no new TIF districts may be certified, and no existing districts may be modified to extend their duration, expand activities to be financed, or incur additional expenses not originally included in the plan for the district. "This is not about blocking public subsidies," Marty said, "It is about more public accountability."

Marty offered an amendment to the bill requiring that a city or county that provides a business subsidy may request that the county, city, or school district within the boundaries of the subsidized project, provide a share of the subsidy. He said the governing body of the political subdivision that receives such a request and intends to provide the subsidy, must hold a public hearing on the issue. "By its very nature TIF is complex. It makes it almost get treated as if it's free money," Marty said, "It gets treated a little less seriously than the public money it is."

Steve Keefe, from the Minnesota Citizen's League, said the changing nature of the economy should change the way economic development projects are awarded. He said that in the past the major goal of most economic development was to create jobs, but now with worker shortages in many industries, the focus needs to be reexamined. "We need to get away from job creation and look at ways to improve productivity," he said, "We need to focus on job preparation and training to raise the skills people need to move from lower paying jobs to higher paying jobs."

S.F. 1100, authored by Pappas, prohibits a municipality from approving a plan for a new or expanded TIF district after June 30, 1999, if the aggregate amount of the net tax capacity for all districts existing in the municipality exceeds 15 percent of the total tax capacity of the

municipality. Elizabeth Blakesley, from the Association of Small Cities, spoke against the bill saying it would hurt smaller cities hardest. "This will stop larger projects that enhance smaller communities," she said.

S.F. 33, authored by Sen. Dan Stevens (R-Mora), extends from five to ten years a TIF requirement that specific activities have to be underway for a development project in the city of Onamia. Craig Molstad, executive director of the Mille Lacs Area Community Development Corporation, said three of the 25 lots in a development project along Highway 169 have already been developed and the bill extends the deadline to develop the remaining lots. He said the city has spent \$577,000 on the project thus far resulting in 63 new housing units. Pappas asked Stevens if he would support limiting the extension just for the three affected parcels. Stevens said he would support the limitation.

S.F. 34, also authored by Stevens, authorizes the expenditure of tax increments from a district in the city of Milaca outside of the district. The bill also permits the use of the increments from the district to pay obligations that were used to acquire or improve property located outside the district.

S.F. 1044, authored by Sen. James Metzen (DFL-South St. Paul), extends a TIF district in the city of Inver Grove Heights for two years. Metzen said the district currently is in existence until 2004 and the bill provides the tax increments received after May 1, 2004 in excess of the LGA/HACA offset must be used to pay debt service on obligations incurred before Jan. 1, 1999 to pay costs provided for in the TIF plan or on obligations incurred to refinance those obligations. Jim Willis, the city administrator from Inver Grove Heights, said the extension is needed because the development occurred less rapidly than expected.

S.F. 1538, authored by Sen. Ellen Anderson (DFL-St. Paul), amends the definition of "rent constituting property taxes" in the circuit breaker law by increasing the portion of rent deemed to constitute property taxes from 19 to 28 percent. Anderson said the relief helps offset rising rental costs for renters. Sen. Steve Kelley (DFL-Hopkins), asked Anderson if there was any empirical data to show 28 percent is the amount renters apply toward their property taxes.

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Anderson said there was no direct data, but that the percentage was a more accurate reflection than the 19 percent figure in current law.

S.F. 1882, authored by Sen. Linda Scheid (DFL-Brooklyn Park), exempts from the provisions of law that describe the interaction of the fiscal disparities law and the computation of tax increment, a TIF district in Brooklyn Center that contains a parcel designated as a superfund site. Michael McCauley, the city manager of Brooklyn Center, said once the site is cleaned up, it could be sold for as much as \$2 million dollars. He said the owner has already spent over \$17 million to clean up the area and an additional \$5-7 million is needed to complete the cleanup.

S.F. 1134, authored by Scheid, changes the effective date of a provision amending a TIF law approved by the Legislature in 1998 prohibiting inclusion in a TIF district of parcels that had been subject to Green Acres, the open space law, or the Metropolitan Agricultural Preserve law during the five years before the filing of the request for certification. Scheid said the prior law permitted inclusion of those parcels if the buildings would be used for manufacturing processes. The change provides that facilities qualify only if the owner of the facility agreed to pay at least 90 percent of the employees a rate equal to or greater than 160 percent of the federal minimum wage. She said the bill changes the effective date for TIF districts made after Aug. 1, 1996, to qualify for the treatment. She said the bill affects three TIF districts.

S.F. 642, also authored by Scheid, authorizes the Brooklyn Park Economic Development Authority to establish an urban shopping district within the city. Scheid said the bill helps Brooklyn Park revitalize the area along Brooklyn Boulevard by redeveloping the Village North retail center. She said the TIF district in the bill differs from traditional redevelopment districts in that the term is for 20 years instead of 25 years, and the original net tax capacity of the district is zero.

S.F. 1803, authored by Sen. John Hottinger (DFL-Mankato), modifies the LGA/HACA offset that applies to TIF districts by cutting in half the amount of the offset required to be paid by the districts, and exempts a district if the state contributes to the cost of the

projects. Hottinger said the bill also exempts a district when the Dept. of Trade and Economic Development determines the project that is financed by the tax increments has resulted in a specified increase in jobs in the project area that pay at least poverty level wages. "This is an incentive approach so cities are not penalized for attempting to improve the economy," Gary Newman, from the city of Rochester said.

S.F. 1272, authored by Hottinger, provides a property tax exemption for property owned or leased by a political subdivision or nonprofit corporation if the property is used in the operation of a housing with services establishment and offers residents home care service or is licensed to offer services as an assisted living home care provider. Hottinger said the bill also exempts from property taxation, property used in the operation of a housing with services establishment and the property is not subject to tax on Aug. 1, 1999.

Rules and Administration

Permanent Rules gain

The Rules and Administration Subcommittee on Permanent and Joint Rules met Fri., Mar. 19, to complete work on the Permanent Rules of the Senate for the 81st Legislative Session. Members, chaired by Sen. Ember Reichgott Junge (DFL-New Hope), have met several times over the last few weeks in order to consider a recodification of the Senate Rules and amendments brought forth by various Senators.

The panel devoted most of the hearing to discussion of amendments to the Permanent Rules. An amendment dealing with the disposition of state agency bills introduced after the deadline for the introduction of agency bills prompted considerable discussion. Under the current Senate Rules, agency bills must be introduced prior to three weeks before the first committee deadline. Junge said the current rules are silent about what happens when the rule is violated. The amendment specifies the disposition of the bill. The amendment was amended to provide that whenever a bill introduced in violation of the rule is favorably acted upon by a committee, it must be referred to the Committee on Rules and Administration for disposition. The amendment to the amendment and

the amendment were adopted.

An amendment, offered by Sen. Roger D. Moe (DFL-Erskine), providing that an amendment to an omnibus appropriation bill that increases one or more appropriations is out of order unless it includes reductions to one or more appropriations from the same fund in the bill and further providing that an amendment to an omnibus tax bill that reduces revenue to a fund is out of order unless it includes reductions to one or more appropriations from the same fund also generated considerable discussion. Moe said that the amendment is designed to provide more discipline in the offering of amendments by making the authors of the amendments accountable for the increases in spending or cuts in revenue that they might offer. The amendment was adopted.

Members also adopted an amendment, originally brought to the panel by Sen. Mark Ourada (R-Buffalo), allowing a member of another state, provincial, or national legislative body to be admitted to the floor of the Senate by a member of the Senate. Another amendment gaining subcommittee approval authorizes a reporter from the St. Paul Legal Ledger to be among the members of the press authorized admittance to the Senate Chamber.

The panel also devoted some time to discussing an amendment to the Rules relating to ethical conduct on the part of lobbyists. The amendment specifies that a complaint and proceedings on the complaint by the Subcommittee on Ethical Conduct, upon receiving a complaint of a lobbyist having violated the Senate Rules governing lobbyists, are private until the subcommittee has found probable cause to believe that a violation has occurred. In addition, the amendment specifies that the Senate intends that the complaint and proceedings on the complaint not be admissible in any criminal proceeding. Sen. Allan Spear (DFL-Mpls.) pointed out that the Courts do not necessarily abide by the Legislature's determination of what may be admissible in a criminal case. However, Junge said that by inserting the language about admissibility, the Senate is giving a clear direction of intention to the Courts. The amendment was adopted.

Finally, members adopted an amendment specifying that the Senate Cham-

bers is reserved for Senate use. Secretary of the Senate Patrick Flahaven said that the amendment is in response to requests to use the Senate Chamber for various events, such as filming television commercials, that are not appropriate.

The panel approved the Permanent Rules of the Senate and forwarded the Rules to the full Committee on Rules and Administration.

Rules okayed

The Rules and Administration Committee, chaired by Majority Leader Roger D. Moe (DFL-Erskine), met Mon., Mar. 22, to consider the proposed Permanent Rules of the Senate.

Sen. Ember Reichgott Junge (DFL-New Hope), chair of the Subcommittee on Permanent and Joint Rules, outlined the changes from the Temporary Rules the Senate has been using. Junge said that the most obvious difference is the recodification and rearranging of the Rules. She said that Sen. Don Betzold (DFL-Fridley) has spent a great deal of time in reworking the Rules and placing them in a more logical order. Thus, Junge said, familiar Rules, such as Rule 35 (objection to the referral of a bill), Rule 40 (recall from committee), Rule 10 (designation of Special Orders) and Rule 49 (comparison and substitution of bills) will all have different numbers.

Junge also outlined the substantive changes the subcommittee made in the Rules, including a provision relating to the disposition of agency bills introduced after the deadline set in the Rules, a provision specifying that a gubernatorial appointment not acted upon by a committee within one year be placed on the Confirmation Calendar for consideration by the Senate, a provision authorizing a member of another state, provincial, or national legislative body to be admitted to the floor by any member of the Senate, a provision specifying that an amendment to an omnibus appropriation bill that increases one or more appropriations is out of order unless it decreases one or more appropriations from the same fund, a provision specifying that an amendment to an omnibus tax bill that reduces revenue to a fund is out of order unless it also includes reductions to one or more appropriations from the same fund, provisions relating to conflict of interest and the role of the Subcommittee on Ethical Conduct and a provision

relating to the handling of complaints about lobbyists who violate the Senate Rules.

Most of the discussion on the Rules centered on the new language in the Rules. Senators discussed how the language regarding amendments to omnibus appropriation bills and omnibus tax bills would be implemented. Sen. Dennis Frederickson (R-New Ulm) pointed out that the language prohibits the reduction of appropriations. He offered an amendment to clarify the intent of the Rule. The amendment was adopted. Members also discussed an amendment, offered by Junge, providing that the Senate intends that proceedings of the Subcommittee on Ethical Conduct not be admissible in any criminal proceeding. The amendment was adopted although several members commented that the courts are not necessarily bound by language in Senate Rules. Junge responded, though, that the language at least provides guidance to the courts.

Members also considered several additional amendments. Sen. Dick Day (R-Owatonna) offered, on behalf of Sen. Edward Oliver (R-Deephaven), an amendment providing that each member of the Senate may designate one bill, of which the member is the chief author, as a priority. Further, the bill specifies that each committee to which a priority bill has been referred must schedule it for a hearing before any bills that have not been designated a priority. Several committee members argued that the amendment could place a heavy burden on just a few committees if members designated highly controversial bills as priorities. After some discussion, Day withdrew the amendment.

Sen. Sam Solon (DFL-Duluth) offered an amendment deleting an existing rule prohibiting a member from serving as the chair of the same standing committee, or a committee or division with substantially the same jurisdiction, for more than two consecutive Senate terms. Sen. Gary Laidig (R-Stillwater) supported the amendment and said that the expertise gained by committee chairs ought not be lost because of the limitation. Sen. Allan Spear (DFL-Mpls.) opposed the amendment and said that the change needed further debate among more members of the Senate. However, several other members expressed support of the change. The amendment was

adopted. The panel approved the Rules and forwarded them on to the full Senate for consideration.

Committee on Taxes

Tax cut bills reviewed

The Committee on Taxes Subcommittee on Income and Sales Tax met Weds., Mar. 24, to review a number of bills making changes in the income tax brackets, rates and exemptions. Sen. Steve Murphy (DFL-Red Wing), chair of the subcommittee, said that no action would be taken on any of the measures but that all would be considered in the process of developing the subcommittee's portion of the omnibus tax bill.

Several of the bills involved making major modifications to income tax brackets and eliminating the marriage penalty. S.F. 1494, authored by Sen. Steve Kelley (DFL-Hopkins), reduces individual income tax rates, increases the income limitations for the dependent care credit, adjusts property tax refund amounts, provides income tax credits for children and provides a sales tax exemption for capital equipment used to provide telecommunications services. Marlow Hamerston, chair of the Senior Federation Tax Committee, said the bill provides significant relief for older Minnesotans who have seen their property taxes take increasingly larger percentages of their income. Kelley said the portion of the bill exempting capital equipment used to provide telecommunications services is based on a policy of not taxing inputs to an industry when the outputs are taxed. Kelley said that the revenue impact of the bill is about \$1 billion over the course of the biennium with about half of that coming from the provision relating to income tax credits for children.

S.F. 448, authored by Sen. David Knutson (R-Burnsville) modifies the income tax brackets and the alternative minimum tax exemption to reduce marriage penalties. Murphy said that the panel would continue to work on the issue of reducing the marriage penalty because it is in the governor's budget, but that the panel is interested in seeing that all Minnesotans see a reduction in taxes. Members also briefly reviewed the governor's tax proposal. S.F. 960, carried by Sen. Douglas Johnson (DFL-Tower), reduces income tax rates, changes the

Committee update

income tax brackets, reduces the marriage penalty, reduces the motor vehicle registration tax and provides property tax relief. Matt Smith, commissioner of the Dept. of Revenue, said the proposal provides permanent tax reductions that are prudent and sustainable over the long term. S.F. 882, sponsored by Sen. Thomas Neuville (R-Northfield), provides a subtraction from taxable income of \$1,250 for each of the taxpayer's personal and dependent exemptions and then, beginning with the 2000 taxable year, adjusts the amount of the subtraction for inflation. S.F. 1344, sponsored by Sen. John Hottinger (DFL-Mankato), modifies the percentages for the working family credit and increases the amount for the maximum credit.

The subcommittee also heard a number of bills providing income tax credits for specific purposes. S.F. 1053, carried by Murphy, provides an income tax credit for restaurant employers who provide immunizations for Hepatitis A to employees. S.F. 1210, sponsored by Sen. Sandra Pappas (DFL-St. Paul), provides an income tax credit for expenditures for historic structure rehabilitation. S.F. 1417, authored by Sen. Linda Runbeck (R-Circle Pines), extends the credit for increasing research and development activities to noncorporate taxpayers. S.F. 1744, carried by Sen. William Belanger (R-Bloomington), provides an income tax credit for expenses related to tobacco related illness under certain circumstances. S.F. 1844, authored by Johnson, exempts equipment used in furnishing telephone services from sales and use taxes.

Transportation

Gravel trucks discussed

The Transportation Committee, chaired by Sen. Carol Flynn (DFL-Mpls.), met Thurs., Mar. 18. The committee heard S.F. 1861, a bill authored by Sen. Leo Foley (DFL-Coon Rapids), dealing with traffic regulations for sand and gravel haulers.

The bill requires a vehicle transporting sand, gravel or similar material to be securely covered. The bill removes from law the measurements of distance between the load and the cargo compartment which, in current law, trigger the necessity for a secure cover.

Foley said rocks falling from gravel

trucks and damaging windows of other vehicles is an old problem and is difficult to solve. Maj. Gene Halverson of the State Patrol said one of the most frequent complaints his department receives is about damage resulting from sand or gravel trucks.

Bob Illingsworth, Minnesota Motorcycle Riders Association, said he believes the bill is a common sense piece of legislation that should have been passed years ago.

Norm Jagger of the Aggregate Ready Mix Association said there are already laws on the book that can control the problem. He added that in most cases, the rock being hauled is in large enough pieces it cannot blow out the back of the truck. The bill was not approved.

Murphy presented S.F. 770, a bill regarding leaseholds in railroad right-of-way. The bill, which was discussed in a previous Transportation Committee meeting, extends right of first refusal to leaseholders of real property in railroad right-of-way and requires railroad interests to provide notice. An amendment, offered by Murphy, more clearly defining leaseholder and property, was adopted. The bill identifies a leaseholder as a person who holds a lease to use property within a right-of-way, and owns leasehold improvements on the property with a total fair market value of \$7,500 or more. According to the amendment, the leaseholder does not include a person with an easement against the property within the right-of-way. The amendment also identifies a railroad interest as a person or entity who owns or controls real property on or adjacent to a railroad right-of-way prior to transfer to a leaseholder.

"What we're trying to get at," Murphy said, "is that if someone holds a lease on property, and that property is put up for sale by the railroad, the leaseholder should have the first option to buy the property at a fair price."

Brian Sweeney, Burlington Northern-Santa Fe Railroad, said the bill still has fundamental problems. He questioned what the railroad can do if there are multiple leaseholders on one piece of property. He said his company has sent notices to 70 leaseholders about selling their property, and has not heard from them, but no one has been evicted.

An amendment, offered by Sen. Mark Ourada (R-Buffalo), deleted language

stating that facilities constructed by private parties within the right-of-way should be retained because they enhance the public good. The amendment prevailed. The bill was re-referred to the Judiciary Committee without recommendation.

S.F. 1762, a Department of Transportation (MnDOT) housekeeping bill, was authored by Flynn. An amendment, offered by Flynn, repeals seasonal load restrictions on trunk highways. Another amendment, also offered by Flynn, gives MnDOT the authority to set dates regarding seasonal load restrictions. Sen. Keith Langseth (DFL-Glyndon) moved an amendment to extend the time for sugar beet hauling. All three amendments were adopted.

Flynn offered an amendment that prohibits regional rail authorities from engaging in planning for light rail or commuter rail transit; prohibits regional rail authorities and counties from engaging in planning for light rail or commuter rail transit; allows counties to hold public hearings, review plans and appoint a representative to a corridor management committee; and redirects \$6.5 million appropriated from the general fund for grants for major investment studies in light rail and commuter rail corridors to the Metropolitan Council rather than to regional rail authorities;

Bill Schreiber, MnDOT, said that many years have been spent discussing light rail. He said that if light rail is to move ahead, someone has to be in charge. Schreiber said that if each county on its own were responsible, the project would be confusing. The amendment prevailed. The bill was recommended to pass to the floor.

S.F. 1888, a bill authored by Sen. Cal Larson (R-Fergus Falls) designates a portion of Highway 59 as Otter Tail Veterans Memorial Drive. The bill was approved and forwarded to the Consent Calendar.

Transportation Budget Division

Vehicle registration bill heard

Sen. Dave Kleis (R-St. Cloud) offered a bill on vehicle registration to the Transportation Budget Division meeting Fri., Mar. 19. The division is chaired by

Sen. Janet Johnson (DFL-North Branch).

S.F. 394 requires a detachable notice of sale form to be provided in a vehicle's certificate of title and to be completed by the owner. The form lists the purchaser's name and address and driver's license number, if there is one; the vehicle's purchase price; and the date of the sale. The owner is required to return the form to the registrar, Department of Public Safety.

Kleis said most car sales done person-to-person are completed on weekends, and the bill provides convenience for the seller to make sure the registration is transferred. He said that purchasers who have a record of DWIs may purchase a cheap vehicle and drive it without transferring the registration. According to Kleis, any further tickets they receive are sent to the car's former owner. He said the same may apply to parking tickets.

The bill removes liability from the owner for any damages resulting from operation of the vehicle to the transferee if the owner has delivered possession of the vehicle to the transferee and has completed and returned the notice of sale form within seven days.

An amendment was adopted providing that the notice of sale information may be mailed to the registrar, or transmitted electronically. Kleis said that many people use the Internet, and the measure is a good consumer public-service type of bill. The bill was approved for inclusion in the transportation omnibus bill.

The division briefly discussed S.F. 151, a bill authored by Johnson on reducing the rate of vehicle registration tax, and S.F. 1668, a bill on transportation funding authored by Sen. Carol Flynn (DFL-Mpls.). No action was taken on the bills.

Floor action

Permanent rules introduced

The Senate held a brief floor session Mon., Mar. 22, to process bills and committee reports. Senate Resolution 54, authored by Majority Leader Roger D. Moe (DFL-Erskine) and Minority Leader Dick Day (R-Owatonna), setting forth the Permanent Senate Rules for the eighty-first session was introduced. The resolution was laid on the table for action at a later floor session.

The Senate also granted final passage

to a dozen bills on the Calendar. Those bills included three authored by Sen. Steve Murphy (DFL-Red Wing): S.F. 567, clarifying the powers of the rural policy and development center; S.F. 480, allowing port authorities to retain lease or management contract revenues from commercial navigation projects financed by the state; and S.F. 626, authorizing private sale of tax-forfeited land that borders public water in Wabasha County.

The other bills receiving final passage on the calendar include H.F. 379, authored by Sen. Sandra Pappas (DFL-St. Paul), making technical changes and clarifications to mortgage registry and deed taxes; S.F. 346, authored by Sen. Jane Ranum (DFL-Mpls.), expanding provisions for relative ex parte temporary child custody; and S.F. 836, authored by Sen. Mark Ourada (R-Buffalo), changing food handlers license provisions for those operating only at the state fair.

Two bills, authored by Sen. Don Betzold (DFL-Fridley) were also passed on the Calendar. They are S.F. 552, requiring the revisor of statutes to reorganize and recodify the data practices law; and S.F. 1094, changing provisions of the Uniform Probate Code.

The Senate also passed on the Calendar S.F. 881, authored by Sen. Dave Kleis (R-St. Cloud), creating a regional parks and trails plan in central Minnesota; S.F. 829, authored by Sen. William Belanger (R-Bloomington), authorizing the commissioner of human services to sell state land to the Bloomington Housing and Redevelopment Authority; S.F. 727, authored by Sen. Steve Kelley (DFL-Hopkins), providing for continuity of contracts affected by the new European currency; and S.F. 303, authored by Sen. Leo Foley (DFL-Coon Rapids), clarifying the admissibility of evidence regarding seat belts and child passenger restraint systems in certain actions.

The Senate also gave final passage to five bills on the Consent Calendar. Those bills are S.F. 1225, authored by Sen. Charles Wiger (DFL-North St. Paul), eliminating an unnecessary Metropolitan Council report; S.F. 1712, authored by Sen. Pat Pariseau (R-Farmington), changing the schedule for the Metropolitan Transit System's operation performance audit; S.F. 1099, authored by Sen. Sheila Kiscaden (R-Rochester), modifying training requirements for nursing assistants; S.F. 1554,

authored by Sen. Sam Solon (DFL-Duluth), allowing an alternative name for the Seaway Port Authority of Duluth; and S.F. 1600, authored by Sen. Carol Flynn (DFL-Mpls.), eliminating the requirement that certain motor vehicle related applications submitted to the Dept. of Public Safety be in writing.

A brief floor session was also held Weds., Mar. 24, in order to facilitate the movement of bills between committees. Coverage of the Thurs., Mar. 25, floor session will be reported in next week's edition of Briefly.

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Preview

Monday, March 29

Rules and Administration Committee

Chair: Sen. Roger D. Moe

9 a.m. Room 107 Capitol

Agenda: Bill Referral Subcommittee Report on S.F. 1762-Flynn. S.F. 1269-Moe: Tobacco endowments.

The Senate is in Session at 10 a.m.

Election Laws Committee

Chair: Sen. John Marty

12 noon Room 112 Capitol

Agenda: S.F. 145-Marty: Recodification of Chapter 10A. H.F. 484/S.F. 678-Terwilliger: Initiative and referendum.

Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

12 noon Room 107 Capitol

Agenda: S.F. 1581-Johnson, J.B.: Mercury reduction. S.F. 1734-Higgins: Requirements for incinerator monitors. S.F. 1849-Wiener: Environmental assessment worksheet requirements for a facility along the Mississippi River.

Judiciary Committee

Chair: Sen. Jane Ranum

12 noon Room 15 Capitol

Agenda: S.F. 282-Hottinger: Apportionment of joint and several liability.

Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 112 Capitol

Agenda: S.F. 411-Johnson, D.H.: Penalties for trademark counterfeiting. S.F. 633-Johnson, D.H.: Disorderly conduct law clarification. S.F. 1404-Johnson, D.H.: Child pornography definition expansion. S.F. 1634-Knutson: Subsequent controlled substances crimes definition expansion. S.F. 1939-Betzold: Definition of "day" for purposes of jail, workhouse incarceration. H.F. 2067/S.F. 2071-Ranum: Eliminating credit against an executed EJJ sentence for time served in a juvenile facility.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

2 p.m. Room 125 Capitol

Agenda: Budget overview; Board of Government Innovation and Cooperation, Minnesota Office of Strategic and Long Range Planning.

Local and Metropolitan Government Committee

Chair: Sen. Jim Vickerman

2 p.m. Room 107 Capitol

Agenda: H.F. 132/S.F. 1138-Dille: Exempt certain bingo games from regulation. S.F. 1609-Wiger: Exemption for government units to jointly/cooperatively contract. S.F. 1329-Vickerman: License fees on amusement machines. S.F. 2044-Vickerman: Dice games in licensed liquor establishments. S.F. 1505-Johnson, D.J.: State lottery; gaming machines/card games; establish horse racing purse payments.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

3 p.m. Room 123 Capitol

Agenda: S.F. 1784-Ourada: Providing open competition for state telecommunications services. S.F. 1785-Ourada: Telecommunications pricing plans for state government under oversight of PUC. S.F. 1253-Novak: Regulating the taking of prelease deposits.

Judiciary Committee

Chair: Sen. Jane Ranum

4 p.m. Room 125 Capitol

Agenda: S.F. 218-Solon: Regulating the safety of persons on amusement rides. S.F. 1308-Ten Eyck: State funding of court administration costs in specified judicial districts. S.F. 1497-Kleis: Creating a lien and a right of detainer.

Taxes Subcommittee on Income and Sales Tax

Chair: Sen. Steve Murphy

4 p.m. Room 15 Capitol

Agenda: S.F. 1066-Langseth: Authorize an additional allocation for certain border city enterprise zones. S.F. 1110-Langseth: Provide for waiver limitations on the amount of border city tax reductions. S.F. 664-Scheid: Exempt certain materials and short-lived items used in metalcasting. S.F. 705-Pappas: Exempt state agency libraries from the sales and use tax. S.F. 838-Higgins: Sales tax exemption for certain tree services. S.F. 888-Robertson: Sales to outpatient surgical centers exempt from the sales and use tax. S.F. 1085-Fischbach: Exempt clothing repair and alterations from the sales and use tax. S.F. 1633-Vickerman: Exempt purchases of materials and supplies used in expanding an agricultural processing facility. S.F. 81-Hottinger:

Allow subtraction for charitable contributions for nonitemizers. S.F. 309-Stumpf: Credit for charitable contributions. S.F. 325-Samuelson: Modify subtraction for health insurance; adjust long-term care credit. S.F. 456-Pappas: Subtraction from taxable income for certain amounts paid for health insurance. S.F. 478-Johnson, D.H.: Reduce the rate of tax on the first income bracket. S.F. 493-Anderson: Low-income housing tax credit. S.F. 587-Lesewski: Subtraction for military pensions. S.F. 948-Vickerman: Credit for charitable contributions. S.F. 1810-Fischbach: Modify dependent care credit. S.F. 1822-Fischbach: Authorizing income averaging for certain farmers. S.F. 1591-Olson: Allow tax refund for undyed kerosene and racing gasoline. S.F. 813-Flynn: Provide a credit against income taxes for employers who provide certain transit benefits to employees.

State Government Finance Committee

Chair: Sen. Richard Cohen

5 p.m. Room 107 Capitol

Agenda: S.F. 2-Kelley, S.P.:Y2K. S.F. 1464-Cohen: Deficiency appropriations.

Joint House/Senate Subcommittee on Claims

Rep. Dennis Ozment

6 p.m. 400N State Office Building

Agenda: Claims against the Depts. Administration & Corrections. Claim against MnDOT. Claims against DNR.

Health and Family Security Committee

Chair: Sen. John Hottinger

6:30 p.m. Room 15 Capitol

Agenda: To be announced.

Crime Prevention Committee

Chair: Sen. Allan Spear

7:30 p.m. Room 112 Capitol

Agenda: H.F. 1553/S.F. 2078-Kleis: DOC administrative bill. Bills not completed at 2:00 p.m. hearing. Bills passed by the full House to be announced.

Tuesday, March 30

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8 a.m. Room 15 Capitol

Agenda: S.F. 1958-Lesewski: Appropriat-

ing money to the child care resource and referral programs. S.F. 1655-Berglin: Using state money as a match to obtain federal welfare-to-work grant money to provide child care assistance. S.S. 1358-Robling: Changing modifying assistance through the at-home infant care program; appropriating money. S.F. 1805-Pappas: Providing that the education expense credit and deduction apply to certain expenditures for prekindergarten expenses and museum memberships.

Higher Education Budget Division

Chair: Sen. LeRoy Stumpf

8 a.m. Room 107 Capitol

Agenda: S.F. 337-Lourey: Pine Technical College, technology corridor. S.F. 915-Kiscaden: Health workers scholarships, course offerings. S.F. 1058-Langseth: Moorhead State University capital project.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: S.F. 929-Vickerman: High school entrepreneurship. S.F. 1319-Sams: Secondary career education funding. S.F. 647-Stumpf: Secondary vocational funding. S.F. 647-Stumpf: Secondary vocational funding. S.F. 1737-Sams: Correcting pupil count for Wadena Deer Creek. S.F. 1670-Day: Technology grant for Hayfield. S.F. 1885-Oliver: Planning grant for Chaska School District.

Health and Family Security Committee

Chair: Sen. John Hottinger

10 a.m. Room 15 Capitol

Agenda: To be announced.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

10 a.m. Room 123 Capitol

Agenda: S.F. 1357-Novak: Modifying conservation improvement program. S.F. 233-TenEyck: Definite and specific descriptions for certain easements.

The Senate is in Session at 12 noon.

Governmental Operations and Veterans Committee

Chair: Sen. James Metzen

After Session Room 15 Capitol

Agenda: S.F. 253-Moe, R.D.: Creating a tobacco prevention board. S.F. 200-Runbeck: Exempting teachers of oral deaf

education from the requirements for American Sign Language. S.F. 1605-Kelley, S.P.: Arbitration procedures for firefighters. S.F. 1993-Hottinger: Authorizing the governor to veto certain rules. S.F. 1039-Betzold: Data practices bill. S.F. 1204-Johnson, D.H.: Building code coordination bill.

Transportation Committee

Chair: Sen. Carol Flynn

After Session Room 112 Capitol

Agenda: To be announced.

Agriculture and Rural Development Committee

Chair: Sen. Dallas Sams

2 p.m. Room 107 Capitol

Agenda: S.F. 1997-Dille: Changing meeting provisions and duties of the Board of Grain Standards. S.F. 2106-Sams: Creating the Dairy Farming Task Force. S.F. 2079-Stumpf: Beaver damage control program activities.

Commerce Committee

Chair: Sen. Sam Solon

2 p.m. Room 112 Capitol

Agenda: H.F. 1968/S.F. 1827-Oliver: Medicare supplemental insurance changes. H.F. 583/S.F. 735-Hottinger: Regulating investments by township mutual insurance companies. S.F. 1190-Hottinger: Township mutual insurance companies, territories of operation. S.F. 1675-Scheid: Regulating FAIR plan coverage. S.F. 1368-Knutson: Regulating contracts for architects, engineers, surveyors, landscape architects etc. S.F. 2038-Runbeck: Regulating workers' compensation self-insurance. S.F. 940-Scheid: No fault auto insurance, limiting recovery by uninsured motorists.

Economic Development Budget Division

Chair: Sen. Jerry Janezich

2 p.m. Room 123 Capitol

Agenda: Budget overviews of PUC, Dept. of Public Service, Worker's Compensation Court of Appeals, and DTED.

Property Taxes and Local Government Budget Division

Chair: Sen. Sandra Pappas

4 p.m. Room 15 Capitol

Agenda: S.F. 306-Larson: TIF, Fergus Falls. S.F. 724-Neuville: TIF, Fairbault. S.F. 789-Lesewski: TIF, Minneota. S.F. 870-Samuelson: TIF, Garrison. S.F. 1256-

Berg: TIF, Dawson. S.F. 1037-Oliver: TIF, Chanhassen. S.F. 945-Novak: TIF, Columbia Heights. S.F. 1747-Novak: TIF, Fridley. S.F. 1493-Hottinger: Exempting certain assisted living facilities from property tax. S.F. 1718-Stumpf: Increase LGA where commercial market value is reduced.

Environment and Agriculture Budget Division

Chair: Sen. Jane Krentz

4 p.m. Room 107 Capitol

Agenda: S.F. 1309-Moe: Red River flood management. S.F. 1061-Stumpf: Ring dikes. S.F. 774-Lanseth: Red River Basin water management. S.F. 1731-Krentz: Brown's Creek stream protection. S.F. 726-Krentz: Walleye stocking. S.F. 1295-Stevens: Repeal of the Listed Metals Program.

Crime Prevention and Judiciary Budget Division

Chair: Sen. Randy Kelly

5 p.m. Room 318 Capitol

Agenda: To be announced.

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

6 p.m. Room 123 Capitol

Agenda: To be announced.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

6 p.m. Room 125 Capitol

Agenda: To be announced.

Governmental Operations and Veterans Committee

Chair: Sen. James Metzen

6:30 p.m. Room 15 Capitol

Agenda: Continuation of earlier agenda.

Compensation Council

Convener: Tom Swain

7 p.m. Room 316 Capitol

Agenda: Council discussion. Consideration of possible recommendations to the Legislature.

Wednesday, March 31

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8 a.m. Room 15 Capitol

Agenda: S.F. 1263-Lesewski: Child care assistance; program integrity and fraud

prevention. S.F. 2001-Robling: Changing eligibility for basic sliding fee assistance; expanding the dependent care tax credit. S.F. 1951-Terwilliger: Appropriating money to the Kids Capacity Initiative.

Higher Education Budget Division

Chair: Sen. LeRoy Stumpf

8 a.m. Room 107 Capitol

Agenda: S.F. 708-Stumpf: Farmer-lender mediation. S.F. 1025-Lesewski: South-west State University, study of expanding agriculture education. S.F. 1072-Johnson, D.E.: Turkey respiratory disease research. S.F. 1492-Langseth: Potato aphids research. S.F. 1791-Larson: Farm and small business management programs tuition.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

8 a.m. Room 112 Capitol

Agenda: S.F. 1024-Hottinger: Student membership on school boards. S.F. 1238-Ourada: Lap and shoulder belt on school buses. S.F. 1351-Frederickson: School bus seating capacity. S.F. 1244-Price: Comprehensive policy on student records. S.F. 1245-Price: School discipline policies.

Governmental Operations and Veterans Committee

Chair: Sen. James Metzen

10 a.m. Room 15 Capitol

Agenda: To be announced.

Transportation Committee

Chair: Sen. Carol Flynn

10:00 a.m. Room 112 Capitol

Agenda: S.F. XXX-Flynn: Commuter and light rail governance.

The Senate is in Session at 12 noon.

Election Laws Committee

Chair: Sen. John Marty

After Session Room 112 Capitol

Agenda: H.F. 484/S.F. 678-Terwilliger: Initiative and referendum, if needed.

Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

After Session Room 107 Capitol

Agenda: To be announced.

Judiciary Committee

Chair: Sen. Jane Ranum

After Session Room 15 Capitol

Agenda: S.F. 1135-Johnson, D.J.: Limiting regulation and causes of action by political subdivisions against firearms industry.

Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 15 Capitol

Agenda: S.F. 1674-Moe, R.D.: POST Board licensing of tribal law enforcement officers. Bills rereferred from other committees. Bills passed by the House

Governmental Operations Budget Division

Chair: Sen. Leonard Price

2 p.m. Room 125 Capitol

Agenda: Budget overview; Governor's office, pension overview.

Local and Metropolitan Government Committee

Chair: Sen. Jim Vickerman

2 p.m. Room 107 Capitol

Agenda: Appointments; Metropolitan Council, Ted Mondale, chair. Gambling Control Board, Donald F. McHale; Eldon Fontana; John Breon. S.F. 751-Novak: Airports; defining minor and intermediate use.

Thursday, April 1

There are no meetings scheduled.

Friday, April 2

Senate offices are closed.

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Senate Briefly

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The Senate President's chair is seen against the ornate background behind the Front Desk.

Photo by David J. Oakes



April 2, 1999

Senate Highlights

Rebate bill passed

Saying that the Senate can do some significant work before it leaves for Spring Break, Sen. Douglas Johnson (DFL-Tower) presented a surplus rebate compromise proposal at the Tues., Mar. 30, Senate floor session.

The Senate adopted Johnson's proposal as an amendment to H.F. 50, a Goodhue County property tax bill sponsored by Sen. Steve Murphy (DFL-Red Wing). Johnson spelled out the differences between it and the original Senate proposal passed in H.F. 1. He said the original had a maximum rebate of \$2,000 for married couples and \$1,000 for individuals. Under the new proposal, Johnson said the maximum rebate is now \$5,000. The Senate appropriated \$48 million in agricultural relief that included a means test in the original package. Now, Johnson said, the relief is at \$70 million without a means test. In another compromise with the other body, Johnson said the proposal includes a permanent rebate for future revenue surpluses. In total, he said, the proposal provides \$1.3 billion in tax relief, based on the sales tax and helps lower and middle income people to the greatest extent possible. Johnson urged members

to pass the proposal on a bipartisan basis.

Sen. Dean Johnson (R-Willmar) criticized the proposal and said it only answered one question in the debate on taxes. The second question people are asking, he said, is "How much are my taxes going to be reduced?"

A reply to Sen. Dean Johnson came from Sen. Roger D. Moe (DFL-Erskine), majority leader of the Senate. Moe said that the Senate would prefer to have a conference committee agreement on the original Senate rebate bill, but the Speaker of the House insists that the rebate be linked to across-the-board permanent tax relief. Moe said that the permanent tax cuts will come in a month in the omnibus tax bill, but because the Speaker insists on providing a tax cut to the 6 percent of Minnesotans with the highest incomes, the other 94 percent are being held hostage. Because of that insistence, Moe said, the House is holding up aid to farmers. "We need to get this passed," Moe said.

Sen. Edward Oliver (R-Deephaven) offered an amendment reducing all income tax rates by one half of one percent. He said it satisfies the Speaker's wish to get the surplus rebate bill passed with the permanent income tax rate cut.

Oliver said that Minnesotans in the top 10 percent of incomes pay 55 percent of the income taxes received by the state. Oliver said that Minnesota's tax rates are known as the most progressive in the nation and added that according to a report printed in that day's issue of the Minneapolis StarTribune, only four states impose lower tax rates on people with the lowest incomes and only five states impose higher tax rates on people with the highest incomes. The amendment was defeated on a 26-39 roll call vote.

Sen. Kenric Scheevel (R-Preston) was critical that the conference committee was not being allowed to reach a compromise agreement on the rebate issue and moved to strike everything from the bill except the agricultural relief provision. The motion failed on a 20-45 roll call vote. The bill passed on third reading by a 43-22 roll call vote.

The Senate also processed committee reports and bill referrals as they approached the second deadline for committee action.

Members held a short floor session Weds., Mar. 31, to process committee reports and facilitate the movement of bills between committees. The Senate also adopted the conference committee report on H.F. 414, the bill providing appropriations for the control of pseudorabies. Sen. Paula Hanson (DFL-Ham Lake) said the major change by the conference committee was altering the allocation of the appropriation. The bill was repassed with no opposition.

Abortion bills discussed

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met the evening of Wed., Mar. 30, to discuss three bills relating to abortion.

Sen. Thomas Neuville (R-Northfield) carried S.F. 210, which prohibits performing a partial birth abortion unless necessary to save the life of a woman if her life is endangered by a physical disorder, physical illness or physical injury. The bill also establishes criminal penalties against any person who violates the prohibition and allows for civil penalties to be sought. Neuville said partial birth abortions more accurately can be called infanticide. He said between 70 and 85 percent of the public dislike the procedure and favor banning it. Also, he said, 25 other states have

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passed similar legislation—although the ban is in effect in only six states—and the American Medical Association supports eliminating the procedure.

Sen. Michelle Fischbach (R-Paynesville) offered S.F. 187, which prohibits any female from receiving an abortion unless the female provides a voluntary, informed consent to the abortion. The bill also requires the female to receive specified information at least 24 hours before the procedure, be told of the availability of additional printed information and established civil penalties against any individual who performs an abortion without first complying with the informed consent requirements. The bill does not require an informed consent in a medical emergency situation. Fischbach said the bill is an attempt to provide women with information regarding abortions to make an informed decision about the abortion.

Sen. David Knutson (R-Burnsville) presented S.F. 326, which establishes a reporting system for abortion notification data. The bill requires physicians or facilities to report information on providing parental notification for, or receiving judicial authorization for, abortions performed on minors or women with guardians. Knutson said the bill is designed to provide data in order to examine the judicial bypass system. It is also designed, he said, to determine if parents are involved in the decision making process regarding abortions. Knutson said parents are liable for their minor children and should be involved in such important decisions.

Dr. Steve Calvin, a specialist in obstetrics at the University of Minnesota, testified in support of Neuville's bill. He said abortion currently has no legal limits, adding that a line must be drawn. He said partial birth abortions are not as rare as many say and are largely performed for non-medical purposes. Less than one percent, he said, are performed to save the life of the mother. Partial birth abortions, he said, are a modern tragedy.

St. Paul resident Julie Niccum testified in support of Knutson's bill. Niccum, who reported having had two abortions, said she received a judicial bypass for her first abortion at the age of 17. As a result, she said, the only counseling she received was from the friend who told her about the bypass option.

Cambridge resident Jennifer Draper

testified in support of Fischbach's bill. Draper described going to Planned Parenthood for a pregnancy test as a teenager. It was not a personal decision between she and her doctor, she said, because she never spoke to her doctor. She said if abortion really is about a women's right to choose, information must be provided so women understand what they are choosing.

Simon Heller, from the New York based Center for Reproductive Law and Policy, testified in opposition to all three bills. Heller said the language in Neuville's bill is too broad and can be interpreted to include the first or second trimester of a pregnancy. He also said the bill is extremely vague and suggested it is an attempt to change public opinion about abortion. He said the bill is unconstitutional. Regarding Fischbach's bill, Heller said the right to information is already offered through malpractice laws. Also, he said the bill is designed to discourage and "straightjacket" discussion about abortion to permit very little remaining freedom. He also said no public interest is served with a 24 hour waiting period. Heller said Knutson's bill is simply designed as an avenue by which opponents of judges who grant judicial bypasses can oppose the judges in elections. The bill, he said, is used only for political gains.

Hottinger offered an amendment to Neuville's bill as an alternative method of prohibiting partial birth abortions. The amendment prohibits partial birth abortions—medically referred to as intact dilatation and extraction—"at a time at which there is realistic possibility of maintaining and nourishing a life outside the womb." The amendment also provides for exceptions to the prohibition when necessary to save the life of the mother, to preserve the health of the female and when there is medical documentation that indicates severe fetal anomalies that are not compatible with sustaining life. A partial birth abortion is also defined in the amendment. The amendment does not provide any civil or criminal penalties for anyone performing a partial birth abortion, but allows the Board of Medical Practice to impose sanctions for physicians violating the prohibition.

Hottinger said he does not want to pass a bill that is later deemed unconstitutional, as has happened in many states. The bill, he said, should not be subject to the

whims of the court. Abortion is legal, he said, and he added that it is useless to pass a bill with language similar to that which has already been struck down by virtually every court. Neuville said the amendment is too broad and the definition of abortion will be struck down because it is too broad. He also opposed the amendment because it requires four conditions to be met to be classified as a partial birth abortion. He suggested requiring all four conditions to be met creates a large loophole. The amendment was adopted, and the bill was approved and re-referred to the Judiciary Committee.

Responding to concerns raised in testimony, Knutson said his bill is not intended to allow the identification of anyone involved in the judicial bypass procedure. He said that information received regarding the identity of judges is confidential and it is not possible to identify judges with the bill. He also said the bill does not impede access to services. Sen. Don Betzold (DFL-Fridley) offered an amendment to Knutson's bill as an alternative method of compiling judicial bypass data. The amendment requires the Supreme Court to study judicial review of minors' abortions by including data on the number of judicial petitions brought and the number of petitions granted because the judge thought the female to be capable of giving informed consent and because the judge determined performance of an abortion without parental notification would be in her best interests. It also requests data on the number of petitions that were denied and states that the information must be collected in a manner that does not identify the minor or the judge involved in the petition. The amendment was adopted, but the bill was not approved.

Sen. Sheila Kiscaden (R-Rochester) said the language in Fischbach's bill is nearly identical to language discussed five years ago. The bill did not pass then, she said, and added that it is disappointing that new, better language was not added to the bill this time. The bill was not approved.

Sen. David Ten Eyck (DFL-East Gull Lake) carried H.F. 1714, which authorizes pharmacists to petition the Board of Pharmacy for permission to supervise more than two pharmacy technicians. The bill was approved and sent to the Senate floor.

Committee update

Agriculture and Rural Development

Appointment approved

The Agriculture and Rural Development Committee, chaired by Sen. Dallas Sams (DFL-Staples), met Thurs., Mar. 25, to consider a bill relating to water management and to approve the gubernatorial appointment of the commissioner of agriculture.

Sen. Jim Vickerman (DFL-Tracy) sponsored S.F. 1696, a bill appropriating money for an agricultural water quality and quantity management, research, demonstration and education program. The bill appropriates \$995,000 in FY 00 and \$1.105 million in FY 01 to establish research and education centers at the University of Minnesota agricultural experiment stations. The centers research, educate, and demonstrate the environmental benefits from a variety of water management methods that minimize downstream impacts on water quality and reduce local flooding potential.

David Ward, Minnesota Corn Growers Association, said he supports the bill for the data the research will gather. He said it is important for a farmer to understand the beneficial and detrimental effects to water as a result of farm practices. Sen. Steve Dille (R-Dassel) said having research like this helps the farmer, but also helps to dispel the misinformation about water management practices.

The bill was recommended to pass and re-referred to the Environment and Agriculture Budget Division.

"As the issues in the department are examined, there are no easy answers or quick solutions," said Gene Hugoson, commissioner designate of the Dept. of Agriculture. Hugoson said several things need to happen in order to turn the agriculture economy around. He said farmers need help looking at how they market the products they raise. Some farmers have formed marketing clubs to address the problem, he said. Hugoson said he is committed to making sure Minnesota farmers are heard in Washington as farm policy is developed and implemented.

The committee approved the appointment of Hugoson as commissioner of agriculture. The appointment now goes to the full Senate for constitutionally mandated advice and consent.

Beaver damage bill discussed

The Agriculture and Rural Development Committee, chaired by Sen. Dallas Sams (DFL-Staples), met Tues., Mar. 30, to discuss a bill relating to controlling damage caused by beavers.

Sen. LeRoy Stumpf (DFL-Thief River Falls) sponsored S.F. 2079, a bill clarifying authorized beaver damage control program activities. The bill allows the commissioner of agriculture to promote the beaver damage control program and to require promotional activities by grant recipients. The bill appropriates \$125,000 in each year of the biennium for the program. Stumpf said the program started in Northwestern Minnesota several years ago when the beaver population increased after a prolonged rainy season. He said the program has been successful, but the money never kept up with it. The appropriation enables the program to keep the beavers in check, said Stumpf.

The bill was amended to provide an appropriation for replanting shade trees lost to disaster or disease. The provision is for grants to municipalities and farmsteads of up to 50 percent of the cost of replanting the shade trees. The bill was recommended to pass and referred to the Environment and Agriculture Budget Division.

Sams offered S.F. 2106, a bill creating the dairy farming task force. Sams said under the bill the task force is charged with identifying the difficulties currently being experienced by the dairy industry in the state. The bill requires the commissioner of agriculture to study the impact of current and projected trends in dairy farming and provide a strategic plan for the improvement of the industry. In addition, the commissioner must hold at least five public hearings and report to the Legislature on the findings and recommendations of the study. The bill appropriates \$50,000 for the study and report. The bill was recommended to pass and be referred to the Environment and Agriculture Budget Division.

A bill changing meeting provisions and duties of the Board of Grain Standards was sponsored by Sen. Steve Dille (R-Dassel). The bill simplifies existing language and removes archaic language relating to the board and requires the board to meet only as needed, rather than annually. The bill was recommended to pass and was sent to the Senate floor.

Children, Families and Learning

Grad standards discussed

The Children, Families and Learning Subcommittee on High Standards Implementation, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met Mon., Mar. 29, to hear testimony on the graduation standards in the profile of learning.

Dept. of Children, Families and Learning Commissioner Christine Jax discussed ways the grad standards implementation could be improved, including developing a better communication system between the school districts and the department. She said she wants the department to be viewed as a resource for all of the school districts. Jax said the profile of learning rubric needs to be changed, also. She assured members that the governor is committed to high standards.

Commerce

Various bills heard

A variety of bills were heard at the meeting of the Commerce Committee Thurs., Mar. 25.

Sen. Sam Solon (DFL-Duluth), chair of the committee, presented S.F. 218, a bill that regulates amusement ride safety. The bill requires riders, parents or guardians to report in writing to the operator any injury sustained on an amusement ride. Riders are required to obey reasonable posted safety rules and oral instructions for an amusement ride. Under the bill, a rider must not get on or attempt to get on an amusement ride unless the rider or the rider's guardian determines that the rider meets a set of minimum rider qualifications. The bill specifies that the owner of property upon which an operator locates an amusement ride is responsible for removing a rider in violation of the code of conduct. The legislation requires an operator to display signs indicating the applicable safety responsibilities of riders. The bill also requires amusement ride owners to post a sign at each amusement ride including operational instructions; safety guidelines for riders; restrictions on the use of the amusement ride and behavior or activities that are prohibited. The sign must also list state law requirements for obeying ride warnings and directions.

Greg Fontaine, counsel for Camp

Snoopy, spoke in support of the bill. He said that failure to report an injury does not preclude a rider suing for civil damages if injured. Mark Birk, representing the Minnesota State Fair, said the safety of State Fair patrons is of the utmost concern, and the bill is about safety and common sense. S.F. 218 was approved and re-referred to the Judiciary Committee.

Sen. Arlene Lesewski (R-Marshall) authored S.F. 1182, a bill that permits owners, directors and employees of funeral establishments to receive fees, commissions or other payments for sales or endorsements of insurance products. "The bill allows funeral homes to offer a burial expense policy as part of their business," Lesewski said. Lisa Louris, Kapala-Glodek Funeral Chapels, said that currently the funeral home is not allowed to assist the family in funding the funeral.

An amendment, offered by Sen. Dave Kleis (R-St. Cloud), puts a cap on insurance benefits and requires anyone selling the insurance to be licensed. The amendment was adopted. Sen. Cal Larson (R-Fergus Falls) said the bill protects those without a lot of assets from losing money they have set aside for funeral expenses. The bill was approved and sent to the floor.

Sen. Sandra Pappas (DFL-St. Paul) presented S.F. 521, a bill requiring no-fault automobile insurance medical benefits to include sign interpreting and language translation. An amendment to the bill, offered by Kleis, specifies that sign interpreting and language translation services offered by a family member are not covered. The bill was approved and sent to the Consent Calendar.

A bill, H.F. 872, regarding indemnification agreements, was presented by Sen. Steven Novak (DFL-New Brighton). The bill provides that an agreement of an owner, responsible party or governmental entity to indemnify a building contractor with respect to strict liability under environmental laws is enforceable. The bill was recommended to pass and sent to the floor.

Bills advance

The Commerce Committee, chaired by Sen. Sam Solon (DFL-Duluth), met Tues., Mar. 30, to complete work on bills assigned to the committee. Solon said that, barring the unexpected assignment of late bills to the panel, the committee

hearing was the final one for the year. He thanked members and staff for their efficient and thorough work this session.

The panel processed seven bills in a hearing abbreviated by an extended floor session. Two bills, sponsored by Sen. John Hottinger (DFL-Mankato), were recommended for the Consent Calendar. H.F. 583 permits township mutual insurance companies to invest in overnight repurchase agreements and H.F. 1066, allows township mutual insurance companies to, if approval has been granted by the commissioner of commerce, operate in more than 150 adjoining townships, subject to a maximum of 300 townships.

S.F. 832, authored by Sen. Don Betzold (DFL-Fridley), makes changes applicable to securities registered under the small company offering registration. H.F. 1968, sponsored by Sen. Edward Oliver (R-Deephaven), makes changes in Medicare supplemental insurance required by federal law by guaranteeing issue for eligible persons when a company leaves the market. S.F. 1368, authored by Sen. David Knutson (R-Burnsville), excludes contracts entered into by architects, engineers, surveyors, landscape architects, geoscientists and interior designers for professional services from an existing set of requirements for progress payments and retainments. S.F. 2038, authored by Sen. Linda Runbeck (R-Circle Pines), sets forth reporting and financial requirements for workers' compensation self-insurance. S.F. 1675, carried by Sen. Linda Scheid (DFL-Brooklyn Park), clarifies language involving the purpose of the FAIR program, the high risk pool for homeowners' and business property insurance. All of the bills were approved and advanced to the Senate floor.

Crime Prevention

Disorderly conduct discussed

Members of the Crime Prevention Committee, chaired by Sen. Allan Spear (DFL-Mpls.), met Mon., Mar. 29, to discuss a bill relating to disorderly conduct.

Carried by Sen. Dave Johnson (DFL-Bloomington), H.F. 652 amends the disorderly conduct crime to state that a violation can occur when the only individuals present are peace officers and public safety employees. Current law states only that a person is in violation

when, among other things, arousing "alarm, anger or resentment in others." Johnson said the bill is necessary to eliminate some confusion regarding how the disorderly conduct law applies when public employees are witnesses to the disorderly act.

Assistant Hennepin County Attorney Pat Diamond testified in favor of the bill. He said judges routinely throw out cases involving disorderly conduct when the only witnesses are police officers. He said such a procedure is not correct and the law needs to be clarified. The bill, he said, allows police officers to be treated as the victim in a disorderly conduct case.

Carol Lansing, a representative of the Minneapolis City Attorney's Office, also testified in favor of the bill. She said prosecutors, defense attorneys and judges all routinely say police officers can't be the only witness to disorderly conduct. This hinders prosecution, she said, when officers receive anonymous telephone calls regarding disorderly conduct and the victim is not willing to come forward at the time of the trial. Also, she said, current law hinders the prosecution of domestic abuse cases when the abused person is not willing to go forward with charges. Charges can still be brought, she said, if a police officer is a witness to the abusive behavior.

John Stuart, a state public defender, said current law is already clear enough. He said there is no need to encourage police officers to arrest more people for disorderly conduct than are already arrested. He also said there is no need to encourage the idea of police officer as a victim of such conduct. The charge, he said, is frequently made to control a citizen making a complaint. He said disempowered groups are often the target of disorderly conduct charges and the bill encourages the controlling of citizens with a police complaint.

Hennepin County Public Defender William McGee said passing the bill results in more people of color being arrested. He said he had heard officers testify that the bill makes it easier to make arrests in Minneapolis and added that to encourage disorderly conduct arrests has no purpose. The tools are already in place to make arrests, he said, and added there is no reason to clarify existing law.

Johnson said the bill simply clarifies existing law and is not a substantive

Committee update

change. He asked those in opposition to state how the bill makes major changes to current law. Responding, McGee said because he has heard officers state that the bill makes arresting easier shows that it does cause important changes. Sen. Linda Berglin (DFL-Mpls.) said she is concerned that many of her constituents will not have the financial wherewithal to contest disorderly conduct charges in court. Many people, she said, will just allow the charges to stand.

Sen. Ellen Anderson (DFL-St. Paul) questioned expanding the disorderly conduct crime to include persons engaging in behavior that tends "reasonably to arouse alarm, anger or resentment" in police officers. She is worried, she said, about allowing the arousal of anger or resentment in a police officer to be considered a crime. "I don't think being thin skinned should be turned into a reason for an arrest," she said. Johnson said the bill is not designed to protect an officer with thin skin. He said he would not support any initiative such as that. The bill was not approved.

Sen. Don Betzold (DFL-Fridley) presented S.F. 1939, which requires offenders who are sentenced to incarceration in a county jail or workhouse to serve at least 24 hours in the jail or workhouse for each day of incarceration, minus good time. The bill allows offenders to serve less than 24 hours on the first and last day of the sentence, as long as they serve at least 12 hours on each of those days. Betzold said the bill deals with "truth in sentencing." He said too many offenders are credited with one day of incarceration after being booked five minutes before midnight on a given day or are credited with a day after being released five minutes after noon. He said the days spent in jail should be actual days and not five minute days.

Stuart testified in opposition to the bill. He said jails are full or over capacity and questioned if it is appropriate to make an adjustment that adds time to sentences. He said it is common practice for people to be arrested Friday evening and be released Monday afternoon.

Sen. Gary Laidig (R-Stillwater) said there are logistical problems in implementing the bill. He said the person with an afternoon court date rather than a morning court date is penalized under the bill. The bill was not approved.

Sen. David Knutson (R-Burnsville)

offered S.F. 1634, which expands the definition of subsequent controlled substance convictions in current law. In current controlled substances related law a court may, without entering a judgment of guilty and with the consent of the person, defer proceedings for certain first time controlled substance possession offenders and place the person on probation upon the conditions the court deems reasonable. The bill provides the same statute of limitations period—ten years—for these dispositions as current law provides for prior convictions. Including the dispositions within the definition subjects a person receiving the disposition to a mandatory minimum prison sentence for future controlled substance convictions in the first through fifth degree. The bill was approved and sent to the Senate floor.

Sen. Dave Kleis (R-St. Cloud) carried H.F. 1553, a bill relating to certain correctional facility procedures. Among other provisions, the bill allows deductions from work release earnings for restitution ordered by a prison disciplinary hearing officer to prison staff for damage to property caused by the inmate and restitution to another inmate for personal injury to another caused by the inmate. The bill also allows sanctions to be imposed upon an inmate who refuses to participate in rehabilitative programs. The bill was approved and sent to the Senate floor.

Anti-counterfeiting bill okayed

The Crime Prevention Committee, chaired by Sen. Allan Spear (DFL-Mpls.), held an evening hearing Mon., Mar. 29, in order to complete work on bills held over from a meeting earlier in the day. One of the bills, S.F. 411, sponsored by Sen. Dave Johnson (DFL-Bloomington), establishes criminal penalties for persons who manufacture, sell or distribute items or services bearing a counterfeit service mark, trademark or trade name. Under the bill, the penalties range from gross misdemeanor to a five year felony depending on the value and quantity of the goods.

Johnson said the bill is crafted after model legislation enacted in several other states to get at the crime of selling counterfeit intellectual property, such as fake brand name goods. Kevin Walli, representing the International AntiCounterfeiting Coalition, spoke in

support of the bill. "This is not a victimless economic crime, particularly if the fake goods are defective or dangerous." He cited the case of a popular brand name shampoo in which the counterfeit version was contaminated with bacteria as one instance of the seriousness of the crime. Walli said the goal is to establish a state level crime to aid law enforcement.

Sen. Ellen Anderson (DFL-St. Paul) questioned whether existing civil laws weren't adequate to deal with the counterfeiting of trademarks. Walli responded that in the cases of selling fake goods there is not really a defendant to sue; that stopping the distribution requires the investigative powers of the state that a criminal case brings to bear. The measure was approved and sent to the full Senate.

Members also approved a bill that expands the definition of child pornography to include computer-generated images and images created by electronic and other means, as well as traditional types of visual depictions. The measure also increases the felony penalties for producing, disseminating and possessing child pornography. The panel adopted an amendment that sets a gross misdemeanor penalty for a first time possession conviction and increases the penalty to a five year felony for second and subsequent convictions. In addition, the committee adopted an amendment clarifying the circumstances in which it is an affirmative defense to a charge of violating the provisions that the pornographic work was produced using only persons 18 years or older. The bill was approved and sent to the Senate floor.

Two additional bills were considered by the committee. H.F. 1707, authored by Sen. Warren Limmer (R-Maple Grove), prohibits plea bargaining of the requirement for sex offender registration. The measure was approved and advanced to the Senate floor.

H.F. 2067, sponsored by Sen. Jane Ranum (DFL-Mpls.), eliminates credit against an executed extended jurisdiction juvenile (EJJ) sentence for time served in a juvenile facility. John Stuart, state public defender, testified on the measures and said the bill poses the risk that the juveniles would serve more time than an adult for the same crime. In addition, Stuart said the bill also could place the EJJ law at risk because of the possibility

of double jeopardy. He cited a recent Court of Appeals decision that allows credit for time served for a juvenile at the Red Wing Correctional Facility. The EJJ bill was amended to provide that a juvenile under commitment of the commissioner of corrections may be given credit for time served. The bill was then approved and advanced to the floor.

Crime Prevention and Judiciary Budget Division

Fiscal bills discussed

Members of the Crime Prevention and Judiciary Budget Division, chaired by Sen. Randy Kelly (DFL-St. Paul), met Fri., Mar. 26, to discuss a variety of bills.

Sen. Steve Dille (R-Dassel) carried S.F. 884, that provides a reduced marriage license fee for couples who obtain premarital education. The bill allows couples to pay a reduced fee of \$20, instead of \$70, for receiving at least 12 hours of premarital education. To offset the costs of the reduced marriage license, the marriage dissolution fee is raised from \$122 to \$172. Dille said the bill is designed to encourage premarital education in order to increase the chances for success in marriage. He said the state of Florida has recently passed similar legislation. The bill was approved and sent to the Senate floor.

Sen. Dave Johnson (DFL-Bloomington) presented S.F. 163, which appropriates \$60,000 in fiscal year 2000 and \$60,000 in fiscal year 2001 to provide reimbursements for expenses related to bomb disposal. Johnson said the money reimburses four facilities in the state that deal with bomb disposal.

Johnson also presented S.F. 166, which appropriates \$225,000 in fiscal year 2000 to be distributed as grants of \$75,000 each to the Hennepin County Sheriff's Office, the Minneapolis Police Department and the city of St. Paul to implement the FBI Drugfire computer program. The program analyzes bullets and bullet casings.

Johnson also carried S.F. 1014, which appropriates \$2.25 million for the biennium to enable law enforcement agencies to assign overtime officers to high crime areas within their jurisdictions. Christine Morris, from the Minneapolis Police Department, testified in support of the bill. She said the additional funding is an

effective tool to fight crime. She said the department has used such money in the past to deal with neighborhoods with a high rate of violence and crimes associated with drugs. All three bills were laid on the table for consideration in the division's omnibus bill.

Sen. Arlene Lesewski (R-Marshall) carried S.F. 169, which provides that no state appropriations may be used to acquire or install works of art in a state correctional facility. Lesewski said the bill exempts correctional facilities from the current law that requires one percent of all construction costs to purchase art.

Sen. Allan Spear (DFL-Mpls.) said currently, art is not displayed in the center of a prison, but only in public places within the facility. He said the bill should be amended to allow for art in such public places. Sen. Ember Reichgott Junge (DFL-New Hope) said art can't be banned from correctional facilities. Art is meant to be seen, she said, by the families of those imprisoned and by the employees of the facility. The bill was not approved.

Lesewski offered S.F. 993, which appropriates \$620,000 to the city of Marshall to complete construction of a regional emergency response training center in Marshall. According to the bill, bonds are issued and sold to finance the appropriation. Lesewski also offered S.F. 1070, which appropriates \$620,000 from the general fund for the training center. The only difference between the bills, she said, is that bonds are not used to finance the appropriation in the second bill. Lesewski said the funding is necessary to begin construction on the training center. She said \$1.5 million was requested for the project during the last session but only \$880,000 was approved. The remaining \$620,000, she said, completes the original funding request. Both bills were laid on the table for consideration in the division's omnibus bill.

Sen. Linda Berglin (DFL-Mpls.) carried S.F. 193, which appropriates money for grants and training related to restorative justice programs. Berglin said the programs have been funded in the past and are an effective way to make communities livable.

Kelly said the state cannot fund everything. The county, he said, should pick up the program if it has been proven effective. Responding, Berglin said some provinces in Canada have closed their

juvenile detention facilities and programs because restorative justice works so well. Caseloads are increasing, she said, and many can be treated with the restorative justice model. She said to think the programs can be funded for a short time and then be picked up by the county is not realistic. She said the programs provide services normally provided by the court system, is worthwhile and has cost benefits.

Kelly said he is simply frustrated when programs are shown to be beneficial but are not subsequently funded by the county. He said the state is spending a great amount of money to address local needs, but if the programs are effective, they should then be financed with local money. The bill was laid on the table to be considered for inclusion in the division's omnibus bill.

Berglin also offered S.F. 292 and S.F. 293, both of which relate to appropriating money for prostitution prevention programs. S.F. 292 appropriates money to be used to award grants to organizations that focus on intervention and prevention of teenage prostitution. S.F. 293 appropriates money to be used for grants for two or more organizations to provide intensive case management services for those involved in prostitution. The bills require that preference for the grants be given to organizations that provide case management services to women of color, poor women and women in rural communities. Both bills were laid on the table to be considered for inclusion in the division's omnibus bill.

Berglin presented S.F. 1192, which establishes a pilot project grant program to fund community based programs in high crime areas that provide opportunities for children under the age of 16 to volunteer for and perform community services. The bill requires programs to encourage responsibility and good citizenship on the part of participating children and discourage them from participating in gangs. Eligible programs must represent a broad range of diversity, have a broad network of established economic and social relationships within the community and local government units and have a demonstrated ability to administer community based programs and a history of successful community organizing. The bill was laid on the table to be considered for inclusion in the division's omnibus bill.

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Berglin also carried S.F. 1899, which appropriates \$150,000 for the biennium to be used to award grants to local organizations for substance abuse intervention in neighborhood programs. Berglin said the bill is designed to deal with many areas in her district with a high concentration of drug dealing. The bill was laid on the table to be considered for inclusion in the division's omnibus bill.

Sen. Don Betzold (DFL-Fridley) offered H.F. 92, which ends the requirements for a petition for judicial review of an implied consent drivers license revocation. The bill strikes the current statutory requirement that the petition "state the facts underlying each claim asserted," and strikes current language limiting pre-hearing discovery to the notice of revocation, the test record, the peace officer's certificate and accompanying documentation and disclosure of potential witnesses. The bill was approved and re-referred to the Transportation Committee.

Junge offered S.F. 358, which appropriates funds for a grant to the Northwest Hennepin Human Services Council to administer the Northwest Community Law Enforcement project. Junge said the bill is designed to help communities struggling with diversity to employ female police officers and police officers of color. The program, she said, helps women and minorities pay for tuition and training while studying to become a police officer. The bill was laid on the table to be considered for inclusion in the division's omnibus bill.

Junge also presented S.F. 1109, a bill relating to underage drinking and purchasing of alcoholic beverages. The bill authorizes the awarding of grants to local units of government to conduct liquor law compliance checks, provides for mandatory civil penalties for licensees who sell alcohol to persons under the age of 21 and expands the felony crime of selling alcohol to underage purchasers who become intoxicated and cause death or great bodily harm to include bartering, furnishing or giving alcoholic beverages to the underage person. The bill also assesses a minimum fine of \$100 to a minor violating current law. In order to match up with the house version, a section relating to expanding the felony crime was approved with the effective date and sent to the Senate floor. The rest of the bill was laid on the table to be considered for inclusion in the division's omnibus bill.

Junge also carried S.F. 1707, which appropriates \$642,000 over the biennium to fund start up costs of the Ramsey County All Children Excel (ACE) project. The ACE project serves youths between 7 and 9 years of age who are at the highest risk for serious, chronic and violent juvenile offending.

Kelly said the ACE program fits most of the definitions for programs that can apply for funding in current law. He said with all of the funding requests, it is similar to "buying the same product two or three times." Responding, Victoria Reinhardt, Ramsey County Commissioner, said most state funding is directed toward juveniles already in the juvenile system. The ACE program, she said, is attempting to deal with youth before they enter the juvenile system. This, she said, saves the state money in the long run. The bill was laid on the table to be considered for inclusion in the division's omnibus bill.

Funding requests heard

The Crime Prevention and Judiciary Budget Division, chaired by Sen. Randy Kelly (DFL-St. Paul), heard testimony the evening of Tues., Mar. 30, on a number of bills requesting funding for various judicial and corrections projects. The bills were considered for inclusion in the division's omnibus budget bill.

Sen. Ellen Anderson (DFL-St. Paul) carried S.F. 1828, authorizing a grant to fund a residential program for women leaving prostitution. Panel members heard testimony from Patricia MacGuire, an attorney with Volunteers of America, and a former prostitute. She said "Law school was a picnic compared to getting out of prostitution." MacGuire said that many women cannot get out of prostitution with the available services and there is a need for an intensive, residential six month program. Another woman, identified only as "Mary," a survivor of prostitution, said that life was chosen for her when a long period of molestation by an adult began when she was five. She said a residential program will give 24 hour guidance to women leaving prostitution. Mary added that she needed to stay in a controlled environment in order to successfully leave that life.

In all, thirteen bills were heard. Sen. Allan Spear (DFL-Mpls.) carried S.F. 553, authorizing an increase in the number of district court judges in several

judicial districts. Sen. Sheila Kiscaden (R-Rochester) carried S.F. 2025, appropriating money to develop construction and operation plans for a Southeastern Minnesota public safety training center. Sen. William Belanger (R-Bloomington) carried S.F. 804, appropriating money for a grant to Cornerstone Advocacy Services for battered women.

Sen. John Marty (DFL-Roseville) carried S.F. 1691, authorizing a grant for ethnic neighborhood-based assistance to crime victims and witnesses. Sen. David Knutson (R-Burnsville) carried S.F. 900, appropriating money to implement and study community justice zones in Dakota County. Anderson also sponsored S.F. 1166, appropriating money for domestic violence prevention programs in Asian-American communities.

Kelly carried several bills heard at the meeting. They were: S.F. 1029, appropriating money to develop plans for regional jails; S.F. 1030, authorizing the sale of bonds to finance construction of regional jails; S.F. 698, appropriating money for a campaign to raise public awareness of Minnesota's pedestrian crosswalk law; and S.F. 550 and S.F. 2020, appropriating money for "productive day" programs--job and life skills training--at various community corrections agencies.

Finally, the panel heard S.F. 1308, carried by Sen. David Ten Eyck (DFL-East Gull Lake). The bill authorizes state funding of the fifth, seventh and ninth judicial districts in exchange for the counties in those districts giving up a portion of their Homestead and Agricultural Credit Aid. Discussion centered around timing the state funding for the three specified districts and potentially all others. The bill was approved and advanced to the Committee on Taxes. No formal action was taken on any of the other bills.

Economic Development Budget Division

Council budgets heard

The Economic Development Budget Division devoted the Thurs., Mar. 25, meeting to hearing budget request from a variety of boards and councils under the division's jurisdiction. The panel, chaired by Sen. Jerry Janezich (DFL-Chisholm), heard the budget proposals from the Asian-Pacific Minnesotan's

Council, the Council on Black Minnesotans, the Chicano Latino Affairs Council, the Board of Accountancy and the Housing Finance Agency.

Ilean Her, executive director and Adeel Lar, board of directors, of the Asian-Pacific Minnesotan's Council, outlined the council's mission and budget request. The council works, in collaboration with the public and private sectors to promote and incorporate Asian-Pacific Minnesotans into the social, educational, economic, and political life of the state. Over the course of the last biennium, the council has hosted a number of community forums on the issues confronting Asian-Pacific Minnesotans. In addition, the council is actively involved in promoting Asian-Pacific Heritage Month in May of each year. According to the council, there has been a dramatic increase in the Asian-Pacific community through secondary migration. In addition, citizenship and language barriers continue to affect the communities access to state services and benefits. The governor has recommended continuing the agency's base budget.

Lester Collins, executive director of the Council on Black Minnesotans, presented the council's request. The Council on Black Minnesotans, established in 1980, helps develop and coordinate the the resources and organizations that serve Minnesotans of African descent. The primary areas for the council's activity during the upcoming biennium include education, violence prevention, African immigrants' issues, health and human services, child welfare and crime and corrections. The governor has recommended the council's base funding plus a biennial increase of \$50,000 for costs associated with the Martin Luther King Jr., Holiday.

Chicano Latino Affairs Council Executive Director Edwina Garcia presented the council's budget request and described the activities of the council. The council advises the governor and the Legislature on issues confronting Chicano Latino people, such as the unique problems encountered by migrant agricultural workers. The council also serves as a conduit to state government for organizations of Chicano Latino people and serves as a referral agency to secure access to state services. The council also strives to educate the Chicano Latino community about how to

access state services through a newsletter, speaking engagements and a Spanish television program. The governor recommends the council's base funding.

In addition, the panel also heard from Dennis Poppenhagen representing the Board of Accountancy and Kit Hadley, commissioner, Housing Finance Agency.

Poppenhagen said the board, which regulates the practice of public accounting, is recommending three fee changes. The board is proposing to remove a \$50 fee for temporary individual licenses because there are no licenses of this sort issued, institute a new fee of \$50 for late license registration and increase the fee—from \$50 to \$165—for canceling from the CPA exam with 14 days of the exam date. The governor recommends the board's base budget and agrees with the proposed fee changes. In addition, the governor has included funding to improve the board's technology infrastructure in the small agency infrastructure initiative under the Minnesota Office of Technology.

Commissioner Kit Hadley, Housing Finance Agency, outlined the budget request for the agency and outlined the factors affecting the agency's policies and programs. Hadley said low vacancy rates, the affordability gap, the value gap, property tax rates, increased homelessness, and discrimination are all impediments to addressing Minnesota's need for decent, safe and affordable housing. Hadley also cited a changing federal commitment to housing, the increasing ability to opt out of federal assistance programs and the complexity of housing development as other issues the agency is dealing with. The governor recommends an increase of \$5 million per year to the affordable rental investment fund to preserve federally-assisted affordable housing, \$3 million per year to the community rehabilitation fund and the consolidation of the home equity conversion counseling program and the full cycle homeownership services program.

Camp Heartland grant heard

A bill appropriating money for capital renovations at Camp Heartland, a camp designed for children living with HIV and AIDS, was heard in the Economic Development Budget Division Fri., Mar. 26. The division also heard budget presentations from the Board of Archi-

tecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and Interior Design; the Board of Boxing; the Indian Affairs Council and the Board of Barber Examiners.

Neil Willenson, founder of Camp Heartland, said the bill, S.F. 1346, sponsored by Sen. Becky Lourey (DFL-Kerrick), provides the funding necessary to build a septic system and two showerhouses at the camp. He said that many individuals, corporations and foundations have generously given for other capital improvements, but, he said, "it's hard to find donors who want to have a bathroom named after them." Willenson said that the camp recently completed phase one of their capital plans after raising \$1 million. Among the improvements made in that phase was a baseball field paid for by Paul and Linda Molitor, he said. Willenson added that Camp Heartland has never received any government funding before this.

Lourey said that Willenson got the idea for the camp when a 7 year old boy in his home town was not allowed to go to summer camp because he was diagnosed with AIDS. Willenson took the boy camping that summer and the next. Beginning in 1993, Willenson rented summer camps so that other children could enjoy a camping experience. Finally, after five years of using different camps, Camp Heartland purchased its own site near Willow River.

Responding to Sen. Cal Larson's (R-Fergus Falls) question about the cost to campers, Willenson said it costs \$1250 per week because of the required medications and staff social workers, nurses and physicians. Willenson added that much of the professional services are provided on a volunteer basis and financial aid is available to campers who can't afford to pay that amount.

Sen. Jerry Janezich (DFL-Chisholm), chair of the division, asked how much the showerhouses and septic system cost. Willenson replied that the estimate is \$400,000. Sen. Linda Runbeck (R-Circle Pines) voiced support for the grant and said that the Camp Heartland request is the kind that should be funded because of the previous support from the private sector. The division took no formal action on the measure, but Janezich said the division would "keep it in the mix" when assembling the division's omnibus budget bill.

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Later, the division heard the budget request from the Indian Affairs Council, presented by Joseph Day, executive director of the council. Day said that the council is requesting \$551,000 and \$567,000 from the state general fund for each of the next two fiscal years respectively.

Sen. Randy Kelly (DFL-St. Paul) said that considering the amount of money generated by the Indian casinos in the state, the tribes with casinos should contribute to the council's funding. Day replied that the casinos do contribute toward Indian projects, but the state appropriation pays for council staff. Sen. Arlene Lesewski (R-Marshall) spoke against Kelly's idea. She said that the council should get all of the money they request from the state because they work to help all of the tribal communities.

Sen. Steve Murphy (DFL-Red Wing) spoke at length why the council should receive state funding. He said the council has done much good work to promote good relationships between Caucasians and Indians. He said similar requests are not made of other similar councils and it is unfair that the Indian Affairs Council seek funding elsewhere because of the gaming industry. Murphy said that all Minnesotans should contribute to the council's budget.

The panel also heard the budget request from the Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and Interior Design from Acting Executive Secretary Doreen Frost. The board is requesting \$1.564 million for the upcoming fiscal biennium, \$93,000 above their base funding. Frost said the difference will be funded by increasing fees from \$70 to \$134. Janezich said that anytime a state license fee is increased, the Legislature gets blamed for it. Frost said that the professional organizations of licensees support the fee increase and added that the increased revenue will fund increased complaint investigations.

Jim O'Hara, director of the Board of Boxing, presented the board's budget. He said the board is requesting \$171,000 for next biennium. He said that among the board's duties is the examination of the medical records of amateur boxers before and after bouts, and the licensing of boxing referees. O'Hara said the board regulates the environment in which boxing takes place.

The Board of Barber Examiners budget was presented by board member Ken Fitzpatrick. The board is requesting \$293,000 for the next biennium. The board is also planning to raise licensing fees, which Fitzpatrick said should cover increased expenses anticipated by the board.

The division took no formal action on the agency budget requests, but will consider the testimony presented when formulating the division's omnibus budget bill.

Three budget overviews heard

The Economic Development Budget Division met Tues., Mar. 30 to hear budget overviews from the Workers' Compensation Court of Appeals, the Public Utilities Commission (PUC), and the Dept. of Trade and Economic Development (DTED).

Steven Wheeler, chief justice of the Worker's Compensation Court of Appeals, said the court is the exclusive statewide authority in deciding all questions of law and fact in workers' compensation disputes. He said the agency's base budget, recommended for full funding by the governor, is maintained at its current level with a three percent inflation adjustment in FY 2000, and a 6.1 percent inflation adjustment in FY 2001.

Mike Bull, a legislative liaison from the PUC, said the commission is responsible for establishing the rates and terms of service for electric, gas, and telephone services in Minnesota and to create a regulatory environment that ensures safe, efficient and reliable utility services at fair and reasonable rates. Bull said the commission currently has a \$3.8 million dollar budget which the governor has recommended increasing by \$188,000 over the next biennium. The agency has proposed adding two positions for handling a workload increase from the deregulation of the telecommunications industry. Bull said the agency also hopes to add a full-time computer services position.

DTED Commissioner Gerald Carlson said the department's grant and loan programs will provide over \$29 million in projects over the next biennium. He said those funds leverage an additional \$732 million and that the ratio of operating expenses to grants and loans is 5.6 percent. Gary Fields, a deputy commissioner of the Business and Community Development Division of DTED, said the financing programs and technical services

provided by the department are delivered directly to businesses and communities, or in partnership with economic development service providers, utilities, banks, local government and others.

Sen. Jerry Janezich (DFL-Chisholm), the division chair, said that there have been discussion about the possibility of using the five percent interest generated from the Environmental Trust Fund for infrastructure grants and loans to improve community's water and sewer systems. He said the additional funding would be of great benefit to communities throughout the state.

Election Laws

Chapter 10A recodified

The Election Laws Committee, chaired by Sen. John Marty (DFL-Roseville), approved the recodification of chapter 10A at a brief meeting Mon., Mar. 29. Chapter 10A is the statute relating to ethics in government. S.F. 145, sponsored by Marty, rewrites chapter 10A in order to make it easier to understand for those who work with it. The bill was recommended to pass and be sent to the Senate floor.

Environment and Natural Resources

Wolf bill approved

A bill similar to a citizen roundtable plan on wolf management was approved by the Environment and Natural Resources Committee, Fri., Mar. 25.

H.F. 1415, sponsored by Sen. Gary Laidig (R-Stillwater), a bill initiated by the Dept. of Natural Resources (DNR), incorporates agreements and recommendations made by a Legislative Commission on Natural Resources (LCMR) approved and funded roundtable process. Laidig said the roundtable was comprised of representatives from all areas of the state, representing all wolf interests, from deer hunters and trappers, livestock producers, to wolf protectionists. "I made a commitment to the roundtable participants to carry the initiative," he said, "I will not carry legislation that does not represent the roundtable plan."

The bill prohibits a person from hunting or trapping wolves, but allows wolves to be killed in defense of human life. The measure also allows livestock

and dog owners to kill wolves that pose an immediate threat, and allows harassment of wolves to discourage contact with people and livestock. Laidig said the roundtable plan calls for a five year waiting period between the time a final federal delisting decision is made removing the wolf from the jurisdiction of the Endangered Species Act, and any hunting and trapping of the animal. He said the DNR has indicated the U.S. Fish and Wildlife Service intends to begin the delisting process this year and expects a final decision to be made in 2000.

Sen. LeRoy Stumpf (DFL-Thief River Falls), author of a wolf management bill similar to the House version in establishing a gray wolf hunting and trapping season, said Laidig's bill was not a workable plan. He said his bill, SF. 1823, provides that the Dept. of Agriculture work with the DNR to establish a wolf management plan that includes a population goal of no more than the number of gray wolves provided for in the federal wolf recovery plan for the state. In addition Stumpf said his bill manages the wolf population in a manner intended to minimize conflicts between humans and gray wolves and the depredation of livestock and domestic pets. "Sen. Laidig's bill changes the intent of what I thought the original purpose was by including the entire state," Stumpf said, "My bill is reasonable legislation that addresses population control as well as geographic area." Stumpf said the federal wolf recovery plan establishes a population goal of around 1,250 to 1,400 wolves statewide including zero population in zone 5, which encompasses around 54,600 square miles of the southern and western most regions of the state. Because Laidig's bill represented the department's position as well as the citizen's roundtable process, the committee chose to act on his bill rather than Stumpf's.

Sen. Dennis Frederickson (R-New Ulm), offered an amendment to H.F. 1415, changing the definition of "immediate threat" to observing a gray wolf in the act of pursuing or attacking livestock, to also include observing a wolf "killing" livestock, a guard animal, or a dog. The amendment also modifies the definition included in the bill stating that when a gray wolf is not observed pursuing or attacking, the mere presence of the wolf feeding on an already dead animal is not an immediate threat, by adding the

clause "whose death was not caused by the wolves." Frederickson said the amendment made the definition read more precisely. Mike Don Carlos, from the DNR, said the intent of the definition was to enable livestock owners the ability to prevent attacks, not to give them the ability to act in vengeance after an animal is killed by a wolf. The amendment was adopted.

Frederickson also offered an amendment requiring the DNR to establish a rule making process to prescribe the seasons, methods, areas, and other restrictions for taking gray wolves five years after the bill is enacted. Laidig said he opposed the amendment because it was not consistent with the roundtable plan. The amendment failed.

Several other amendments were then discussed and adopted. Sen. Lawrence Pogemiller (DFL-Mpls.), offered an amendment requiring the DNR to work in consultation with the Dept. of Agriculture in adopting a gray wolf management plan. The original bill requires the DNR alone to adopt a plan that includes goals to ensure the long term survival of the gray wolf in the state and to reduce conflicts between gray wolves and humans. The amendment was adopted. Sen. Ellen Anderson (DFL-St. Paul), offered an amendment changing all the provisions in the bill providing protection to "dogs" to include all domestic pets. The amendment was adopted. Sen. Gen Olson (R-Minnetrista), offered an amendment clarifying the provision of the bill allowing the shooting of gray wolves posing an immediate threat to livestock, guard animals on property owned, leased, or occupied by the owner to read, "threat to livestock, guard animals located on property owned, leased or occupied by the owner." Olson said the amendment clarified language regarding animals belonging to a person other than the owner. The amendment was adopted. Sen. Linda Higgins (DFL-Mpls.) offered an amendment changing the date of a report the DNR must submit to the chairs of the Senate and House environment and natural resources policy and funding committees from May 15, 1999, to Jan. 3, 2000. Higgins said the original date is just before the end of this session and occurs too late for the Legislature to act. Therefore the date of the report should be extended to include the latest information before next session,

she said. The amendment was adopted.

Stumpf offered two amendments, one requiring the DNR's wolf management plan to be consistent with the federal wolf recovery plan and the other, changing the penalty for a person who takes, harasses, destroy, buys, sells, possesses, transports, or ships a gray wolf in violation of game and fish laws from a gross misdemeanor to a misdemeanor. Stumpf said the amendments would help maintain the state's gray wolf population at a more realistic number. Laidig said he did not support either amendment because they did not reflect the roundtable plan. Both amendments were not adopted.

Laidig moved the bill be approved and sent to the Environment and Agriculture Budget Division. The chair of the committee, Sen. Bob Lessard (DFL-Int'l. Falls) said the proper motion was to send the bill to the next policy committee, Agriculture and Rural Development Committee instead of the budget division. Laidig said he preferred the funding issues of the bill be discussed next. Lessard urged committee members to vote against the motion. The motion was approved by a 11-6 vote.

Metal mill bill fails

A bill requiring the city of Minneapolis to issue permits allowing the American Iron & Supply company to construct and operate a metal shredder on the Mississippi River, was heard by the Environment and Natural Resources Committee, Mon., Mar. 29. Sen. Bob Lessard (DFL-Int'l. Falls) chairs the committee.

S.F. 1849, carried by Sen. Deanna Wiener (DFL-Eagan), requires Minneapolis upon completion of an environmental assessment worksheet to approve variances and to grant American Iron & Supply permits to construct and operate a Kondirator on the Mississippi River. A Kondirator is the brand name of a metal mill that shreds, compacts, and separates scrap metal. Wiener said the city issued a permit to the company in 1990 but later pulled the permit to further study the environmental impacts of the machine. She said the Legislature passed a law in 1994 requiring the Minnesota Pollution Control Agency (MPCA) to conduct further environmental studies of the Kondirator and that American Iron & Supply has continued to meet all its requirements. "A permit that usually costs \$1,000 has now cost this company

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over \$8 million," she said, "The bill creates fairness for a company that just wants to do business."

Wiener offered an amendment clarifying that once the MPCA issues the environmental assessment worksheet, any person aggrieved by the agency's decision may obtain judicial review, by appealing the decision to the Court of Appeals but may not obtain judicial review in District Court. She said currently the city of Minneapolis and American Iron & Supply have several active lawsuits before the Hennepin County District Court regarding the project. The amendment was adopted.

John Isaacs, American Iron & Steel's chief executive officer, said the company is a family owned business that in 1989 asked the city for a special permit for use of the Kondirator even though zoning regulations did not require it. "Six months later the city changed its mind. They have used every legal and legislative method to indefinitely stall the process," Isaacs said, "Every time the city has raised the bar, American Iron & Supply has jumped over the bar." He said the Kondirator is the Environmental Protection Agency's (EPA) "machine of choice for recycling scrap metal." He said similar shredders are used in other areas of Minnesota and that the mill will create from 100-300 jobs. "The bill allows a small family owned business to proceed," he said.

Joe Biernat, a Minneapolis City Council member, said the bill sets a "dangerous" precedent in local decision making. He said decisions of issuing permits to businesses should be made at the local and not the state level. Biernat said the city has offered to go to mediation with the company to address issues from both sides but the company has refused the offer. Bill Anderson, from the city of Minneapolis, said the city is still concerned with the environmental issues relating to the Kondirator. He said problems including severe vibrations, dust, toxic emissions, runoff, and noise, need to be further studied.

Sen. Lawrence Pogemiller (DFL-Mpls.), said the bill puts the state in the middle of a local control issue. He said that the city should decide whether or not to allow the company to use the Kondirator on the river front. "The Legislature doesn't gain anything by punishing the citizens of Minneapolis for mistakes that

the city may have made," he said, "If Minneapolis has made a mistake they will pay. If they lose in court that won't put this on the river front. Only this bill means the Kondirator will end up on the river front. That's what this bill is about." Pogemiller said if Wiener believes it is good public policy for the state to mandate to local units of government issues under local control, that he was willing to work with the company to find a location in Wiener's district to build the mill.

Wiener said the environmental concerns had been answered and that the issue was about land use. She said the proposed site for the Kondirator was next to other industrial businesses and the bill addresses an issue of fairness. The bill failed by a 7-9 vote.

S.F. 1581, authored by Sen. Janet Johnson (DFL-North Branch), establishes a state goal for reducing mercury releases to Minnesota's air and water by 60 percent compared to 1990 levels by the year 2000, and by 70 percent by the year 2005. Carol Andrews, a program coordinator from the MPCA, said the bill incorporates recommendations from an advisory council, formed by the agency established to provide recommendations for mercury reduction. The council was made up of representatives from business, environmental groups, and other interested parties, Andrews said. The bill was approved and sent to the Environment and Agriculture Budget Division.

S.F. 1734, authored by Sen. Linda Higgins (DFL-Mpls.), modifies provisions relating to judicial review of agency decisions and changes from 30 to 60 days the amount of time a waste incinerator operator has to demonstrate compliance with air emission standards. The bill was approved and sent to the Senate floor.

Environment and Agriculture Budget Division

Trail repair discussed

Repair of paved state trails damaged by snowmobile studs will cost around \$1.5 million a spokesperson from the Dept. of Natural Resources (DNR) told the Environment and Natural Resources Budget Division, Thurs., Mar. 25. Sen. Jane Krentz (DFL-May Township), chairs the division.

Dennis Asmussen, from the DNR, said

the department is still working with estimated figures but department engineers and engineers from the Dept. of Transportation said that of the 212 paved state trail miles, approximately 103 miles have been damaged by snowmobile studs. Asmussen said the DNR is calculating the cost of repairs based on fixing the trails with a one inch lift of new asphalt, which will cost approximately \$15,000 per mile. He said that the estimated \$1.5 million total does not include paved trails not owned by the state, and that county engineers have estimated the cost of repairs to those trails to be around \$2 million.

Asmussen said that the department collected approximately \$800,000 from the \$51 sticker fee imposed by law last year, a law that has since been repealed. He said the money cannot be used by the department until the Legislature appropriates the funds. Additional funding for trail repair may come from a new sticker requirement that is being discussed and will probably cost studded snowmobile users between \$10 to \$15, Asmussen said. He said although there are no numbers available for the number of snowmobiles in the state that have studs, the DNR estimates the number is around 30 percent.

Doug Franzen, from the Minnesota United Snowmobilers Association (MnUSA), said that snowmobilers are willing to pay to help maintain the state's trail system but want the fee to be based on the actual amount it will cost for repairs. "There is a fear that whatever money goes into this will be spent," Franzen said. He said MnUSA wants credible information to justify the amount of a sticker fee.

Sen. Gary Laidig (R-Stillwater), said snowmobilers should be less concerned about the sticker fee and more concerned by the governor's budget which eliminates \$220,000 from the snowmobile account each year of the biennium. Laidig said the reduction limits the department's ability to maintain "the finest snowmobile trail system there is." Franzen said MnUSA has supported all the fees imposed on snowmobile users for the past 20 years, and that the quality of state trails is due in large part to the work of snowmobile clubs throughout the state. He said MnUSA is concerned with the implications of the governor's proposed budget cuts.

Judy Erickson, from the Minnesota Parks and Trails Council, said that continued use of snowmobile studs will cause ongoing damage to state trails. She said the department needs to look for ways to fund enforcement against violators who run their studded snowmobiles on paved trails.

The division continued its budget overview of the DNR. Brad Moore, an assistant commissioner, said the operations support program provides administrative support to all the other DNR programs. He said the biggest issue for the program is the lack of recognition of the level of administrative support that is needed. He said operation support expenditures have not kept pace with programmatic expenditures. Changes in technology, increased public demand for natural resource information and changes in federal and state laws, regulations and policies, all increase the cost of support services, Moore said.

Emissions bill forwarded

A bill eliminating vehicle emissions testing in the state was approved by the Environment and Agriculture Budget Division, Fri., Mar. 26. The division is chaired by Sen. Jane Krentz (DFL-May Township).

S.F. 18, authored by Sen. James Metzen (DFL-South St. Paul), ends testing automobile emissions for carbon monoxide levels July 1, 2000. "The issue is about saving taxpayers \$8 million dollars a year," Metzen said.

Leslie Davis, an environmentalist, spoke against the bill. He said the testing program has been successful in cleaning up the quality of the state's air. "To pass the bill says you're allowing cancer causing chemicals in the air," Davis said, "We need to have controls. This is not a compromise, it's a sellout."

Sen. Steve Murphy (DFL-Red Wing), said the testing was ineffective and that cleaner fuels are a more effective method of pollution control. He distributed data from the Environmental Protection Agency (EPA) showing that vehicles tested 14 times over a 103 minute period both failed and passed the test. "The testing is hit and miss and doesn't even work," Murphy said.

Sen. Dennis Frederickson (R-New Ulm), offered an amendment eliminating provisions in the bill setting the date for the end of the program as either July 1,

2000 or after the EPA redesignates the Twin Cities nonattainment area for carbon monoxide to attainment for carbon monoxide, whichever is earlier. The amendment ends the testing on July 1, 2000 but requires the Minnesota Pollution Control Agency (MPCA) in consultation with other state agencies, public officials, citizens, environmental interest groups, and private industry stakeholders, to investigate strategies to reduce emissions of ozone forming chemicals and other toxic air pollutants from motor vehicles and other nonpoint sources. Frederickson said the amendment requires the MPCA to submit a progress report to the chairs of the Senate and House committees with jurisdiction over environmental and transportation issues by January 15, 2000.

Metzen said he supported the amendment's report requirement, but did not support the elimination of the date of EPA redesignation for ending the state's testing program. He said the EPA will likely redesignate the Twin Cities sometime by the end of this year. The amendment was adopted by a 5-4 vote.

Sen. Steve Dille (R-Dassel), offered an amendment limiting the MPCA from imposing any additional or increase in fees from stationary sources, stationary emission facilities, or stationary emission units to offset or recover any reduction in the aggregate amount of fees collected under the motor vehicle inspection program. Dille said the amendment addresses concerns raised by the Minnesota Chamber of Commerce that revenue lost by the elimination of the testing program will be recovered by raising fees on businesses.

Mike Sandusky, from the MPCA, said federal law prohibits the MPCA from using fees collected from stationary sources toward federal matching grant money. He said the agency uses a surcharge on those fees to meet the federal match. To restrict the agency from raising fees and surcharges on the fees jeopardizes the federal funds, Sandusky said. He said based on current federal grant levels, and current agency appropriations, the MPCA estimates that fee increases will not be needed in the next two years. Tony Kwilas, from the Minnesota Chamber of Commerce, said the chamber will continue to work with the MPCA to address the concerns. Dille withdrew the amendment and said the

funding issue will be addressed further in the omnibus bill. The bill was approved and forwarded to the Senate floor.

Sen. Linda Higgins (DFL-Mpls.) said S.F. 1625 is the DNR's technical bill. Mike Grupa, from the DNR, said the bill makes no policy changes. He said the bill addresses the sale of software developed by the department, snowmobile safety courses, DWI law corrections relating to recreational vehicles, local fire department fire suppression grants, firearms safety and snowmobile safety driver's license indicators, non-game account deposits, and bond requirements for natural resource development projects. The bill was approved and recommended for inclusion in the division's omnibus bill.

Five bills heard

The Environment and Agriculture Budget Division met Tues., Mar. 30, and heard five bills, but did not take action on any of them.

S.F. 1309, authored by Sen. Roger Moe (DFL-Erskine), authorizes a continued appropriation to the Board of Water and Soil Resources (BWSR) for a grant to the Red River Basin Board to develop a plan and to coordinate water management along the Red River. Moe said the governor has recommended appropriating \$3 million to BWSR over the next biennium but the bill increases that amount by \$1.3 million. Don Ogaard, from the Red River Watershed Management Board, said the board was created by the Legislature in 1976 for instituting, coordinating, and financing projects to alleviate flooding.

S.F. 774, authored by Keith Langseth (DFL-Glyndon), appropriates \$200,000 over the biennium to BWSR for a grant to the Red River Basin Board to develop a plan and to coordinate management activities in the states and provinces bordering the Red River. Ogaard said the appropriation is only available to the extent it is matched by an proportionate amount from North Dakota, South Dakota, and the province of Manitoba.

S.F. 726, authored by Sen. Jane Krentz (DFL-May Township), the division chair, appropriates \$3 million over the biennium to the Dept. of Natural Resources (DNR) Section of Fisheries. Krentz said the bill also appropriates \$1 million over the biennium to the DNR for improvements in the walleye stocking program.

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She said the bill implements the recommendations made by a fishing roundtable for an accelerated walleye program. Sen. Gary Laidig (R-Stillwater), who along with Krentz served on the roundtable, said that the program takes a goal oriented approach in which the DNR will meet with the public to develop criteria for establishing goals for managing walleye in each lake. Laidig said the DNR has agreed to take a more liberal approach to requests to stock privately raised fish in addition to DNR quotas, as well as review requests to allow private stocking if there are no biological concerns. He said under the program established by the bill, the DNR will determine lakes that are in need of quick action so that the population recovery can occur as soon as possible.

S.F. 134, authored by Sen. Charles Berg (IND-Chokio), appropriates \$1.5 million over the next fiscal year to BWSR for a grant to Area II Minnesota River Basin Projects, Inc. for the LWP-25/Lazarus Creek flood water retention project. "This is an attempt to try and revive Lazarus," Berg said. Willis Beecher, the chair of the Lac Qui Parle Watershed District, said the project will reduce annual flood flows which reduces erosion and the introduction of sediment and nutrients into the downstream water courses.

S.F. 1061, authored by Sen. LeRoy Stumpf (DFL-Thief River Falls), appropriates \$1.6 million over the next fiscal year to the DNR for the construction of ring dikes that may be publicly or privately owned. Jerry Bennett, the district administrator of the Wild Rice Watershed District, said the program to build ring dikes began in 1997 following the severe spring floods. He said project costs average in the \$30,000 range and it is hoped that the funding will allow completion of 14 or 15 projects this year. Ring dikes are built by pushing back dirt on fields surrounding farms, removing the clay needed for construction, and then packing the area down and replacing the top soil, Bennett said.

Family and Early Childhood Education Budget Division

Adult education discussed

Members of the Family and Early Childhood Education Budget Division,

chaired by Sen. Pat Piper (DFL-Austin), met Fri., Mar. 26, to discuss three bills relating to Adult Basic Education (ABE).

Sen. LeRoy Stumpf (DFL-Thief River Falls) carried S.F. 135, which provides \$10,000 in additional aid for eligible ABE program sites. To qualify for funding a site must be 17 or more miles from the nearest ABE site, have provided instruction in fiscal year 1999 and be staffed by a teacher 70 hours or more from September to June in the year aid is provided. Stumpf said the extra funding helps rural districts which don't have a high enough volume of students to generate a sufficient amount of education dollars. The bill was laid on the table to be considered for inclusion in the division's omnibus bill.

Sen. Leo Foley (DFL-Coon Rapids) offered S.F. 1399, which requires school districts and consortiums of districts to establish a basic level of instruction and services for each ABE site within the district. The bill also provides \$1 per capita funding to districts that offered ABE programs in fiscal year 1999 with populations below 30,000 and an approved service level. The aid must be used to support sites that meet the approved service level.

Margaret Marketon, community education director in the Howard Lake-Waverly-Winstead district, testified in support of the bill. She said the bill helps ABE programs in rural Minnesota to survive, allows districts to identify local needs and maximize resources and permits the existing ABE infrastructure to stay in place. The bill, she said, allows ABE programs across the state to continue to provide the best services possible for adult learners. The bill was laid on the table to be considered for inclusion in the division's omnibus bill.

Sen. John Marty (DFL-Roseville) presented S.F. 1508, which authorizes up to four percent of the annual ABE appropriations to be used for support services and training. According to the language of the bill, the funding includes state wide professional development, support and resource services and a grant to a non-profit organization to train volunteers, coordinate literacy programs, operate a referral service for adult students and promote literacy. The bill also appropriates \$2.5 million in one time funding to purchase technology for ABE services and equipment to serve adults

with severe disabilities, and to provide continued support for the citizenship promotion program to assist legal immigrants in becoming citizens. The bill repeals current law that eliminates the citizenship promotion program on June 30, 1999.

Marty said the federal government had, in the past, provided funding for training and technological purposes. However, he said, due to shifts in the federal policy the state must provide the funding instead. The bill does not provide new funding, Marty said, but sets aside preexisting money for training and technological purposes. The bill was laid on the table to be considered for inclusion in the division's omnibus bill.

Foley also offered S.F. 1429, a bill relating to Early Childhood and Family Education (ECFE) programs. The bill adds activities for expectant parents as an eleventh optional component of an ECFE program, increases the revenue in the current funding formula for ECFE from \$113.50 per child under five living in a district to \$120 and increases the general fund appropriation for ECFE as well. Foley said the bill deals with the growth of the program. He said over the past ten years participation in ECFE programs has increased from 134,000 families to 289,000 in 1998.

Karen Peckels, Early Childhood Family Services Manager with the Rosemount-Apple Valley school district, testified in support of the bill. She said it is becoming increasingly difficult to serve every family desiring to participate in ECFE programs. She said the lack of additional funding causes the elimination of ten classes next year in her district, which prevents 150 families from participating in ECFE. She said she doesn't want to turn away any families from the program. The bill was laid on the table for consideration in the division's omnibus bill.

Sen. Paula Hanson (DFL-Ham Lake) carried S.F. 1865, which increases general community education revenue from \$5.95 to \$6.95 times the greater of 1,335 or the population of the district. The bill also appropriates \$18.736 million in fiscal year 2000 and \$19.296 million in fiscal year 2001 for community education aid. Hanson said the bill is necessary because community education has not received a funding increase in 12 years. The bill was laid on the table to be considered for inclusion in the division's omnibus bill.

Three bills discussed

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Tues., Mar. 30, to discuss three bills.

Sen. Arlene Lesewski (R-Marshall) carried S.F. 1958, which appropriates \$3 million each year of the biennium for child care resource and referral programs. The bill also earmarks \$1 million of the appropriation for child care service development grants.

Scott Parker, coordinator of the Dakota County Resource and Referral program, testified in support of the bill. Parker said in Dakota County child care service grants have been used in the past to start a 110 slot evening child care program at the Eagan YMCA and open a child care center in South St. Paul. He also said service grants have been used to fund training for culturally appropriate child care and to provide additional care for special needs children. The grants, he said, have been invaluable in providing more child care opportunities. The bill was laid on the table to be considered for inclusion in the division's omnibus bill.

Sen. Claire Robling (R-Prior Lake) presented S.F. 1358, a bill that makes eligibility and assistance modifications to the at-home infant child care program by providing assistance to parents when they stay at home with their infants. The bill allows a family in which a parent provides care for the family's infant to receive a subsidy in lieu of assistance if the family is eligible for, or is receiving, basic sliding fee child care assistance. Also, the bill states that participation in the at-home program is not considered participation in the basic sliding fee program for purposes of continued eligibility for families on the sliding fee waiting list. The bill also appropriates \$1.5 million in each year of the biennium for the program. The bill, said Robling, helps the working poor and allows families to retain their position on the basic sliding fee waiting list while participating in the at-home program. The bill was laid on the table to be considered for inclusion in the division's omnibus bill.

Sen. Sandra Pappas (DFL-St. Paul) offered S.F. 1805, a bill relating to education expense credit and reductions. The bill allows certain expenditures for pre-kindergarten learning programs and museum memberships to be subtracted

from federal taxable income. The bill also allows a tax credit for certain expenditures for pre-kindergarten learning programs and for memberships in a museum, zoo, historical society or similar institution offering learning programs for children.

Rosemary Frazel, from the Children's Defense Fund, testified in support of the bill. She said the bill is an innovative way to help families with young children access tax supports. She said the bill helps families with the additional costs related to raising children.

The bill was approved and re-referred to the Children, Families and Learning Committee.

Governmental Operations and Veterans

Hwy. 55 concerns aired

The Governmental Operations and Veterans Committee, chaired by Sen. James Metzen (DFL-South St. Paul), met Thurs., Mar. 25, to discuss a resolution relating to the traditional cultural properties of the Mendota Mdewakanton Dakota Community.

Sen. Ellen Anderson (DFL-St. Paul) sponsored S.F. 1658, a resolution memorializing the State Historical Society, the State Archaeologists, the Council of Indian Affairs, and the Minnesota State Historical Preservation Office to protect and preserve the traditional cultural properties of the Mendota Mdewakanton Dakota Community. The properties, which are currently being threatened by the rerouting of Highway 55, include four marker trees, oak savanna, Coldwater Springs, natural medicinal plants and traditional ceremonial activity sites. Anderson said many citizens are concerned about the reroute of Highway 55 because the proposed construction jeopardizes the area.

Linda Brown, member, Mendota Mdewakanton Dakota Community, said the Coldwater Spring area is the birthplace of the Dakota people and is the largest limestone bedrock springs in the Twin Cities. "Before the reroute takes place, we are asking that the required studies be done in compliance with federal regulations," said Brown.

Michael Haney, American Indian Religious Freedom Coalition, Seminole Nation of Oklahoma, told members that

the area of the Highway 55 reroute shows evidence of being a sacred site and a burial site. He said the Indian people do not mark graves like members of other religions do. "Allow our people rest in peace," said Haney. The bill was recommended to pass and re-referred to the Transportation Committee.

Sen. LeRoy Stumpf (DFL-Thief River Falls) offered S.F. 1636, a bill providing for regulatory relief for local units of government. The bill allows a statutory or home rule city or county to petition the amendment or repeal of a rule or a specified rule if significant new evidence relating to the need for or reasonableness of the rule has become available since the adoption of the rule in question.

Also, a rule change can be petitioned if less costly or intrusive methods of achieving the purpose of the rule can be demonstrated. Tim Flaherty, Coalition of Greater MN Cities, said the bill gives cities the opportunity to repeal rules that are outdated and have become too expensive to comply with. The bill was recommended to pass and re-referred to the Local and Metropolitan Government Committee.

A bill providing standards for state assistance for capital improvement projects of political subdivisions was presented by Sen. Richard Cohen (DFL-St. Paul). The bill specifies that political subdivisions requesting an appropriation of state general obligation bond proceeds must submit supporting documentation required by the commissioner of finance. The commissioner evaluates and prioritizes the request based on a set of criteria prescribed in the bill. Also, in the bill, the amount of funding appropriated must be no more than half the total cost of the project, including pre-design, design, construction, furnishings and equipment. The bill was recommended to pass and re-referred to the State Government Finance Committee.

Sen. Martha Robertson (R-Minnetonka) offered H.F. 645, a bill conforming state requirements for water supply and wastewater treatment operator certification to federal requirements. The bill also changes the makeup of the Advisory Council on Water Supply Systems and Wastewater Treatment Facilities and removes the expiration date of the council.

The bill was recommended to pass and be placed on the Consent Calendar.

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Families foundation bill okayed

The administration's proposal for the disposition of the tobacco settlement funds provided the focal point for an evening meeting Tues., Mar. 30, of the Governmental Operations and Veterans Committee. The panel, chaired by Sen. James Metzen (DFL-South St. Paul), devoted the lion's share of the meeting to discussion of the foundations set up under the bill and the method of oversight for the foundations' activities.

The bill, S.F. 1269, carried by Sen. Roger D. Moe (DFL-Erskine), establishes the Minnesota Families Foundation as a nonprofit foundation to support self-sufficiency and reduce long-term dependency on government. In addition, the measure provides that the board of directors be responsible for managing the investment of the foundation funds and spells out the requirements for managing the investments and for making grants to nonprofit community-based organizations. The bill also sets up the health professional education and medical research endowment fund and the tobacco prevention endowment fund.

Much of the debate on the bill concerned the reporting requirements to allow the Legislature to fulfill an oversight function on the activities of the foundation and the endowment funds. Sen. Dan Stevens (R-Mora) offered an amendment establishing a Legislative Commission on Minnesota Families to review the organization and activities of the Minnesota Families Foundation and the use of foundations funds and grants. Moe successfully argued against the amendment and said that the proposal adds another layer of administration to the funds and replicates the function of existing legislative committees.

Members did adopt several amendments clarifying the reporting requirements contained in the bill. Two amendments, offered by Sen. Linda Runbeck (R-Circle Pines), added language requiring that performance results on the effectiveness of the grants be reported. The bill was approved and re-referred to the Human Resources Finance Committee.

In other action, the panel approved four additional bills. S.F. 1204, sponsored by Sen. Dave Johnson (DFL-Bloomington), clarifies that under the direction of the commissioner of public safety, the state fire marshal must enforce

the Minnesota Uniform Fire Code. S.F. 1605, sponsored by Sen. Steve Kelley (DFL-Hopkins), provides arbitration procedures for firefighters. S.F. 1993, authored by Sen. John Hottinger (DFL-Mankato), authorizes the governor to veto administrative rules and outlines the veto procedure. An amendment, deleting a provision that requires the legislature to also act on the repeal and replacing the language with a provision requiring the governor notify the appropriate legislative committee chairs, was adopted. All three bills were advanced to the Senate floor.

Members also began review of the omnibus data practices bill, S.F. 1039. However, chief author, Sen. Don Betzold (DFL-Fridley), requested the measure be temporarily laid over in order to allow another member to offer an amendment. The panel also reviewed a bill, not formally in the committee, requiring a study of the taxation of property used for agricultural purposes. Finally, members also approved a bill directing the Office of Strategic and Long-Range Planning to coordinate the creation of a state development strategy. The bill was re-referred to the Transportation Committee.

Governmental Operations Budget Division

Budgets reviewed

The budgets of the Board of Government Innovation and Cooperation and the Minnesota Planning Office of Strategic and Long Range Planning were reviewed at the Mon., Mar. 29, meeting of the Governmental Operations and Budget Division. The division is chaired by Sen. Leonard Price (DFL-Woodbury).

Jim Gelbmann, executive director, Board of Government Innovation and Cooperation, told members the board facilitates improved quality and efficiency in the delivery of services by local governments by providing incentives for innovation and cooperation and removing state-imposed barriers to more effective service delivery. He said the board waives administrative rules and grants exemptions from enforcement of procedural laws, enabling local governments to develop more efficient and effective means of achieving outcomes. The board awards competitive grants to local governments for the development

of pilot projects designed to improve the effectiveness or efficiency of a specific public service, said Gelbmann. The board is also authorized to approve a plan, developed by the governing bodies of two or more local governments, for the consolidation of the local units of government, he said.

The board is requesting slightly over \$2 million for the biennium, with \$1 million earmarked to assist local governments that are attempting to consolidate as a means of improving efficiency and effectiveness, Gelbmann said. Of the remainder, \$720,000 is for the competitive grant programs and \$312,000 is for the board's administrative expenses, he said.

The governor recommends eliminating the board. The governor believes that local governments benefit from innovative and cooperative efforts and that these types of activities will continue to take place without the state's financial support.

Dean Barkley, director, Minnesota Planning Office of Strategic and Long Range Planning, presented an overview of the department and the budget request. Barkley said the mission of the department is to continually scan the horizon, identifying and evaluating the critical and emerging issues that keeps Minnesotans focused on the future; provide policy makers and the public with accurate information and analysis; influence policy decisions through long-range planning; and coordinate activities among all levels of government.

Barkley said the department is organized into teams that reconfigure for each project, placing agency resources where they are needed most. The teams work in areas including the state demographic center, the Environmental Quality Board, land management information center, criminal justice information center, critical issues team, and the local planning assistance team.

The department requests \$550,000 to fund two LCMR projects. The first project, development of a statewide inventory of potential cogeneration sites and a regulatory guidance manual, is funded at \$100,000. The second project, development of software, data and training for local government planning for delivery of state geographic information systems data and models for social and environmental decision making, is

funded at \$450,000. The governor makes no recommendation regarding the LCMR projects put forward by the department.

In addition to the base level funding, the governor recommends initiatives including information technology integration, census promotion, provision of a generic environmental impact statement on animal agriculture, and establishment of a program evaluation function within the executive branch.

Health and Family Security

Clean indoor air changes heard

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Thurs., Mar. 25, to discuss a bill that makes changes to the Clean Indoor Air Act.

Carried by Sen. Carol Flynn (DFL-Mpls.), S.F. 2036 deletes the exception to the Clean Air Act for factories, warehouses and other similar places of work. The bill deletes the reference to smoking being allowed in designated smoking areas in public places or meetings, expands the definition of public school to include middle and secondary schools and deletes language that currently excludes from the act private offices occupied exclusively by smokers even though nonsmokers may visit the offices. The bill also prohibits smoking within a reasonable distance of an entrance to a public place, changes current language referring to "limiting" smoking to "prohibiting" smoking and clarifies that only the proprietor of a public place that allows smoking must make reasonable efforts to segregate smokers from nonsmokers.

Judith Ball, from the Environmental Health Division of the Minnesota Department of Health, testified in support of the bill. She said the most important part of the bill is placing industrial work places on the same level of prohibition as office buildings and other places of business. Currently, she said, a double standard exists between the two work places, adding that it is hard to justify prohibiting smoking in a white collar setting but not in a blue collar setting. She said the division receives between 1,000 and 1,500 smoking related complaints each year, most of which, she continued, involve situations in industrial settings. Ball also said the current law is difficult to enforce.

Sen. Dan Stevens (R-Mora) asked

which sections of the law are difficult to enforce. Ball said for smoking to be allowed, industrial facilities must have proper ventilation and provide for four feet of working space between a smoker and a nonsmoker. It is difficult to enforce, she said, because work in an industrial business is often not confined to a specific work station and workers are constantly moving. She also said many special air ventilation systems are simply turned off during the winter because they are expensive to operate.

Sen. Don Samuelson (DFL-Brainerd) asked how deleting the industrial work site exception affects outdoor construction projects. When walls and a roof are added to a housing project, he said, work on the building moves inside. Although not completely sure, Ball said rules prohibiting smoking do not apply until a building is finished and functional. Questioning the bill, Sen. Martha Robertson (R-Minnetonka) asked how the prohibition from smoking within a reasonable distance of a public building is determined. Robertson then moved to delete the section, and the motion was adopted.

Sen. Steve Dille (R-Dassel) asked if the section prohibiting smoking private offices occupied exclusively by smokers forbids small business owners from smoking in their own office if the public has a reason to enter. He questioned prohibiting smoking in a small, infrequently visited country office. Also, Stevens said the section may serve to prohibit smoking even if a person works from home. Ball said the bill bars smoking in private offices. Robertson moved to delete the reference to private offices occupied exclusively by nonsmokers. The motion was adopted. Sen. Michelle Fischbach (R-Paynesville) moved to reinstate current language allowing smoking in a public place or meeting in designated smoking areas. That motion was also adopted.

Tom Koehler, representing several labor organizations, opposed the bill. He said the bill stands in opposition to various collective bargaining agreements that designate smoking areas in the work place. The issue, he said, has been negotiated. Responding, Flynn said the bill is designed to promote worker safety. The bill was not approved.

Sen. Leonard Price (DFL-Woodbury) presented S.F. 1925, which allows the

commissioner of health to self-insure any hospital and medical plan offered to state employees. The bill requires all self-insured hospitals to comply with coverage mandates, data reporting and consumer protection requirements applicable to licensed carriers who administer the product, had the product been insured. Also, the bill requires the employment of staff to assist state employees in understanding benefits and coverage levels and requires all summaries of benefits describing the hospital and medical service benefits offered to state employees to comply with laws and rules for content and clarity applicable to the licensed carrier administering the product. Price said the bill allows the state to control costs, provides consumer protection and promotes flexibility.

Sen. Linda Berglin (DFL-Mpls.) offered an amendment requiring the commissioner to pay the assessment required of contributing members, the premium tax and installments described in current law for any self-insured hospital and medical service product offered under current law. Berglin said the bill reduces the state contribution to the Minnesota Comprehensive Health Association (MCHA) and shifts a greater cost burden for the program onto small businesses. By requiring the state to pay, she said, the amendment prevents the reduction in contribution from taking place. "If this is worth doing, it is worth doing right," she said. Responding, Price said the amendment is worthwhile but not practical. The money is not in the budget, he said, and added it is difficult to locate an area from where the money comes. The amendment was not adopted. The bill was approved and re-referred to the Governmental Operations and Veterans Committee.

Sen. Don Betzold (DFL-Fridley) offered S.F. 947, a bill relating to child support enforcement. The bill allows the court to order the obligor to reimburse for the mother's lost wages due to medical necessity and extends the period of time from 30 days to 60 days that a party may revoke a recognition of parentage. Also, the bill allows the court to suspend a recreational license of an obligor who is in arrears in court-ordered child support payments in an amount equal to or greater than three times the obligor's total monthly support obligation. Betzold said the bill is designed to

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provide lost wages income to mothers who cares for their new born without any help from fathers in situations involving unwed parents. The bill was approved and referred to the Health and Family Security Budget Division.

Stevens presented S.F. 1585, a long technical bill making language modifications to Minnesota Family Investment Program (MFIP) provisions. The bill was approved and sent to the Senate floor.

Hottinger carried H.F. 614, which expands the reserve corridor for community integrated service networks (CISNS) and modifies the definition of review organizations to include CISNS. The bill was approved and sent to the Senate floor.

MinnesotaCare bills discussed

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Fri., Mar. 26, to discuss two bills relating to MinnesotaCare.

Sen. Douglas Johnson (DFL-Tower) carried S.F. 7, which repeals the MinnesotaCare provider tax effective Jan 1, 2000, repeals sections in current law relating to the MinnesotaCare tax and makes conforming changes to other sections of current law. Johnson said the budget surplus and tobacco settlement have made it possible to eliminate the provider tax. He said the tax is regressive and unfair and that eliminating the tax is "the right thing to do."

Sen. Martha Robertson (R-Minnetonka) presented S.F. 176, which eliminates both the MinnesotaCare provider tax and the one percent premium tax and replaces the funding for the MinnesotaCare program with portions of the tobacco settlement payments. The bill is authored by Sen. Dan Stevens (R-Mora).

Dr. Paul Matson, chair of the Minnesota Medical Association (MMA), testified in favor of eliminating the taxes--sometimes called sick taxes--on MinnesotaCare providers. Matson said MMA supports providing health care for the uninsured with MinnesotaCare but does not support how the program is financed. He said the sick taxes add to health care costs and is unfair. He said the taxes apply disproportionately to those who are sick and to low income individuals and families. Funding the program, he said, can come from the

tobacco settlement, the budget surplus or the health care access fund surplus. Everyone benefits from MinnesotaCare, he said, so everyone should pay for the program as well.

Carolyn Jones, representing the Minnesota Chamber of Commerce, also supported eliminating the taxes. She said 45 percent of Minnesotans surveyed said the tobacco settlement funds should be used to make health care more affordable. She said the state should control health care costs and eliminate the MinnesotaCare taxes. This, she said, makes health care more accessible.

Sen. Linda Berglin (DFL-Mpls.) questioned the bill authored by Stevens, which includes a section stating that expenditures for MinnesotaCare must not exceed the forecasted appropriations made by the Legislature. The section, she said, leaves the program in danger of not being adequately funded. Responding, Robertson said that many programs in current law are funded based on forecasting procedures.

Berglin then offered an amendment to both bills that requires medical inflation to be taken into account when forecasting MinnesotaCare expenditures. Berglin said the amendment ensures that revenue projections cover the needs of the program. She said she is reluctant to approve the bills, but added that her amendment makes them more palatable.

Responding, Sen. Sheila Kiscaden (R-Rochester) said she has concerns about including inflation in the MinnesotaCare forecast. She said automatic inflationary adjustments are not made in other areas of the budget and added that the budget would grow quickly if inflation was automatic. Inflationary factors are taken into account, she said, but are not automatic. Kiscaden said that while she understands the motivation behind the amendment, an automatic adjustment is not prudent fiscal policy.

Sen. Becky Lourey (DFL-Kerrick) said it is dangerous to pass either bill without ensuring that the program has the funds to continue operating. She said a secure funding source must be found before approving the bills or the result may be more uninsured citizens with no access to health care. It is not advisable, she said, to repeal the MinnesotaCare taxes before finding another funding source. The amendment was not approved to either bill. Johnson's bill was approved and

referred to the Committee on Taxes and Stevens's bill was approved and referred to the Health and Family Security Budget Division.

Sen. Dallas Sams (DFL-Staples) carried S.F. 1966, which makes a number of changes in the Minnesota Department of Health relating to the Administration Simplification Act, maternal and child health block grants and health occupation requirements.

Maria Rubin, from the Department of Health, testified regarding some concerns with the bill. She said the bill adds too many regulations, which makes Minnesota a less attractive place for health plan companies to operate.

Kiscaden offered an amendment that deletes three sections of the bill. The sections amended define the uniform explanation of benefits document within the Health Care Administration Simplification Act and define the uniform remittance advice report within the act. Also deleted is a section requiring all group purchasers to provide uniform remittance advice reports to health care providers when claims are adjudicated and uniform explanation of benefit documents to health care patients when claims are adjudicated. The amendment, however, was not adopted. The bill was laid on the table to be discussed again at a future meeting.

Unlicensed child care discussed

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Mon., Mar. 29, to discuss a bill that makes permanent the expansion of unlicensed child care providers.

Carried by Sen. Dan Stevens (R-Mora) S.F. 807 amends the Minnesota Department of Human Services Licensing Act by excluding from licensure certain nonresidential child care programs or services that are provided by an unrelated individual to persons from two or three unrelated families. The current language was passed during the 1997 session with a June 30, 1998 sunset date and extended in the 1998 session to June 30, 1999.

Ruth Krueger, division director of Dakota County Human Services, testified in opposition to the bill. She said child protection services are not available to children and parents using unlicensed providers. Unless the mistreatment by the unlicensed provider reaches the level

of criminal activity, she said, there is no legal action to take. Krueger also said it is difficult to monitor whether or not more than three children from unrelated families are being cared for at unlicensed homes. Dakota County, she said, has not prosecuted one such case since the new law came into existence. Unlicensed child care violations are unenforceable, she said, and added that there are serious ramifications for the future if allowed to continue.

Maplewood resident Kathy Mackiewicz, a mother of children two and five years old, also testified in opposition to the bill. She said her children have been in six different day care facilities, mainly because the providers stopped providing services for a variety of reasons. She said she has always chosen licensed facilities because of the minimum standards required of such facilities. However, she said she is extremely concerned that such standards are not required of unlicensed providers. Without the standards, she said, children are put at risk.

Sen. Linda Berglin (DFL-Mpls.) asked if a period of time can be given to allow unlicensed providers to become licensed. Unlicensed providers were authorized to meet demands brought about by welfare reform, she said, and added that it now may be time to create a process enabling licensure.

Responding, Stevens said not everyone wants to be in the business of providing officially licensed child care. He also said he has not heard reports of horrible situations resulting from the use of unlicensed child care but if there is abuse or neglect people have an obligation to report it.

Sen. Becky Lourey (DFL-Kerrick) then offered an amendment that requires all nonlicensed providers to be registered and requires counties to give each provider with health and safety information. It also requires parents to provide immunization records to the provider. The amendment also allows counties to offer an enhanced registration category with additional requirements—a background check, a licensing history check and completion of a self-declared health and safety checklist—for nonlicensed providers. Lourey called the amendment a middle ground in the debate that allows for more time to further research and discuss unlicensed child care issues.

Sen. Don Samuelson (DFL-Brainerd) said the amendment requires counties to be responsible for many new initiatives. He asked if counties will treat the amendment as an unfunded mandate. Sen. Pat Piper (DFL-Austin) said items such as background checks are extremely important, and asked why counties would object to such safety measures. She also said there are ways for counties to raise the money needed. Stevens said if a mandate is received from the state it is important that the state pay for it. He said it is not right to add costs to counties because of initiatives of the state. He added that the bill has no fiscal note but the amendment does have a fiscal impact. Berglin suggested that providers pay for background checks since they are not paying a licensing fee as licensed providers are. The amendment was adopted, and the bill was approved and sent to the Senate floor.

Hottinger offered H.F. 1660, which exempts from the definition of the unlawful practice of medicine employees of a tax exempt, non-profit organization operated primarily to conduct scientific research on causes of and cures for human diseases. The bill states that the employees must be engaged in research of a public health or educational nature and that research conducted on humans must be conducted under the supervision of one or more licensed physicians. The bill was approved and sent to the Senate floor.

Sen. Dallas Sams (DFL-Staples) presented S.F. 1966, which makes a number of changes in the areas of the Health Care Administrative Simplification Act, maternal and child health block grants and health occupation modifications. The bill was approved and re-referred to the Government Operations and Veterans Committee.

Samuelson carried S.F. 1714, a bill relating to the modification of state operated services. The bill establishes enterprise activities within state operated services beginning in the 2000-01 biennium. According to the bill, enterprise activities are the range of services needed by people with disabilities, which are delivered by state employees, and are fully funded by public or private third party health insurance or other revenue sources available to the client. The bill states also that state operated services must specialize in caring for vulnerable people for whom no

other providers are available. The bill also amends various provisions relating to chemical dependency treatment and the commitment of persons with sexual psychopathic personalities. The bill was approved and referred to the Health and Family Security Budget Division.

Sen. Cal Larson (R-Fergus Falls) offered S.F. 1894, a bill relating to Health Maintenance Organization (HMO) regulation. The bill transfers regulation of HMOS from the Minnesota Department of Health to both the Departments of Commerce and Health. The bill also transfers regulation of three other types of risk bearing entities permitted under recent legislation, such as integrated service networks (CISNS), health cooperatives and community purchasing agreements. Most sections of the bill are of technical nature. The bill was approved and referred to the Human Resource Finance Committee.

Health and Family Security Budget Division

Budget testimony heard

Members of the Health and Family Security Budget Division, chaired by Sen. Don Samuelson (DFL-Brainerd), met Thurs., Mar. 25, to hear public testimony regarding Gov. Ventura's proposed 2000-01 health and human services budget.

Steve Mork, administrator of Green Acres Care Center in North Branch, testified in support of S.F. 1281, authored by Sen. Janet Johnson (DFL-North Branch), which exempts the facility from certain case mix category and high cost operating cost per diem limits for Medical Assistance reimbursement purposes. Mork said the 135 bed nursing home is, like many other nursing homes in the state, experiencing a major labor crisis. Near the end of 1997, he said, Green Acres endured a significant staffing shortage for the first time in over a decade. He said the nursing home then experienced a loss of over \$400,000 in 1998, after which the advertising budget for the home was increased from \$6,000 to \$26,000. Mork said the formulas providing funds to nursing homes have not changed as the needs have changed and requested support for Johnson's bill to prevent Green Acres from closing or reverting back to become a possession of the county.

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Roberta Ouse, board chair of the Rothsay, MN based Living at Home Block Nurse program, spoke in support of S.F. 917, authored by Sen. Becky Lourey (DFL-Kerrick), which appropriates \$288,000 each year of the 2000-01 biennium to finance block nurse programs. The funding, said Ouse, provides funding to assist 12 additional communities in Minnesota begin block nurse programs. Ouse said the Living at Home Block Nurse program, currently located in 25 communities throughout Minnesota, helps the elderly live in their homes as long as possible. She said volunteers in the program combine with paid professionals to help the elderly with lawn or garden work, provide minor repairs, buy groceries, arrange for meals on wheels or provide conversation. Each program, she said, partners with a Medicare certified home care agency in the community to provide nursing services. Ouse also said the program saves the state money. She said the 16 programs that operated during the 1997-98 fiscal year delayed or averted admissions into a nursing home for 471 persons. The total estimated savings for 1997-98, she said, equaled approximately \$6.8 million.

Al Kluesner, co-founder of Suicide Awareness and Suicide Prevention (SAVE), testified in support of S.F. 1685, authored by Sen. Sheila Kiscaden (R-Rochester), which appropriates \$200,000 in 2000 and 2001 for suicide prevention grants. Kluesner said the money establishes the position of director of suicide prevention in the Minnesota Department of Health, creates a Suicide Prevention Advisory Council to serve as advisors for the director and develops education programs for primary care physicians and awareness programs to educate the public. Kluesner said doctors must be educated about suicide. Of those who have committed suicide, he said, 71 percent visited a doctor one month prior to their death and 47 percent saw a doctor one week before their death. He said although suicide is classified with homicides in Minnesota, suicide is a health issue and strategies should be developed to prevent it.

Linden Gawboy, representing the Minnesota Welfare Rights Coalition, spoke regarding the many Minnesota Family Investment Program (MFIP) bills before the committee. Gawboy spoke to support S.F. 966, authored by Sen. Linda

Berglin (DFL-Mpls.), which reduces sanctions related to MFIP. She said not only are the sanctions cruel, but in many cases they are not applied correctly. The bill, she said, moves toward solving some gross injustices. Gawboy also supported S.F. 963, carried by Sen. John Hottinger (DFL-Mankato), which adds an exclusion for 100 percent of earned income during the first 120 days of employment. She said MFIP benefits are cut immediately when people obtain jobs, which doesn't allow people a chance to "get on their feet." A grace period should be established, she said.

Higher Education Budget Division

Health workers bill studied

The Higher Education Budget Division, chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls), heard a bill requiring Minnesota State Colleges and Universities (MnSCU) to offer a short-term health care and human services course. The bill, S.F. 915, was presented by Sen. Sheila Kiscaden (R-Rochester) at the meeting Tues., Mar. 30.

The bill establishes a health care and human services worker training and retention program and establishes a funding mechanism for the program. The bill establishes a health care education grant program under the supervision of the Higher Education Services Office (HESO) to provide grants to employees and potential employees to complete a post-secondary degree or certificate in a health care or human services field. Workers may earn \$2 in scholarship assistance for each hour worked, up to \$3,000 per year.

Kiscaden said the bill requires MnSCU to develop a short-term, competency-based, standardized curricula in health care patient services and community support services for persons with long-term care needs. Under the bill, MnSCU is also required to develop a plan to offer credit hours for all education and training provided by MnSCU board facilities as part of a system that allows all credit hours to be counted toward the requirements of two- and four-year degrees. The bill provides for an appropriation to HESO for provision of the grants and program.

Kiscaden said the bill was put together

to address a severe problem of a shortage of health care workers in Minnesota. She said the bill focuses on employees working in the long-term care industry, whose compensation is very low. Kiscaden said long-term care facilities have trouble recruiting and retaining workers and the annual turnover rate is 50 to 60 percent.

Sen. Linda Berglin (DFL-Mpls.) said the idea behind the bill is to create a career ladder, with high school students able to receive training in high school for long-term care facility jobs. She said that distance schooling can be provided so that graduates from rural areas can stay in the area and work in the health care field while getting their education.

An amendment, offered by Sen. Cal Larson (R-Fergus Falls), provides that part-time students are eligible for assistance for the same percentage of education-related costs as is available to full-time students. The amendment requires at least a 50 percent match from local resources for training and education costs. Kiscaden said the match can be in the form of day care, transportation or payment for training. The amendment also specifies that high school students participating in a training and retention program must not work more than 20 hours per week while school is in session. The amendment was adopted. The bill was temporarily laid on the table for appropriations study.

Sen. Keith Langseth (DFL-Glyndon) authored S.F. 1058, a bill that appropriates \$4.1 million to MnSCU for capital improvements at Moorhead State University (MSU). The money is to be used for demolishing structures, eliminating blight and constructing parking facilities on recently acquired land at MSU. The bill provides the money be appropriated from state bonds.

Dr. Roland Barden, MSU president, said the decision to expand the campus has resulted in an ongoing process to purchase more land. He said over \$5 million appropriated to date has been used for acquisition of the land. He said the city of Moorhead and MSU want the parking lot construction completed this year. Scott Hutchins, community development director for Moorhead, said the city has offered to finance some portion of the cost of the project. He added that it is in the interests of everyone concerned to finish the project

this year. An amendment, offered by Larson, changed the amount of the appropriation requested to \$3.7 million. The amendment prevailed.

An amendment, offered by Sen. Steve Murphy (DFL-Red Wing), authorizes MnSCU to accept city funds to assist with the project. The amendment provides that the total cost of the project is not to exceed \$4.1 million. The amendment was adopted. The bill was approved and re-referred to the Children, Families and Learning Committee.

S.F. 337, a bill authored by Sen. Becky Lourey (DFL-Kerrick), authorizes MnSCU to accept federal money for construction of a technology center at Pine Technical College (PTC) in Pine City. Lourey said \$800,000 in federal funds is being requested.

"The grant requires us to make a match," said Robert Musgrove, PTC president. "We have to prove our region is distressed, which is not hard with the unemployment rate." He said no extra expenses are incurred by applying for the federal grant. The bill was approved for consideration in the omnibus bill.

Jobs, Energy and Community Development

State telecom bill advances

A bill attempting to hasten the arrival of advanced telecommunications services to rural Minnesota by using the private sector telecommunications providers advanced out of the Jobs, Energy and Community Development Committee Mon., Mar. 29.

Sen. Mark Ourada (R-Buffalo), sponsor of S.F. 1784, said the issue that the committee has to decide is whether or not the state wants a competitive bidding process that won't take away from the deployment of new technologies in rural Minnesota. Under the bill, state telecommunications needs may be met by private sector providers who must submit competitive bids for the service contracts.

Dept. of Administration Commissioner David Fisher said that the Federal Telecommunications Act was passed to pressure telecom providers to provide the newest technologies at the lowest cost. However, Fisher said, there has been no significant increase in competition in most areas of the country. He said that the state has purchased its own right of

way and built its own network for state agency use.

Sen. Steve Kelley (DFL-Hopkins) said he was concerned with the bill. He said that if state agencies are allowed to seek separate bids for telecom services, the reduction in use volume won't be sufficient to qualify for discounted rates, and it will cost taxpayers more. Ourada countered that, under the bill, if the state is the best telecom service provider, it can continue to provide the service. The bill, he said, just gives the private sector a chance.

Several state agency representatives expressed various concerns with the bill, though. Dale Good, an information technology specialist with the state court system, said private sector providers may not be able to meet the security requirements of the court information system. Good conceded that a private service provider might be able to address the security needs, but the cost could be prohibitive. Robert Johnson, Dept. of Public Safety, said the state needs to monitor the entire system in case of systemic problems. That wouldn't be possible with private providers he said. However, Ourada's motion to approve the bill and send it to the Governmental Operations and Veterans Committee prevailed.

The panel also heard a related bill, S.F. 1785, also carried by Ourada, requiring private sector telecommunications service providers to provide a discounted pricing plan to state agencies for basic and advanced services. Ourada said the bill allows companies to come together to offer services to the state and foster the provision of a broader range of services within a geographic area of the state. The bill was approved and sent to the Senate floor.

Finally, the committee heard a bill sponsored by Sen. Steven Novak (DFL-New Brighton), chair of the committee. The bill, S.F. 1253, regulates prelease deposits, money given to a landlord by a prospective tenant to reserve rental property before a lease is signed. The bill limits the amount of the prelease deposit to half of the first month's rent if the monthly rent is less than \$800. The bill also provides that the deposit must be returned within five days if the prospective tenant decides against renting the property and a penalty of twice the amount of the deposit if the landlord violates the law. Sen. Linda Runbeck (R-Circle Pines) said that the penalty was

excessive. Her motion to reduce the penalty to 125 percent of the deposit failed. The bill was approved and sent to the Senate floor.

Job reference bill tabled

A bill protecting employers from litigation in connection with disclosing job reference information was heard by the Jobs, Energy and Community Development Committee, Tues., Mar. 30. Sen. Steven Novak (DFL-New Brighton) chairs the committee.

S.F. 499, authored by Sen. John Hottinger (DFL-Mankato), provides that no action may be maintained against an employer who discloses information about an employee to a prospective employer unless the employee provides clear and convincing evidence that the information was false and defamatory, and the employer knows the information is false and acts with malicious intent to injure the employee. "The goal of the bill is the start the effort to change employer behavior so information is exchanged," Hottinger said. He said the bill also provides that upon written request, an employer may disclose the employee's dates of employment, compensation and wage history, job description and duties, training and education provided by the employer, acts of violence, theft, harassment, or illegal conduct documented in the personnel record which resulted in disciplinary action or resignation.

Hottinger said the bill was amended after it was heard by the the Judiciary Committee. He said a provision was added providing that an employee who is separated from employment may review the employee's personnel file at any time after the separation if it has been at least one year since the employee previously reviewed the record. He said the amendment was an effort to balance the rights of the employer to disclose information, with the rights of the employee to know what information was being disclosed.

Ellen Sampson, a labor employment attorney from Leonard, Street and Deinard, said the bill helps employers get meaningful information about a prospective employee from a current or previous employer. "Most employers are reluctant to give recommendations. They have been told it is legally dangerous and are advised to only give the most basic information," Sampson said. She said

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currently many businesses conduct criminal investigations and credit checks on prospective employees in lieu of reference checks. She said this gives the employers personal information about a prospective employee that often should remain private.

Dr. Tom Wilson, the principal of Eagan High School, said the bill would have helped prevent a situation he encountered in hiring a physics and chemistry teacher. Wilson said he hired the teacher after getting a strong reference from a previous employer. He said within fifteen days of hiring the teacher, several female students had filed sexual harassment allegations against the teacher. He said the teacher later got a job in the Spring Lake Park school district, where he raped a 15 year old student. "It's common sense that we ought to be able to get enough information to learn who we are hiring," Wilson said.

Bernard Brommer, president of the Minnesota AFL-CIO, said the bill which is supported by business groups, gives more protection to employers than employees. "There has been a lot of talk by the proponents of the bill that this is about protecting workers," Brommer said, "They say they want to tell the world about good employees and give good references under the guise of protecting workers. But the employers hold all the cards." Brommer said the state spends money publishing a Dept. of Trade and Economic Development guide educating businesses on employment issues relating to giving reference information even though more employees than employers know less about their rights. He said if the state is really interested in protecting workers rights, it should begin publishing a similar guide for employees.

Sen. Steve Murphy (DFL-Red Wing), said as a member of a union he has found that it is up to the union to deal with bad employees. "No matter where you go there are 90 percent good workers and 10 percent bad. But it's up to the rank and file to get rid of the bad," he said. He moved to lay the bill on the table. The motion was approved by an 11-8 vote.

Four bills approved

Members of the Jobs, Energy and Community Development Committee held an evening meeting Tues., Mar. 30, to continue hearing bills leftover from the morning hearing.

S.F. 977, authored by Sen. Edward Oliver (R-Deephaven), transfers \$450,000 of the amount appropriated to the Office of Technology for development of a United Nations trade point to the Minnesota World Trade Center Corporation. Oliver, a Senate appointed director of the corporation, said the corporation is a partnership between the public and private sectors, addressing international trade issues. He said for approximately the past ten years, the organization has received no state money for operating revenues, and that staff from the Minnesota Trade Office have handled the day to day operations. Oliver said the appropriation will be used to help pay for operating costs and to replace conference center equipment in need of repair. He said the United Nations trade point project never got off the ground and that the original appropriation has been returned to the general fund. The bill was approved and sent to the Economic Development Budget Division.

The committee chair, Sen. Steven Novak (DFL-New Brighton), offered S.F. 1357, a bill that modifies the Conservation Improvement Program (CIP) which requires utilities to spend a portion of their gross operating revenues on energy efficient and energy conservation projects. Novak said the bill provides that a customer with a connected electric load of 20,000 kilowatts or greater can opt out of CIP by petitioning the Dept. of Public Service. He said the bill also allows for CIP money to be spent on research and development projects and on recycled and reclaimed materials used in the electric or gas system infrastructure. "The bill affects 12 or so very large industrial customers who could save over \$4 million a year and make them more competitive as they try and cope with an adverse world market," Novak said. He said he had worked with representatives from industries and environmental groups to address any concerns with the bill. The bill was approved and sent to the Senate floor.

S.F. 233, authored by Sen. David Ten Eyck (DFL-East Gull Lake), requires that the definite and specific description on easements on property by a public service corporation be the minimum necessary for the safe conduct of business of the corporation and that the description applies to every easement regardless of

when it was acquired or created. Jim Neilson, from the Minnesota Bar Association, said a provision is included in the bill stating that the change applies retroactively to all easements whenever created, to address a recent Minnesota Supreme Court ruling that the blanket easement law passed in 1993 could not be applied retroactively. Neilson said the original law was meant to be retroactive and that S.F. 233 merely clarifies the intent of the original legislation. The bill was approved and sent to the Senate floor.

S.F. 971, authored by Sen. Randy Kelly (DFL-St. Paul), requires the Dept. of Economic Security to collect information regarding employment and training programs that receive state or federal funds and prepare a report for the Legislature by January 31, 2000. Jim Korkki, from the department, said the information that must be collected includes general information about program policies, operations, costs, and funding sources, as well as program effectiveness in placing participants in jobs at certain wage levels. Korkki said there are 50-60 such programs administered by 12 different state agencies. He said the appropriations to the programs total over \$89 million in state money. The bill was approved and sent to the Senate floor.

Judiciary

Visitation rights bills heard

The Judiciary Subcommittee on Family Law heard bills regarding visitation rights at the evening meeting Thurs., Mar. 25. The subcommittee is chaired by Sen. Leo Foley (DFL-Coon Rapids).

Sen. Roy Terwilliger (R-Edina) presented S.F. 1646, a bill that allows certain extended family members to petition for visitation rights with a child under certain circumstances. The petition applies if a child spent at least one night per week for one year in the home of the specified extended family member. According to the bill, the court must grant the petition if it finds that visitation is in the best interests of the child and does not interfere with the parent and child relationship.

Under the bill, in determining the best interests of a child, the court must consider the amount of personal contact between the family member and the child

in the past; the emotional ties that have existed; and the need for the child to have interaction with family members besides the custodial parent.

Brad Peterson of Edina spoke on behalf of the bill. He said he had been in close contact with a child in his extended family, and the custodial parent had addictions and gambling problems. He said when he confronted the parent with the need to get help, the parent cut off all contact between Peterson and the child. "No regard was given for the child's feelings or needs," Peterson said. He said the child is residing with the parent in a motel and is not being allowed to interact with other children.

Steve Arnott, chair of the Legislative Committee of the Family Law Section, Minnesota State Bar Association (MSBA), said the Family Law Section opposes the bill. He said the bill would lead to increased litigation battles between parents and non-parents, with the child caught in the middle. "The law has long recognized that parents need to be free of government to make decisions regarding their children," Arnott said. He added that if a child requires protection, the state then has a right to intervene.

Sherry Olson-Kelm also testified against the bill, saying she has been involved in a five-year litigation fight trying to prevent her mother from visiting Olson-Kelm's daughter. "I have dealt with hundreds of parents involved in such cases," she said, "and nothing positive comes out of the situation." She said the visitation rights should be a personal, private family issue.

Sen. Don Betzold (DFL-Fridley) said the dream solution to Peterson's situation might prove a nightmare solution to someone else's case. "We are working on statewide legislation here," he said. The bill was referred to the Judiciary Committee without recommendation.

Foley authored S.F. 1686, a bill that provides for visitation rights between a child and a foster sibling of a child. Attorney Jack Hennen spoke in support of the bill, citing the case of a foster parent who took in a 5-month-old child, born addicted to crack and cocaine. She also took care of the child's half-brothers and half-sisters. After five years, she was in the process of adopting the child, according to Hennen, when the child's father established a relationship with the child. He received custody of the child,

and although the judge pleaded with him to allow the child to maintain contact with her foster siblings, the father permitted no further contact. Hennen said the child, however, remembered the foster mother's phone number and after four years, began calling her. The child finally convinced her father to let her contact her foster siblings, and saw them for the first time in four years.

Betzold said he is concerned whether the bill takes away any discretion from the court. "The bill would have been good for this situation—would it be good for others?" he asked.

Amendments were offered that specify a petition for visiting rights must have the approval of the foster parent; the court may, rather than shall, grant the petition for visitation rights; and the foster siblings must have resided together at least one year. All were adopted. The bill was recommended to pass and sent to the floor.

Job reference bill okayed

A bill providing protection for disclosing job reference information was the sole topic of discussion at the Fri., Mar. 26, Judiciary Committee meeting. The bill, S.F. 499, limits causes of action against an employer or former employer who provides information about an employee to a prospective employer. The measure, sponsored by Sen. John Hottinger (DFL-Mankato), does, though, provide that if the employee or former employee demonstrates by clear and convincing evidence that the information was false and defamatory, that the employer knew or should have known that the information was false and acted with malicious intent to injure the employee and the information caused harm to the employee, then the employee can bring an action.

The bill also spells out the type of information the employer may disclose and indicates other types of information, such as written job performance evaluations and written disciplinary warnings and actions, that may be disclosed upon written authorization of the employee.

The committee, chaired by Sen. Jane Ranum (DFL-Mpls.), heard extensive testimony from proponents and opponents. Proponents contend that employers are not able to get information about prospective employees because former employers are afraid of lawsuits. Ellen

Sampson, a labor and employment attorney, said that the bill is good public policy and that the goal is to provide relevant information. "Now, neither good or bad references are being given so prospective employers are seeking information from other sources such as credit histories," Sampson said.

Opponents, on the other hand, said that the standard of evidence was too high and that employees are too vulnerable under the bill. Judy Schermer, an attorney, echoed the concern that the standard of clear and convincing evidence is too high. In addition, Schermer said the bill should be amended to specify that there must be a written request for a reference.

Hottinger responded that the bill allows employees to have a chance to know what has been disclosed and to whom. He also said that, under the bill, the employee has a paper trail to provide protection.

Sen. Deanna Wiener (DFL-Eagan) offered an amendment deleting language that allows an employee to waive the right to have an employer provide a copy of a disclosure relating to job performance evaluations, disciplinary warnings and actions and reasons for separation. The amendment was adopted. Members also adopted an amendment, offered by Wiener, that provides a definition of personnel record. The committee failed to adopt an amendment, offered by Sen. Linda Berglin (DFL-Mpls.), requiring employers to disclose acts of violence, theft, or other illegal activity in the workplace or harassment in the workplace to a prospective employer. Sen. Thomas Neville (R-Northfield) offered an amendment, which was adopted, to eliminate the requirement to show harm before an employee could file suit.

Sen. Allan Spear (DFL-Mpls.) offered an amendment to change the clear and convincing standard to the standard of requiring a preponderance of the evidence. The panel, though, failed to adopt the amendment. Members did adopt an amendment, offered by Neville, eliminating the rule that an employee may only review his or her personnel record once within one year of separation. Under the amendment, the employee may review the personnel record once at any time within one year after separation and at any time after that if it has been at least one year since the

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employee previously reviewed the record. The amendment also specifies that employers are not required to maintain a personnel record for more than one year after an employee is separated from employment. The bill was approved and re-referred to the Jobs, Energy and Community Development Committee.

The committee also approved S.F. 436 and advanced the measure to the floor. The bill, authored by Sen. Leo Foley (DFL-Coon Rapids), limits liability for 911 dispatchers providing prearrival medical instruction.

Ride safety reviewed

A bill regulating the safety of persons on amusement rides was brought before the Judiciary Committee, which met for the second time that day Mon., Mar. 29. The committee is chaired by Sen. Jane Ranum (DFL-Mpls.).

Sen. Sam Solon (DFL-Duluth) presented S.F. 218, a bill that adds provisions dealing with rider conduct and qualifications for amusement rides and owner notices. The bill requires a rider, or the parent or guardian of a minor rider, to report in writing to the ride operator any injury sustained on an amusement ride before leaving the amusement owner's premises. The failure to report the injury, however, does not affect the rider's right to commence a civil action. The bill also cites a code of conduct for a rider to adhere to that includes following safety rules and oral instructions for an amusement ride, as well as a description of rider qualifications. Under the bill, the rider must not act in a manner that may contribute to injuring the rider or others. S.F. 218 also lists the responsibilities of an amusement ride owner and describes the signs that must be posted at ride locations.

Greg Fontaine, counsel for Camp Snoopy and Valleyfair, said he believes the bill makes sense. He said 80 percent of amusement ride injuries result from rider misconduct and noted that 16 other states have adopted legislation regulating the safety of persons on amusement rides. Fontaine added that the bill is not retroactive and does not apply to the fatal injury of a child at Camp Snoopy last year.

Joel Carlson, representing the Minnesota Trial Lawyers Association (MTLA), said he has concerns with the bill. He said he believes the bill can be used as a

lever to deny those injured on an amusement ride their rights to receive compensation.

An amendment, offered by Sen. Don Betzold (DFL-Fridley), provides that a rider must not, without the consent of the ride operator, use the controls of an amusement ride designed solely to be operated by the ride operator. The amendment was adopted.

Sen. Leo Foley (DFL-Coon Rapids) said he is concerned that the bill shifts responsibility from the owner to the rider. He said he also is concerned about the effect of warning signs on riders who do not speak English. The bill was tabled.

S.F. 1308, authored by Sen. David Ten Eyck (DFL-East Gull Lake), provides for a transfer of responsibility for funding various costs of the state trial court system from counties to the state. The bill specifies that certain expenses in each judicial district, such as transcript costs, guardian ad litem costs, supplemental jury costs and interpreter costs, are to be gradually transferred to the state in the next two biennia. According to Ten Eyck, the Eighth Judicial District has been state-funded as a pilot project since January 1990. The bill makes the state funding permanent. Under the bill, beginning in FY 2000, the entire court administration cost in the Fifth, Seventh and Ninth Judicial Districts is to be state funded. The bill provides that court employees in the districts who are now county employees will become state employees, with a right to collective bargaining.

Under S.F. 1308, the issue of funding court appointed attorney services for civil matters is to be studied by a task force appointed by the Supreme Court. The bill provides that counties retain responsibility for meeting the office and courtroom space needs of the court system.

Sue Dosal, State Supreme Court administrator, said the main purpose of the bill is to phase county funding to state funding. "I think it's a very significant step in the right direction, and the policy makes a lot of sense from all perspectives," she said. Ranum asked why the transfer to state funding is not being planned for the Metro Area. Dan Mabley, chief judge for Hennepin County District Court, said Hennepin County is funded with property tax dollars. "Our needs are met by a combi-

nation of state and local funding," he said, "and in the Metro we have different needs." He added that Hennepin County will watch the process, which may be a good idea for other districts to reconsider. Mabley said the county board is concerned with the limitations on county funding. He said personnel costs and cost-of-living raises will exceed the levy limits next year. Dosal said Greater Minnesota counties do want to retain responsibility for facilities. She said the counties are concerned that if the state provides facility funds, some of the facilities may be closed.

An amendment, offered by Ranum, calls for the Supreme Court and chief judges to begin working on a plan for state assumption of court administration costs in every judicial district. She said that if the bill provides a good public policy, it should be adopted in the Metro Area. The amendment incorporates language requesting a report to the Legislature with the results of the plan by Jan. 15, 2000. The amendment was adopted. The bill was approved and re-referred to the Crime and Judiciary Budget Division.

S.F. 1497, a bill authored by Sen. Dave Kleis (R-St. Cloud), creates a lien and a right of detainer for reasonable charges for a vehicle rented as a replacement for a vehicle serviced or repaired and being retained. "Under current law, if an individual doesn't pay for the costs at a repair shop, the dealer can hold onto the car," Kleis said. The bill was recommended to pass and sent to the floor.

Liability bill discussed

A bill changing the way joint and several liability is apportioned was the topic of the Mon., Mar. 29, meeting of the Judiciary Committee. The panel, chaired by Sen. Jane Ranum (DFL-Mpls.), heard testimony and debated the measure, S.F. 282, before laying the bill on the table.

Current law provides that any party found greater than 15 percent at fault for an injury can be required to pay up to 100 percent of any court award if other defendants cannot pay it. In addition, current law also specifies that any party found less than 15 percent at fault for an injury may be required to pay up to four times their percent of fault if other defendants cannot pay. The bill, sponsored by Sen. John Hottinger (DFL-

Mankato), specifies that only parties whose fault is greater than 50 percent would be jointly and severally liable for an entire award and other parties would be liable for their percentage of fault.

Proponents of the measure argued that the bill makes the apportionment of liability more fair. Richard Thomas, Minnesota Defense Lawyers Association, said, "The bill has a symmetry to it that is not available in current law—that you are responsible for that which you do or cause." Jack Hennen, League of Minnesota Cities, said current law reduces cases to "whose got the money," and often results in local units of government being named as party to an action because government is perceived as having "deep pockets." Hennen added, "The real cost of joint and several liability now is that fear causes cases to be settled out of court. Those who are fiscally irresponsible but most negligent get a free ride at the expense of those who are most fiscally responsible."

However, opponents argued that the change makes it more difficult for those who have been injured to get fair compensation. Several individuals who have been injured, through no fault of their own, argued that the bill protects large corporations at the expense of individuals who have been injured. Randy Danielson, testifying as a private citizen, urged the members to defeat the bill. "Consumers must rely on elected representatives to protect us, we have no way to defend ourselves against those who are trying to escape paying for that which they are responsible for," he said.

Sen. Don Betzold (DFL-Fridley), citing the full committee schedule before the second committee deadline and the number of individuals waiting to testify, moved that the bill be laid over. Members adopted the motion.

K-12 Education Budget Division

QEO debated

The qualified economic offer for teacher contracts was debated at the Fri., Mar. 26, meeting of the K-12 Education Budget Division. The division is chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

Sen. Thomas Neuville (R-Northfield) offered S.F. 1132, a bill providing for a

qualified economic offer (QEO) in teacher contracts. In the bill, if a school board offers teachers a biennial contract that includes a percentage increase in total compensation at least equal to the percentage increase in the general education formula for the first year of that contract, the teachers may not strike for issues relating to the total compensation for the years covered by that contract.

The QEO is a tool to help school districts protect class size and program offerings, a way to protect teachers from layoffs, and a method of creating a better balance between school district revenues and expenses, said Jim Bartholomew, Minnesota Business Partnership. Cheryl Furrer, Education Minnesota, said she opposes the bill because the current law works and does not need to be changed. Minnesota has had a long history of support for local control of educational issues – but the bill changes the direction away from local control, she said. No formal action was taken on the bill.

Sen. Leonard Price (DFL-Woodbury) sponsored S.F. 1836, a bill providing a grant relating to deaf and hard of hearing children. The bill provides for grants to nonprofit organizations that provide services to families with deaf or hard of hearing children up to eight years old. Bruce Hodak, Dept. of Human Services, said the grant funds vitally needed services such as early identification programs in hospitals. He said when hospitals identify infants with hearing loss, the parents are able to get immediate assistance. Young children who are deaf and hard of hearing have a difficult time with one on one communication with peers and role models. The services funded by the grant help the children to learn more effective communication, he said. The bill was recommended for inclusion in the K-12 omnibus bill.

A bill exempting teachers of oral deaf education from the requirements for American Sign Language was offered by Sen. Linda Runbeck (R-Circle Pines). The bill exempts teachers of oral/aural deaf education from the Board of Teaching's American sign language guidelines for licensing teachers of deaf or hard of hearing students. The bill creates parallel licensing for teaching oral/aural deaf education, said Runbeck. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Sandra Pappas (DFL-St. Paul) presented S.F. 755, a bill continuing the support of the learn and earn graduation achievement program. The bill appropriates money to aid local communities in decreasing youth crime and improving the secondary education success and increasing the post-secondary education opportunities of low-income students who reside in poverty-ridden communities. The bill was recommended for inclusion in the K-12 omnibus bill.

A bill modifying requirements for English as a second language programs was sponsored by Sen. Sheila Kiscaden (R-Rochester). The bill specifies that a person who possesses a bachelor's or master's degree in English as a second language, applied linguistics or bilingual education is permitted to teach English as a second language in an adult basic education program. Currently, a person teaching English as a second language in an adult basic education program must hold a K-12 teachers license. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Gen Olson (R-Minnetrista) offered S.F. 1249, a bill providing funding for the Minnesota Foundation for Student Organizations. The mission of the foundation is to promote and support vocational student organizations as they work to provide student opportunities for leadership, personal development, community service and career preparation. The student organizations served by the foundation include Business Professionals of America, Distributive Education Clubs of America, Future Farmers of America, Future Leaders of America/ Future Homemakers of America, Health Occupations Students of America, Vocational Industrial Clubs of America and others.

The bill was recommended for inclusion in the K-12 omnibus bill.

Bills advance

The K-12 Education Budget Division met Sat., Mar. 27, to consider 17 bills for possible inclusion in the K-12 omnibus bill. The division is chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

Sen. Thomas Neuville (R-Northfield) sponsored S.F. 574, a bill making persons convicted of criminal sexual conduct ineligible to be licensed teachers. The bill requires that the Board of Teaching, or the State Board of Education, which-

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ever has the jurisdiction over a teacher's licensure, take away or refuse to issue a teacher's license upon receiving notice that the teacher has been convicted of criminal sexual conduct. The bill also requires the licensing board to send notice of such action to the district in which the teacher is currently employed. The bill was recommended to pass and re-referred to the Children, Families and Learning Committee.

Neuville also offered S.F. 1483, a bill providing for site council recommendations for board appointments and clarifying provisions relating to the Minnesota State Academies. The bill prescribes the duties of the Board of the Minnesota State Academies and increases the membership of the board from seven to nine members. The bill also allows each academy's site council to make board member recommendations to the governor. The bill was recommended for inclusion in the K-12 omnibus bill.

Another bill relating to the Minnesota State Academies, S.F. 1981, was sponsored by Neuville. The bill authorizes a grant to the Faribault School District for the district's unreimbursed costs associated with activities designed to provide kindergarten through grade 12 educational services to students enrolled in the Minnesota State Academies. The bill also gives levy authority to the Faribault School District for the purpose of eliminating a budget deficit. The bill was recommended for inclusion in the K-12 omnibus bill.

A bill providing lease aid to area learning centers was presented by Sen. Linda Scheid (DFL-Brooklyn Park). The bill, S.F. 1988, specifies that when an area learning center or a contracted alternative school finds it economically advantageous to rent or lease a building or land for any instructional purpose and it determines that the total operating capital revenue is insufficient for such a purpose, it may apply for building lease aid. Scheid also offered S.F. 1626, a bill authorizing a facilities grant to the Brooklyn Center School District for the replacement of two boilers and one chiller. Both bills were recommended for inclusion in the K-12 omnibus bill.

Sen. Jerry Janeczich (DFL-Chisholm) sponsored S.F. 1284, a bill expanding the Minnesota Talented Youth Project. The bill appropriates \$145,250 in FY 00 and \$175,354 in FY 01 for a grant to the

South Central Service Cooperative for the project. The bill was recommended for inclusion in the K-12 omnibus bill. Janeczich also offered S.F. 1232, a bill appropriating grants to the Nett Lake School District for insurance premiums, unemployment compensation, maintenance costs and a media specialist. The bill was recommended for inclusion in the K-12 omnibus bill.

A bill appropriating money for a natural science education coordinator for Como Park was sponsored by Sen. Sandra Pappas (DFL-St. Paul). The bill, S.F. 1026, specifies that the coordinator develop curricula in the area of natural sciences including botany, horticulture and zoology, and that the curricula must be developed with the involvement of educators throughout Minnesota. The bill was recommended for inclusion in the K-12 omnibus bill.

Pappas also offered S.F. 351, a bill providing transportation grants to school districts that use public transportation to transport secondary students to and from school. The bill specifies that districts receiving the grants must match \$1 of district money for every \$4 of grant money received. The bill was recommended for inclusion in the K-12 omnibus bill. A third bill offered by Pappas, S.F. 1507, modifies area learning centers to include programs for children who speak a language other than English. The bill was also recommended for inclusion in the K-12 omnibus bill.

A bill establishing a class size project in the Centennial School District was presented by Sen. Jane Krentz (DFL-May Township). The purpose of the project is to establish that significantly lower class size and instructor-to-learner ratios in a suburban community will result in measurable achievements for students, staff and parents. The bill, S.F. 718, was recommended for inclusion in the K-12 omnibus bill.

Janeczich offered S.F. 454, a bill providing for a secondary student technical program, and S.F. 455, a bill providing for a grant to the Range Association of Municipalities and Schools. S.F. 454 provides for a program to provide two to three weeks of training for students in grades 11 and 12 at the Mesabi Range Community and Technical College to assist students in satisfying state graduation standard requirements. S.F. 455 provides for a grant to the Range

Association of Municipalities and Schools to provide a coordinated response to declining enrollment in the region's school districts, including analysis of curriculum, transportation and district administration. Both bills were recommended for inclusion in the K-12 omnibus bill.

Scheid proposed S.F. 1627, a bill creating funding for basic skills intervention programs. The bill specifies that the program must provide intensive tutoring to eligible students after the regular school day or on Saturday. The bill was recommended for inclusion in the K-12 omnibus bill.

Bills not recommended for inclusion in the K-12 omnibus bill include S.F. 1998, a bill sponsored by Neuville and S.F. 1459, offered by Sen. Martha Robertson (R-Minnetonka). S.F. 1998 authorizes a grant to the Northfield School District for the Northfield Community Resource Center. S.F. 1459 provides for an optional form of school district organization and provides for school boards to contract for school district services.

Bills discussed

The K-12 Education Budget Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met Tues., Mar. 30, to consider bills for inclusion in the K-12 omnibus bill.

Sen. Jim Vickerman (DFL-Tracy) sponsored S.F. 929, a bill appropriating money for the high school student-run business project at the Westbrook School District. The bill specifies that the appropriation be used for salaries, travel, seminars, equipment, contractual expenses and other expenses related to the operation of the student-run business.

Tim Sell, student CEO, B.O.L.T. Enterprises, told members B.O.L.T. Enterprises is housed at Westbrook High School and produces a product called Prairie Smoke Bar-B-Que Sauce. Sell said the goals of the project are to continue the project through the sale of the product, to have the high school become a demonstration site for entrepreneurship education in Minnesota, and to create a directory of student entrepreneurship projects for the state. The bill was recommended for inclusion in the K-12 omnibus bill.

A bill authorizing a technology grant for the Hayfield School District was offered by Sen. Dick Day (R-Owatonna).

The bill, S.F. 1670, appropriates money to purchase and install cable and wiring, provide network and Internet capabilities, purchase new computers and ensure appropriate telecommunications access throughout the school district. Beverly Elias, technology instructor, said a large portion of the technology in the district is obsolete and presently, the district does not have equal access to technology. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Edward Oliver (R-Deephaven) presented S.F. 1885, a bill appropriating money for a planning grant to the Chaska School District. The bill appropriates \$400,000 in FY 00 for a capital planning grant to the Chaska School District, as fiscal agent for the Eastern Carver Community Collaborative Project. Collaborating on the project are the Chaska School District, the Minnesota Landscape Arboretum, the University of Minnesota, the new District 112 elementary school, and Holy Family Catholic High School. Oliver listed some of the key points of the project including the goals of improving science education statewide by providing an active resource center and creating a model for an education resource center which can be emulated statewide. The collaboration between several levels of government and several levels of education improves K-12 education regionally and statewide. Pogemiller reminded members that this is not a capital funding year, but that the committee will continue discussion on the bill. No formal action was taken on the bill.

"According to a recent study, 24 out of the top 30 occupations experiencing rapid growth require technical expertise," said Sen. Steve Murphy (DFL-Red Wing). S.F. 1467, authored by Murphy, establishes the Minnesota Career and Technical Education Leadership Council. The purpose of the council is to develop recommendations to the Legislature and the governor, provide review for career and technical education programs in the state and to serve as a link between the business/occupational sector and the career and technical education system. The bill was re-referred to the Children, Families and Learning Committee without recommendation.

Sen. Dallas Sams (DFL-Staples) sponsored S.F. 1737, a bill correcting the pupil count for the Wadena-Deer Creek

School District. In the bill, the compensatory revenue for the school district must be recalculated based on the corrected pupil enrollment information for the October 1996 count of pupils eligible for free or reduced price meals. Pogemiller said the situation will be examined to determine if there is something unique about it. He said providing exceptions for individual school districts is an uphill battle – if it is done for one district, it must be done for all districts. No formal action was taken on the bill.

Two bills relating to secondary career and technical education were discussed. Sams offered S.F. 1319, a bill changing the name of the secondary vocational program to the secondary career and technical education program and amending the formula for the amount of aid to 50 percent of the district's approved expenditures. Sen. LeRoy Stumpf (DFL-Thief River Falls) sponsored S.F. 647, a bill restoring minimum funding for secondary vocational programming. Both bills were recommended for inclusion in the K-12 omnibus bill with the funding level to be determined.

Bills advance

The K-12 Education Budget Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met Tues. evening, Mar. 30, to discuss bills for possible inclusion in the K-12 omnibus bill.

Sen. Allan Spear (DFL-Mpls.) sponsored two bills relating to violence prevention through the arts. S.F. 1373 establishes a grant program aimed at preventing violence by engaging young people in programs featuring the creation and development of songs, performances and educational resources. S.F. 1945 appropriates money for a grant program to fund statewide programs to create and develop theatrical plays, workshops and educational resources based on peer education models that promote increased awareness and prevention of sexual abuse, interpersonal violence, emotional violence and sexual harassment in young people. Both bills were recommended for inclusion in the K-12 omnibus bill.

A bill providing for substitute teacher state-paid medical benefits was offered by Sen. Ember Reichgott Junge (DFL-New Hope). The bill, S.F. 1349, provides medical benefits for substitute teachers who worked 120 days during the previous

school year. No formal action was taken on the bill. Junge also sponsored S.F. 1754, a bill authorizing a grant for the Metro Homework Hotline. The bill specifies that assistance to students be available five days a week and that each \$1 of state revenue be matched with \$2 of local or private funding or in-kind contributions. The bill was recommended for inclusion in the K-12 omnibus bill.

Pogemiller offered S.F. 430, a bill appropriating money to fund the Minnesota International Center's international classroom connection. The program encourages and fosters contacts between school children, their teachers and people from other nations. A bill appropriating money for the Center for Victims of Torture was also sponsored by Pogemiller. S.F. 429 provides training, consultation and support services in public schools with significant populations of traumatized refugee and immigrant students. Pogemiller also presented S.F. 969, a bill providing a grant to Education Minnesota for an actuarial study of current and future health plan options for public school employees. All three bills were recommended for inclusion in the K-12 omnibus bill.

Sen. Charles Wiger (DFL-North St. Paul) offered S.F. 2037, a bill appropriating money for the Youth Works program. The appropriation is to support programs and members in performing community service. Wiger also sponsored S.F. 1343, a bill providing for an alternative school calendar demonstration project in the White Bear Lake School District. The purpose of the project is to generate, test and disseminate models of best practices for extended learning and year-round programs. Both bills were recommended for inclusion in the K-12 omnibus bill.

A bill authorizing grants for historical educational programming was offered by Sen. Claire Robling (R-Prior Lake). The bill, S.F. 1499, provides a grant to Murphy's Landing living history village for education programs including education tours, outreach programs and immersion camps. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Roy Terwilliger (R-Edina) sponsored S.F. 2058, a bill developing, and maintaining an educational structure that meets the needs of at-risk students and identifying obstacles to student

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educational success. The bill also provides for staff development and community training grants and creates an advisory council to assist in analyzing student performance data. No formal action was taken on the bill.

A bill providing for an adolescent parenting grant program was offered by Sen. Linda Higgins (DFL-Mpls.). The bill establishes a grant program to provide school-based, comprehensive, community-linked programs for ensuring the long-term self-sufficiency of adolescent families and the development and school readiness of their children. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Martha Robertson (R-Minnetonka) presented S.F. 1671, a bill appropriating money for a grant to the Minnesota Children's Museum. The bill appropriates \$250,000 in FY 00 and \$250,000 in FY 01 for a grant to the Minnesota Children's Museum to enhance exhibit-based curriculum programming for children in kindergarten through grade 4 and to expand neighborhood reading readiness programs. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Paula Hanson (DFL-Ham Lake) offered S.F. 818, a bill appropriating money for the Minnesota Learning Resource Center. The bill provides a grant to the A Chance to Grow/New Visions for start-up costs related to implementing the resource center's comprehensive training program for education professionals charged with helping children acquire basic reading and math skills. The bill was recommended for inclusion in the K-12 omnibus bill.

A bill appropriating money for a school administrators recruitment program was offered by Sen. Jerry Janezich (DFL-Chisholm). The bill provides an appropriation for the Minnesota Service Cooperatives to plan and establish a school administrators recruitment program to identify and develop potential administrators within Minnesota school districts. The bill also specifies that the Minnesota Service Cooperatives collaborate with post-secondary institutions to deliver administrative preparation programs in a nontraditional manner to the potential administrators. The bill was recommended for inclusion in the K-12 omnibus bill.

Local and Metropolitan Government

Canterbury casino bill fails

A bill allowing the Minnesota State Lottery to establish a casino at Canterbury Park was heard by the Local and Metropolitan Government Committee, Mon., Mar. 29. The committee is chaired by Sen. Jim Vickerman (DFL-Tracy).

S.F. 1505, authored by Sen. Douglas Johnson (DFL-Tower), allows Canterbury Park to open a casino with not more than 1,400 gambling machines and 25 card tables. "This bill helps the horse racing industry in our state. There are restrictions so the track's owners won't get big windfalls. It was carefully thought out. The vast amount of the profits will go into the general fund. It helps the city and the county, and is a reasonable approach with not much affect on existing casinos," Johnson said. He said the bill requires that after the establishment of the casino, the executive council of the state shall offer the Minnesota tribal governments a binding contract to prohibit any further state gambling expansion ten years.

Randy Sampson, the president of Canterbury Park, said the bill allows Canterbury to operate as the only fully regulated casino in the state. He said estimates show the casino will generate between \$20-\$25 million additional revenue, with 50 percent of the proceeds directed toward the lottery, 25 percent to the Minnesota Fund and Environmental Trust Fund, 13 percent to increase purses at the race track, 10 percent toward procurement and maintenance of gaming machines, and two percent to the city of Shakopee and Scott Count. Sampson's father, who owns 25 percent of Canterbury Park, has pledged to donate any profit the family makes to charity. Sampson said the casino is needed to help level of the playing field for the track to compete with other regional casinos for the gaming entertainment market, and will help revitalize the state's horse industry. At its peak, the horse racing industry contributed \$250 million to the agricultural economy and employed nearly 8,000 people, he said.

Brian Rusche, from the Joint Religious Legislative Coalition, said the bill causes a "significant expansion of gambling" in

the state. He said gambling is an inefficient revenue generator and the social harms caused far outweigh any economic development benefits. Ilean Her, the executive director of the Council on Asian Pacific Minnesotans, said problems associated with gambling are becoming an increasing concern in the community. "Problem gambling among Southeast Asians living in Minnesota results in financial and emotional problems such as family stress, loss of homes, incidents of divorce, neglect of children and even deaths," Her said. Darrell McKigney, from the Minnesota Taxpayers League, said the bill is not good public policy in the use of public funds. He said the collection of revenue from gambling does not have the same level of accountability and public debate that occurs when spending and taxing decisions are made by government.

Sen. John Hottinger (DFL-Mankato), offered an amendment clarifying and expanding the provision in the bill restricting the Legislature from authorizing any further expansions of gambling in the state for the next ten years. Hottinger's amendment specified the lottery, pari-mutual betting, horse racing, and other forms of lawful gambling in the restriction. "The amendment tries to do what Sen. Johnson has indicated he wanted to do, make sure there is not an expansion of any kind of gambling," Hottinger said. The amendment was voted down by a 9-5 vote.

Two other amendments were adopted. Sen. Gen Olson (R-Minnetrista), offered an amendment deleting the words "by the state" from the provision prohibiting expansion of gambling in the state. Olson said the amendment would encourage the tribal governments to agree to not expand gambling. The amendment was adopted by an 8-7 vote. Sen. Charles Wiger (DFL-North St. Paul), offered an amendment requiring all revenues deposited in the general fund by the lottery and raised from gaming machines and card games to be credited to a school repair account created within the general fund. Wiger said the account would be appropriated to all school districts on an annual basis in proportion to the number of students. Johnson said he supported the amendment because it increased the bill's chances of passing the full Legislature. The amendment was

adopted. The bill was not approved by a 7-7 vote.

The committee then took action on other bills. H.F. 132, sponsored by Sen. Steve Dille (R-Dassel), clarifies that bingo games in nursing homes are exempt from regulation and may not be the subject of reporting or registration requirements. The bill was approved and sent to the Senate floor.

S.F. 1609, authored by Wiger, exempts governmental units from having a formal agreement to act jointly or cooperatively for contracts under \$25,000. Linda Camp, the purchasing director for the city of St. Paul, said the bill eliminates a layer of paperwork and significantly reduces the amount of time spent on smaller purchasing contracts. The bill was approved and recommended for the Consent Calendar.

S.F. 1329, authored by Vickerman, limits the fees that can be charged by a municipality on amusement machines to \$15 per machine, or the actual cost of issuing the license. The bill was approved and sent to the Senate floor.

S.F. 2044, also authored by Vickerman, exempts social dice games from criminal prohibitions on gambling. Vickerman said the bill allows people who roll dice to see who buys the next round of drinks, to do so without breaking the law. Hottinger said he was concerned that the bill did not clearly define the dollar amount limit on dice games. Vickerman moved to lay the bill on the table until language could be drafted setting a \$25 limit.

Property Taxes and Local Government Budget Division

Ag property tax bills heard

Scores of farmers came to the Thurs., Mar. 25, meeting of the Property Taxes and Local Government Budget Division to demonstrate the need for property tax relief for agricultural land. Members, chaired by Sen. Sandra Pappas (DFL-St. Paul), heard several bills proposing varying amounts of relief and heard sometimes emotional testimony on the agricultural crisis in Minnesota.

The panel focused on four bills relating to agricultural property taxation. S.F. 586, authored by Sen. Arlene Lesewski (R-Marshall), exempts agricultural land from the general education levy. The

measure also provides for an increase in general education aid to compensate the districts for the loss of revenue. Julie Blom, who, with her husband, owns a family farm in Pipestone County said that the current tax structure for education places an unfair burden on farmers. She said that the bill allows the taxes on her home, garage and one acre to more closely resemble the taxes paid by residents of the city of Pipestone. Lorna Beyers of Holland, Minn., echoed Blom's comments. She said, "the farm family doesn't want a handout; the farm family simply wants equality." Superintendent of Schools Jerry Horgan said that the disparity in taxation between farmers and city residents has made it very difficult to pass a needed referendum for a new school.

S.F. 1065, authored by Sen. Roger Moe (DFL-Erskine), takes another approach. The bill increases the first tier valuation limit for agricultural homestead property. However, Moe said that the bill was woefully inadequate to address the current agricultural crisis. He said, "In my part of the state the farm crisis has been going on for ten years. We can't do anything about commodity prices or international embargos, but we can do something about the cost of production by reducing property taxes." He urged the panel to focus on more comprehensive solutions than those offered in his bill.

Sen. Kenric Scheevel (R-Preston) said the dilemma for the Legislature this session has been how to structure permanent tax reductions of about \$800 million. He said S.F. 605, the bill he was presenting to the panel, contains property tax relief for farmers amounting to about 5 percent of the permanent reductions currently being contemplated. "Farmers are committed to quality education, but are paying a disproportionate share in Greater Minnesota," he said. The bill provides a credit for debt service and referendum levies on agricultural property. In addition, the measure provides that the state make payments to each school district to equal the amount of the credits in order to compensate the districts for the revenue loss. Al Christopherson, president of the Minnesota Farm Bureau, spoke in support of the measure. He said that Minnesota farmers are experiencing sharp property tax increases at a disastrous time. He urged

members to support providing more relief for one of the most important segments of Minnesota's economy.

The final bill, S.F. 1124, sponsored by Sen. Keith Langseth (DFL-Glyndon), changes the class rates that apply to agricultural homestead property, provides that the general education tax rate be computed using the adjusted net tax capacities that do not reflect the class rate changes, provides that for farm property owned by a family farm corporation or partnership the homestead treatment of the property for second and subsequent partners be provided for the farm land and eliminates the limitation on agricultural homestead classification of noncontiguous land. Finally, the bill provides for additional Homestead and Agricultural Credit Aid to compensate for the loss of tax base.

Pappas said that all of the bills will be considered by the division when developing the property tax and local government aid portions of the omnibus tax bill.

In other action, the division heard several additional bills. S.F. 1276 increases the tax levy for a hospital district consisting of the cities of Cook and Orr and townships in Koochiching and St. Louis Counties in order to pay for ambulance services. S.F. 1421 allows Lake County, the city of Two Harbors and the Lake Superior Independent School District to abate property taxes on a specific property. S.F. 1452 provides an increase for payments in lieu of taxes for natural resources lands and provides for an inflation adjustment factor. All three bills are sponsored by Sen. Douglas Johnson (DFL-Tower).

S.F. 1088, sponsored by Sen. Linda Runbeck (R-Circle Pines), allows a specific property to be eligible for green acres treatment. S.F. 289, authored by Sen. Charles Berg (IND-Chokio), reduces the property tax class rates for seasonal recreational property. No formal action was taken on the bills.

Eleven tax bills heard

The Property Tax and Local Government Budget Division chaired by Sen. Sandra Pappas (DFL-St. Paul) met Fri., Mar. 26 to hear 11 bills for possible inclusion in the omnibus tax bill.

S.F. 1874, authored by Sen. Jerry Janezich (DFL-Chisholm), authorizes the Itasca County Board to create an economic development tax increment

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financing (TIF) district to contain an electric power plant. Janezich said under the bill, the duration of the district is 25 years from the receipt of the first increment and the district is not subject to the LGA/HACA offset. Gordy Knobsvig, the chief financial officer for Minnesota Iron and Steel Company, said the proposed plant will mine its own taconite ore, convert the ore into taconite pellets, convert the pellets into direct reduced iron, convert the iron into low residual liquid steel, and convert the steel into high quality rolled coils. He said the plant will use the most recent steelmaking technology and combine them in a way that has never been done before.

S.F. 1380, authored by Sen. Gary Laidig (R-Stillwater), authorizes a city that enters into an orderly annexation agreement after August 15, 1996 to divide its area into urban service districts and rural service districts that constitute separate taxing districts. Laidig said the bill addresses an issue caused by an annexation between the city of Stillwater and Stillwater Township and allows the taxing districts to have different levies for all municipal property taxes, including those levied for the payments of bonds and judgements.

S.F. 1735, authored by Sen. Leonard Price (DFL-Woodbury), authorizes the city of Woodbury to levy a tax on commercial industrial properties to help pay for the construction of an interchange at the intersection of Interstate 494 and Tamarack Road. Price said the interchange is necessary to alleviate growing traffic and safety concerns in the area. He said the city of Bloomington used a similar special levy to help build the Mall of America. Annette Henkel, president of the Minnesota Retail Merchants Association, said that the bill targets a select class of taxpayers to pay for the project that benefits the entire city and that the city has other funding alternatives available, such as a referendum election, to use to generate revenue. Henkel said the bill sets a precedent where other cities will come to the Legislature asking for approval to tax their commercial industrial property in addition to the current property tax system for a new project in the community.

S.F. 1868, authored by Sen. Dennis Frederickson (R-New Ulm), provides a property tax credit for taxes payable in

1999 only, that will be available to property in Brown County that contains a structure other than a residential or agricultural homestead that has been determined by the assessor to have lost over 50 percent of its estimated market value due to the tornados last spring. Sen Jim Vickerman (DFL-Tracy), offered an amendment to include Blue Earth, Cottonwood, LeSueur, Nicollet, Nobles, and Rice Counties which also sustained heavy tornado damage. The amendment was adopted.

S.F. 1973, authored by Sen. Paula Hanson (DFL-Ham Lake), establishes an advisory task force to study property taxation used for agricultural purposes and open space property. Hanson said the task force is required to analyze the implementation of current laws and to make recommendations on proposals for new laws intended to encourage preservation of open space and agricultural property. Sen. Lawrence Pogemiller (DFL-Mpls.) offered an amendment striking the provision in the bill requiring three members of the Senate and three members of the House be included on the task force. He said that the provision would require the bill to be heard by the Government Operations and Veterans Committee. The amendment was adopted.

S.F. 1414, authored by Sen. William Belanger (R-Bloomington), authorizes TIF districts for which the request for certification was made before June 2, 1997 to use pooling of tax increments in order to make up deficits that were caused by property tax changes enacted in 1997 and 1998.

S.F. 1709, authored by Sen. Steve Kelley (DFL-Hopkins), adjusts the distribution formula in the Metropolitan Area fiscal disparities law, in order to provide a distribution to counties based on their share of uncompensated health care costs. Peter McLaughlin, a Hennepin County commissioner, said the Hennepin County Medical Center provides \$6.2 million of free care to residents who do not reside in the county. He said the bill is needed to relieve an unfair tax burden placed upon Hennepin County taxpayers. Jay McLinden, the Anoka County administrator, said the bill dismantles the highly successful and nationally acclaimed fiscal disparities law. "This is a program that works and works well," McLinden said. He said the

issue of uncompensated health care costs needs a statewide solution but the bill would have broader implications than intended.

S.F. 285, authored by Belanger, provides a property tax rebate for taxes payable in 1997 and 1998 to owners of seasonal recreational property. S.F. 393, authored by Sen. Steven Novak (DFL-New Brighton), provides that seasonal recreational property is eligible to receive education homestead credit that is currently available only to homestead property. Carol Aljadah, speaking in support of both bills, said currently seasonal cabin owners do not receive the same property tax relief as people who live in their cabins year round. She said she pays approximately \$1,600 on her home in Golden Valley, and close to \$1,000 on her cabin in Cass County. Aljadah said that she and other part-time residents pay the same property taxes as residents but because they are not eligible for the education homestead credit they end up paying higher taxes.

S.F. 1446, authored by Sen. Edward Oliver (R-Deephaven), reduces the class rate on the value of homestead property that exceeds \$75,000 from 1.7 to 1.6 percent of market value. Oliver said the bill amends the tax rate differential provision in the HACA formula to provide that the state reimburse the local taxing jurisdiction for the amount of revenue that is lost due to that change.

S.F. 1708, authored by Janezich, authorizes the Mountain Iron Housing and Redevelopment Authority to establish an economic development TIF district for a commercial facility of unlimited size. Janezich said the bill is needed to help the city of Mountain Iron work out a deal with Walmart to open a store in the city.

TIF bills heard

The Property Taxes and Local Government Budget Division, chaired by Sen. Sandra Pappas (DFL-St. Paul), met Tues., Mar. 30, to consider bills dealing with a variety of issues relating to tax increment financing (TIF). The division took no formal action on the bills. Pappas said that all the measures would be considered in the development of the division's omnibus bill.

Two bills, S.F. 306, sponsored by Sen. Cal Larson (R-Fergus Falls) and S.F. 724, authored by Sen. Thomas Neuville (R-

Northfield), were before the committee because of a recent State Auditor's Office issuance of a letter of noncompliance. The auditor found that the city of Fergus Falls and the city of Faribault had pooled increments despite the lack of authority to do so. S.F. 306 concerning Fergus Falls and S.F. 724 concerning Faribault, provide that expenditures from the TIF districts are deemed to be spent in compliance with applicable law.

S.F. 789, sponsored by Sen. Arlene Lesewski (R-Marshall), ratifies actions relating to the city of Minnetonka's tax increment financing district. S.F. 870, carried by Sen. Don Samuelson (DFL-Brainerd), authorizes the city of Garrison to make local contributions to its tax increment financing district. S.F. 1256, authored by Sen. Charles Berg (IND-Chokio), provides that the Dawson Economic Development Authority may collect tax increments from the tax increment financing district for 20 years after receipt of the first increment. According to Berg, the bill allows a new cooperative pork producer facility project to move forward.

S.F. 1718, carried by Sen. LeRoy Stumpf (DFL-Thief River Falls), provides for increased local government aid distributions for cities in which commercial and industrial property market value is reduced. Stumpf said the bill is a result of an adjustment in Marvin Windows & Doors facilities total market valuation from \$16 million to \$9.5 million, which, without the bill, will have a significant fiscal impact on all Warroad property taxpayers. The adjustment came about because of a suit filed by Anderson Windows-Marvin Windows major competitor—that resulted in Anderson Windows property valuation being reduced.

S.F. 1927, authored by Sen. Jim Vickerman (DFL-Tracy), extends the duration of a tax increment financing district in the city of Jackson. S.F. 1037, sponsored by Sen. Edward Oliver (R-Deephaven), modifies tax increment financing requirements for the city of Chanhassen. Oliver said the bill allows the city to avoid a shortfall situation caused by the Legislature's enactment of tax rate changes in 1997 and 1998. A bill, S.F. 945, relating to a similar shortfall in Columbia Heights, is sponsored by Sen. Steven Novak (DFL-New Brighton). The measure extends the

duration of a tax increment financing district and authorizes pooling to make payments on outstanding obligations after application of tax increments originally pledged to pay the outstanding obligations.

Novak also authored S.F. 1747, a bill providing for an extension of the duration of a tax increment district in the city of Fridley. The extension allows the proposed construction of Medtronic world headquarters to move forward, Novak said.

S.F. 1375, sponsored by Sen. Michelle Fischbach (R-Paynesville), ratifies certain tax increment financing actions by Stearns County. The measure deems all expenditures made from specific tax increment financing districts established by the Stearns County Housing and Redevelopment Authority made prior to Apr. 1, 1997, through Apr. 24, 1998, as being ratified and approved and spent in compliance with applicable law.

Finally, members also heard a bill, S.F. 1493, exempting certain assisted living facilities from property taxes. The bill, sponsored by Sen. John Hottinger (DFL-Mankato), also defines the assisted living facilities eligible for the exemption.

State Government Finance

Y2K bill discussed

Members of the State Government Finance Committee, chaired by Sen. Richard Cohen (DFL-St. Paul), met Mon., Mar. 29, to discuss a bill relating to the Year 2000 problem.

Carried by Sen. Steve Kelley (DFL-Hopkins), S.F. 2 clarifies the mutual aid authority of local governments, provides authority to local governments to address the Year 2000 problem, requires reports by certain utilities and health care and nursing home providers and requires the Minnesota Department of Health to collect and disseminate certain information regarding the Year 2000 problem. The bill also appropriates \$20 million from the budget reserve account in the general fund to capitalize a fund, to be used to make loans to the Metropolitan Council or another Metropolitan agency, school districts, counties, cities and towns to meet the costs incurred in addressing Year 2000 problems. According to the language of the bill, the loans must be repaid in five equal annual installments beginning one year after

receiving the loan. Sen. Dennis Frederickson (R-New Ulm) also offered an amendment, which was adopted, to transfer \$975,000 of unexpended appropriations in current law to modify business systems to address the Y2K problem.

Kelley then offered an amendment to appropriate the \$20 million from the state employee insurance reserve account in the special revenue fund instead of from the budget reserve account. The amendment also states that if the balance in the state employee insurance reserve account is insufficient to meet all demands, \$20 million is appropriated from the budget reserve account in the general fund for transfer to the state employee insurance reserve account.

Kathy Burek, assistant commissioner of the Employee Insurance Division in the Minnesota Department of Employee Relations, testified in opposition to the bill. She said the employee insurance account is to be used for the benefit of state employees. Minnesota Trust Fund Law clearly prohibits the account being used for another purpose, she said, and added that utilizing the account for loans is "not the right thing to do."

Responding, Kelley said local units of government must receive financial assistance to fix Y2K related problems without taking funding away from other state programs. Under the bill, the money from the account, he said, is usually loaned to bankers but is loaned for Y2K purposes instead. He said the loans do not decrease the size of the account but simply change where it is invested. The money, he said, remains a state asset.

Burek said it is uncertain how much of the money that cities will be able to pay back. She said an employee may be able to sue the state if the money does not return in order to support state employees. Frederickson said the amendment states that money is transferred from the general fund if cities have difficulty paying the state back. That, he said, seems like enough security to protect the insurance fund. Closing, Kelley said many cities and other government entities cannot pay to fix potential Y2K problems and the amendment addresses how the state can help. The amendment was adopted, and the bill was approved and sent to the Senate floor.

Cohen presented S.F. 1464, which

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makes deficiency appropriations for state government operations. The bill appropriates \$8.230 million to the Human Services Department, \$4.2 million to the Children, Families and Learning Department, \$1 million to the Zoological Board, \$370,000 to the Economic Security Dept., \$15,000 to the Campaign Finance and Public Disclosure Board and \$829,000 to the Public Safety Dept.

Captain Ryan Erickson, from the Minnesota Department of Public Safety, discussed the appropriation for the department, \$200,000 of which includes costs related to executive protection. Erickson said \$46,000 of the extra \$200,000 requested reflects the funding that was necessary to protect both outgoing Gov. Carlson and Gov.-elect Ventura in the months of November and December. He said money budgeted for protection is used normally to protect one person but for the two months was used to protect two. He said 144 percent of the expenses are to cover overtime which is 144 percent more than during a normal period.

Sen. LeRoy Stumpf (DFL-Thief River Falls) asked if the same deficiency happened during the last gubernatorial transition period. Erickson said a deficiency also occurred during the last transition period because the executive protection budget has not been increased in eight years.

Cohen asked why the remaining \$154,000 of the \$200,000 is requested. Erickson said the remaining request is to cover expenses relating to guarding the governor's home. He said it is more expensive to provide security for Ventura due to his notoriety. Carlson, he said, decided not to have a high security presence at his home because it was located in a residential area. Erickson also added the \$200,000 request has nothing to do with the recent request for an additional \$1.2 million to provide security. The bill was approved and referred to the Human Resources Finance Division.

Committee on Taxes

17 bills heard

The Committee on Taxes Subcommittee on Income and Sales Tax met Mon., Mar. 29, to hear several bills to be considered in the process of developing the subcommittee's portion of the omnibus tax bill. Sen. Steve Murphy (DFL-Red

Wing), is the chair of the subcommittee.

S.F. 587, authored by Sen. Arlene Lesewski (R-Marshall), exempts from Minnesota taxable income military pensions and retirement benefit payments which are currently not federally exempt.

S.F. 1591, authored by Sen. Gen Olson (R-Minnetrista), allows a refund of the excise tax on the sale of undyed kerosene used exclusively for a purpose other than as fuel for a motor vehicle.

Sen. Michelle Fischbach (R-Paynesville), offered three bills. S.F. 1085 repeals taxation of the repair and alteration of clothes. S.F. 1810 expands the eligibility requirements for married joint filers who have a dependent under the age of one to include children under the age of five. S.F. 1822 authorizes a person involved in a farming business who averages income on their federal return to elect to average income on their state return in the same manner.

S.F. 888, authored by Sen. Martha Robertson (R-Minnetonka), exempts tangible personal property sold to a nonprofit outpatient surgical center from sales tax.

Sen. Jim Vickerman (DFL-Tracy), offered two bills. S.F. 1633 exempts purchase of construction materials, supplies and equipment from sales and use tax if the items are used in the modification of a cattle slaughtering facility used to fabricate beef with the cost of expansion exceeding \$15 million. The bill also requires that at least 150 jobs be created when the facility is completed. S.F. 948 creates a nonrefundable income tax credit for individuals equal to 50 percent of qualified charitable contributions with a maximum credit of \$200 on a joint return and \$100 for a single filer. The bill is similar to S.F. 309, offered by Sen. LeRoy Stumpf (DFL-Thief River Falls). Vickerman said the difference between the bills is that S.F. 948 establishes the maximum credit to be phased out beginning at \$60,000 income for married joint returns and \$30,000 income for all others while S.F. 309 establishes the phase out beginning at \$80,000 income for joint returns and \$40,000 income for all others.

S.F. 81, authored by Sen. John Hottinger (DFL-Mankato), allows non-itemizing taxpayers to deduct 50 percent of their charitable contributions that exceed \$500. Sen. Keith Langseth (DFL-Glyndon), offered two bills. S.F. 1110

allows the Dept. of Revenue to allow a city to give tax reductions that exceed the per city cap permitted under current law. S.F. 1066 authorizes an additional \$1.5 million to be used in border city enterprise zones in cities located on the western border of the state.

S.F. 325, authored by Sen. Don Samuelson (DFL-Brainerd), expands the current health insurance subtraction to include all taxpayers. The bill also increases the maximum long term care credit from \$200 to \$1,000 for joint return and from \$100 to \$500 for individual filers. S.F. 664, authored by Sen. Linda Scheid (DFL-Brooklyn Park), exempts crucibles used as tools or equipment used in production rather than as replacement capital equipment from sales tax. Sen. Sandra Pappas (DFL-St. Paul) offered two bills. S.F. 705 provides a general exemption from the sales tax for state agency libraries. S.F. 456 expands the current health insurance subtraction allowed to the self-employed to include all taxpayers.

Transportation

Transit planning discussed

A discussion of transit planning by regional rail authorities was the highlight of the Transportation Committee meeting Thurs., Mar. 25. The committee, chaired by Sen. Carol Flynn (DFL-Mpls.), also heard several bills.

Flynn offered a draft proposal relating to commuter rail planning and implementation. The proposal specifies that the Department of Transportation (MnDOT) is responsible for planning, developing, constructing and operating commuter rail. Under the proposal, the commissioner of transportation may enter into a contract or memorandum of understanding with public and private entities to perform these responsibilities. The proposal requires MnDOT to adopt a commuter rail system plan by Jan. 15, 2000. MnDOT may consult with regional rail authorities in preparing the plan.

Flynn said the proposal requires the commuter rail plan to be adopted by Metropolitan Planning Organizations (MPOs) in areas in which commuter rail will be located before MnDOT may begin construction. MnDOT is required to hold a public hearing on the station design component of the advanced corridor plan for commuter rail. The

proposal specifies that cities must approve the station location and design before MnDOT begins final design work. Under the proposal, the advanced corridor plan must be submitted to each MPO in which the route is located before constructing commuter rail. The proposal allows MnDOT, in cooperation with the MPOs, to apply for funding from federal, state, regional, local and private sources for commuter rail.

The legislation also specifies that regional rail authorities may not spend federal or state funds for light rail or commuter rail transit unless the activity is consistent with the commuter rail system plan adopted by MnDOT and the LRT plan adopted by the Metropolitan Council. The proposal deletes language requiring the council to incorporate elements of the plans of regional rail authorities into its LRT facilities plan. Flynn said the proposal also requires that \$6.5 million appropriated in the 1998 capital improvement bill for grants to regional rail authorities for various LRT and commuter rail corridors is only available upon execution of a memorandum of understanding with MnDOT.

Elwyn Tinklenberg, MnDOT commissioner, said an effort has been made to work with the county rail authorities, and a meeting of the LRT Joint Powers Board resulted in a unanimous vote to support the concepts of the transit planning legislation. He said the work that has been done locally on commuter rail cannot be replaced. "The county rail authorities continue to have a responsibility to work in local areas. When we seek funding, that responsibility shifts into the state plan, with all the other linkages," he said. Peter McLaughlin, chair of the Joint Powers Board, said that commuter rail needs to be treated differently than LRT. "There is a separate structure proposal for commuter rail and LRT," he said.

Sen. Randy Kelly (DFL-St. Paul) said he is concerned that committee members have not fully discussed the transit legislation. Sen. Claire Robling (R-Prior Lake) said she sees the legislation as a major policy decision and is concerned local officials are losing control.

Flynn said the legislation is still a work in progress. She said she will have a bill ready for introduction Monday. Legislators with concerns can submit amendments.

Sen. Steve Murphy (DFL-Red Wing) presented H.F. 528, a bill that requires MnDOT specifications for underground fuel storage tanks to allow for all types of fiberglass and steel that have been approved by the Pollution Control Agency and the Environmental Protection Agency (EPA). He said currently MnDOT only takes bids from a provider out-of-state rather than a local company which builds steel tanks. Marty Pelkey, Kleespie Tanks, said his company's tanks meet or exceed everything a fiberglass tank does. Paul Jensen, MnDOT engineer, said the department is not opposed to steel tanks but prefers fiberglass tanks. The bill was approved and sent to the floor.

H.F. 745, a bill that clarifies placement of televisions in motor vehicles, was presented by Flynn. The bill restricts the screen from being placed where it is visible to the driver while operating the motor vehicle. The bill was approved and sent to the Consent Calendar.

S.F. 1522, authored by Sen. LeRoy Stumpf (DFL-Thief River Falls), exempts agricultural aircraft from registration tax. The bill was recommended to pass and referred to the Transportation Budget Division.

Transportation Budget Division

Amtrak discussed

A number of bills were presented at the Transportation Budget Division meeting Fri., Mar. 26. Sen. Janet Johnson (DFL-North Branch) chairs the division.

Sen. Jerry Janezich (DFL-Chisholm) presented S.F. 1795. The bill, authored by Sen. Sam Solon (DFL-Duluth), appropriates \$100,000 in FY 2000 for a study of restoring and extending Amtrak rail passenger service to connect the Twin Cities, Duluth and the Iron Range.

John Ongarro, representing St. Louis County, said Amtrak left Duluth 14 years ago, but that a great deal has changed in the past 14 years that supports bringing Amtrak back. Ongarro said that a previous labor agreement operated under a 100 mile rule—workers were paid a full day's wages for every 100 miles; a round trip to Duluth resulted in two days' wages. He said the employees are currently paid by the hour. He also said that Amtrak expects more passenger

equipment to be available. Ongarro said there are more businesses along the rail line than 14 years ago, including casinos, golf courses and a convention center.

S.F. 400, a bill authored by Sen. Don Samuelson (DFL-Brainerd), appropriates \$100,000 to the Department of Transportation (MnDOT) to study the feasibility of extending the Northstar Corridor from St. Cloud to Little Falls and providing commuter rail service within the corridor. The bill provides that the study be done in consultation with Morrison County, the city of Little Falls and the Northstar Corridor Joint Power Authority.

Tim Houle, county coordinator for Morrison County, said Little Falls already has a depot in place and that part of the depot has been refurbished in its original motif. The youth of Little Falls are leaving the area and, thus draining the area's economy. If commuter rail were provided, the young people may be employed in the Twin Cities but can still live in Little Falls, because of an easier commute, Houle said.

Sen. Sandra Pappas (DFL-St. Paul) sponsored S.F. 1832, a bill providing grants to the Minnesota Highway Safety Center to improve traffic safety education. The bill increases by five percent the portion of a DUI offense fee allocated to the alcohol-impaired driver education account, and lowers by five percent the amount paid to the general fund.

The bill specifies that money in the alcohol-impaired driver education account allocates the first \$200,000 in a fiscal year to the Department of Children, Families and Learning (CFL) for programs in elementary and secondary schools. The next \$350,000 is appropriated to the CFL for grants to the Minnesota Highway Safety Center (MHSC) at St. Cloud State University to improve traffic safety programs in elementary and secondary schools. However, an amendment eliminates language regarding the \$350,000 appropriation. The amendment was not acted on, due to lack of a quorum.

John Palmer, director of MHFC, testified on behalf of the bill. He said there is a need for flexibility for the revenues to be used for traffic safety education. He stressed the need for increased funding to build up the drivers education curriculum.

S.F. 1434, a bill authored by Johnson,

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provides that vehicles owned by licensed commercial driving schools, used exclusively for driver training, be exempted from the vehicle registration tax. The bill also specifies that the tax-exempt number plates displayed by this type of vehicle must show the name of the commercial driving school that owns the vehicle.

Debra Prudhomme, vice president of the Association of Professional Driving Institutions of Minnesota, spoke for the bill. She said a student can learn to drive through a public or private high school drivers education program, or through a program at a commercial driving school. She said commercial driving schools train two-thirds of the students in Minnesota. Prudhomme said vehicle expenses are one of the greatest costs for a commercial driving school and the tax-exempt vehicles level the playing field.

All the bills were laid over for consideration for the transportation omnibus bill.

Appropriation bills heard

The Transportation Budget Division heard several bills providing appropriations for various projects at its meeting Mon., Mar. 29. The division, chaired by Sen. Janet Johnson (DFL-North Branch), also heard S.F. 1511, a bill authored by Sen. LeRoy Stumpf (DFL-Thief River Falls), that exempts agricultural aircraft from registration tax.

Stumpf said there is a huge difference in registration tax between Minnesota and neighboring states. He said the 10-year registration tax total is \$1,500 for South Dakota; \$1,950 for North Dakota; \$5,250 for Wisconsin and \$20,000 for Minnesota. An amendment to S.F. 1511, offered by Sen. Paula Hanson (DFL-Ham Lake), caps the aircraft registration tax at \$500 for aircraft used exclusively for agricultural purposes and registered with the FAA as restricted category aircraft. The amendment includes helicopters as aircraft. The amendment was adopted.

Terry Ambroze, director of Minnesota Agricultural Aircraft Association (MAAA), said the states surrounding Minnesota base their taxes on the gross weight of the aircraft. Minnesota bases its tax on the manufacturers' list price. Ambroze said the MAAA members want to pay their fair share of registration taxes and the \$500 cap does not call for a complete elimination of the taxes. The bill was recommended to pass and re-

ferred to the Committee on Taxes.

S.F. 982, a bill authored by Sen. Steve Kelley (DFL-Hopkins), appropriates \$1 million from a traffic barrier account for highway noise barriers. "This is an attempt to address ongoing problems," Kelley said. He cited Highway 169 in his district as an example of a road constructed several years ago that is now a major thoroughfare for the western suburbs. He said MnDOT generally does not do noise abatement on highways already constructed, but roads such as Highway 169 constitute a serious noise problem.

According to the bill, to the extent funds are available, MnDOT must approve matching grants for trunk highway noise barriers. The grants may be dispensed only on a matching basis with the state providing no more than two-thirds of the cost of the project when matched by at least one-third from a county or city. Under the bill, \$1 million is appropriated for matching grants to counties or cities for implementing and financing trunk highway noise barriers.

S.F. 1807, a bill authored by Johnson, appropriates \$20 million for highways. The money is appropriated from the general fund for FY 2000 to the commissioner of finance for transfer to the highway account in the transportation revolving loan fund. Julian Loscalzo, Minnesota Transportation Alliance, spoke in support of the bill. "The bill is brought forward to appropriate money for additional highway projects," he said. Sen. Keith Langseth (DFL-Glyndon) presented S.F. 1812, a bill that appropriates \$6 million to Metropolitan Council Transit and \$3.5 million to Greater Minnesota Transit. The bill provides that the money is for service enhancements to the Metropolitan Area and new systems and enhancements to existing systems in Greater Minnesota.

David Tripp, St. Cloud Metropolitan Transit Association, said the additional funding can make tremendous inroads toward providing service throughout the state. He said several counties require funding to expand their outreach. He said that although the governor's recommendation provides funding for existing services, the budget does not address any additional service requirements.

S.F. 1814, also authored by Langseth, appropriates \$15 million for FY 2000 for transfer from the general fund to the

county turnback account in the state treasury. Dick Hanson, St. Louis County, spoke in favor of the bill. He said \$80 million in trunk highway turnback funds are needed statewide. Hanson said St. Louis County is the recipient of a 21-mile turnback, and only six miles of road have been rebuilt or reconstructed. Rick Kjonaas, McCloud County, added that McCloud County also has turnback roads to improve, and the bill helps the counties. The bills were all laid over for consideration in the omnibus transportation bill.

Driver's license bill heard

The Transportation Budget Division, chaired by Sen. Janet Johnson (DFL-North Branch), heard a bill regarding the review of drivers' license revocation for violating the implied consent law. Sen. Don Betzold (DFL-Fridley) presented the bill, H.F. 92, at the meeting Tues., Mar. 30.

The bill amends the requirements for a petition for judicial review of an implied consent driver's license revocation. The bill allows a petitioner to seek a court order authorizing the broadening of the scope of discovery beyond existing statutory limitations.

Betzold said current law requires stating the facts under each claim asserted. The bill removes that requirement and also specifies that other types of discovery are available only upon order of the court. Betzold said one of the judges overseeing driver's license revocation cases said such cases used to take about 10 minutes. "The problem now is that because of the limitations on discovery, hearings are taking two hours," Betzold said.

Michael Pahl, staff attorney with the Public Safety Division of the Attorney General's office, said the attorney general prefers retaining the language in which the petitioner must state the facts underlying each claim asserted. He said such language puts the parties on notice as to what will have to be tried and what will have to be researched.

According to Pahl, the bill creates a fiscal impact based on billable hours for the Attorney General's Office of approximately \$200,000 a year. Johnson said the division is concerned, seeing the increase in the attorney general's budget. The division wanted to see the bill, Johnson said, because the policy does have an

impact on the trunk highway fund. Division members were able to discuss the bill, but could take no action due to a procedural difficulty.

Sen. Steve Murphy (DFL-Red Wing) authored S.F. 740, a bill that provides a maximum percentage of the motorcycle safety fund that may be spent for certain activities. The bill makes permanent the provision of law that limits expenditures from the fund for motorcycle instructor training and reimbursements to schools for costs of offering motorcycle safety courses to 65 percent. The bill also repeals expired language relating to expenditures from the fund for administrative purposes. The balance of the motorcycle safety fund is used for motorcycle safety promotion and public education. Murphy said the amount of funding remains the same, but percentages are switched around. The bill was approved and sent to the floor.

Floor sessions held

Senators met for a very brief floor session Weds., Mar. 24, and a longer floor session Thurs., Mar. 25. The Wednesday session dealt primarily with facilitating the movement of bills between committees and the Thursday session was devoted primarily to processing bills on General Orders.

Members processed a total of 14 bills on General Orders with very little debate. The bills all received preliminary passage. S.F. 984, authored by Sen. Steve Kelley (DFL-Hopkins), modifies enforcement provisions for the Board of Psychology. S.F. 1120, sponsored by Sen. Charles Wiger (DFL-North St. Paul), defines the crime of laser assault and imposes criminal penalties. S.F. 1330, carried by Sen. Sam Solon (DFL-Duluth), is the Dept. of Commerce omnibus banking bill and regulates fees and charges paid to the department, authorizes part-time banking locations, authorizes reverse stock splits and makes technical corrections in statutes relating to financial institutions. S.F. 1173, authored by Sen. Claire Robling (R-Prior Lake), approves the granting of a permit for the consumptive use of groundwater at a site near Shakopee. H.F. 183, also sponsored by Robling, modifies provisions governing parental consent to chemical dependency treatment for minors.

H.F. 413, carried by Sen. John Hottinger (DFL-Mankato), modifies

licensing and registration requirements for physicians, acupuncturists and athletic trainers. H.F. 492, also carried by Hottinger, authorizes a building on the Mankato State University campus. S.F. 891, authored by Hottinger, clarifies an exception to tort liability on land owned by a local unit of government and leased by another unit of government. H.F. 766, sponsored by Sen. Steve Murphy (DFL-Red Wing), authorizes blue lights on motorcycles as part of the rear brake light.

S.F. 1020, sponsored by Sen. Ember Reichgott Junge (DFL-New Hope), changes precinct caucus procedures to allow for a presidential preference ballot and eliminates the presidential primary. S.F. 803, authored by Solon, requires a fishing guide license on the St. Louis River estuary. S.F. 1352, sponsored by Sen. Dennis Frederickson (R-New Ulm), allows certain land to be enrolled in more than one state or federal conservation program. S.F. 972, also carried by Frederickson, modifies migratory waterfowl refuge provisions. S.F. 1188, authored by Kelley, increases dollar limits in the Uniform Municipal Contracting Law and provides and exemption for certain cooperative purchasing.

Members also granted final passage to one bill on the Senate Calendar. H.F. 640, carried by Sen. Sheila Kiscaden (R-Rochester), modifies the membership, duties and reporting requirements for the State Advisory Council on Mental Health.

Nine bills were granted final passage on the Consent Calendar. H.F. 1305, sponsored by Sen. Dick Day (R-Owatonna), requires the commissioner of transportation to transfer excess highway easements to the city of Kenyon. S.F. 1463, authored by Sen. Jane Krentz (DFL-May Township), authorizes townships to create a capital reserve fund. S.F. 1660, sponsored by Wiger, extends exemptions from enforcement of law granted by the Board of Government Innovation and Cooperation during calendar years 1996 and 1998. S.F. 1017, sponsored by Kiscaden, requires summons in civil actions to include a notice of the alternative dispute resolution process.

S.F. 973, authored by Sen. Randy Kelly (DFL-St. Paul), requests the Supreme Court to study and make recommendations regarding juror compensation. S.F. 376, authored by Solon, modifies the

compensation for members of the Western Lake Superior Sanitary District Board and the Moose Lake-Windemere Sanitary Sewer District Board. S.F. 1888, sponsored by Sen. Cal Larson (R-Fergus Falls), designates the Otter Tail Veterans Memorial Drive. S.F. 1562, authored by Sen. Dave Kleis (R-St. Cloud), repeals a firearm report requirement. H.F. 475, sponsored by Sen. Jim Vickerman (DFL-Tracy), provides for reimbursement to local government officers and employees for costs and legal fees to defend criminal charges in certain cases.

Presidential primary repeal passed

A bill repealing the presidential primary scheduled for 2000 was given final passage by the Senate during a Mon., Mar. 29, Senate floor session. The bill was passed along with thirteen other pieces of legislation on the Calendar, two bills on the Consent Calendar, and one bill passed after concurrence with amendments made by the other body. The Senate also granted preliminary approval to fourteen bills on General Orders.

Sen. Ember Reichgott Junge (DFL-New Hope) said the presidential primary bill she carried, S.F. 1020, repeals the presidential primary, which she said is just a straw poll, because a U.S. Supreme Court ruling won't allow it to be binding. Sen. Douglas Johnson (DFL-Tower) objected to the bill. He said he "may be a lone voice, but I want a meaningful presidential primary." He said that for too long the insiders have had too much to say and are blocking true reform and a meaningful presidential primary. Johnson said that Minnesota comes in far behind in the national process of selecting the President.

Junge responded by saying that even though the election takes place next year, the Legislature has to make a decision this year for budgeting purposes because it costs \$3.5 million, and Gov. Ventura did not recommend funding it. Junge asked "Where do we get money?" and suggested various budgets to divert the cost from. She also suggested that local governments could pay the cost out of their budgets, but added that doing that would take away from the property tax rebate. The bill passed on a 51-12 roll call vote.

All the other bills passed on the Calendar generated little or no debate.

Committee update

The bills included two authored by Sen. Steve Kelley (DFL-Hopkins), S.F. 984, modifying provisions related to the Board of Psychology, and S.F. 1188, increasing the dollar limits in the uniform municipal contracting law. S.F. 1120, authored by Sen. Charles Wiger (DFL-North St. Paul), defining the crime of laser assault was passed. Two bills, S.F. 1330 and S.F. 803, authored by Sen. Sam Solon (DFL-Duluth), passed on the Calendar. The former modifies provisions related to banking institutions and the latter requires a fishing guide license for leading fishing trips in the St. Louis River estuary. H.F. 766, authored by Sen. Steve Murphy (DFL-Red Wing), authorizing blue lights as part of a motorcycle's brake light was also passed.

Several Senators authored more than one bill passed on the Calendar. Sen. Claire Robling (R-Prior Lake) authored S.F. 1173, granting a permit for consumptive groundwater use, and H.F. 183, modifying provisions governing parental consent to chemical dependency treatment for minors. Sen. Dennis Frederickson (R-New Ulm) authored S.F. 1352, allowing land to be enrolled in more than one state or federal conservation program, and S.F. 972, modifying migratory waterfowl refuge provisions. Sen. John Hottinger (DFL-Mankato) ushered three bills through final passage. They were H.F. 413, modifying licensing and registration provisions for physicians, acupuncturists, and athletic trainers; H.F. 492, authorizing a building on the Mankato State University campus, and S.F. 891, clarifying an exception to tort liability for municipalities.

The Senate also granted final passage to two bills on the Consent Calendar. The bills were H.F. 1126, authored by Robling, making permanent the licensing provision allowing newborns and toddlers at licensed child care centers and H.F. 1258, authored by Sen. Leo Foley (DFL-Coon Rapids), restoring a provision relating to the summary marriage dissolution process that was inadvertently sunset.

One other bill, S.F. 117, sponsored by Sen. David Knutson (R-Burnsville) was given final passage when it was returned with an amendment by the House. Knutson said the House amendment specifies that the required notification that a restitution order is being challenged must be in writing. The Senate adopted Knutson's motion to concur with

the change and repassed the bill.

The Senate spent considerable time on General Orders. During General Orders, the Senate acts as one large committee known as the Committee of the Whole and discusses bills. Bills are debated and amendments are offered in preparation for final passage.

Two bills dealing with election laws were given preliminary approval on Monday's General Orders. Sen. Bob Lessard (DFL-Int'l. Falls), sponsor of S.F. 746, said the bill started out allowing Grand Rapids township to change their general election date to the same as the state's general election date. He said that in the Election Laws committee an amendment was adopted that grants the same authority to townships statewide. However, Lessard said, the townships don't want it. Sen. Jim Vickerman (DFL-Tracy) offered an amendment deleting the statewide application. Sen. John Marty (DFL-Roseville) opposed the amendment. He said that the amendment put on in committee gives townships the choice, but doesn't force them to switch to the November election date. He asked Vickerman why townships don't want the choice. Vickerman responded by saying that townships have always met in March and uninformed voters may not know when the election is being held. Marty countered that if the townships find it confusing they don't have to make the change. Marty added that it's a waste of time for townships to come to the Legislature one at a time to change their election date. "Let them have the choice," he said. The Vickerman amendment was adopted on 20-19 division vote.

Later, the Senate considered S.F. 1144, carried by Sen. Linda Scheid (DFL-Brooklyn Park). Scheid said the bill is the Secretary of State's housekeeping bill and is mostly technical, but it does have some substantive changes. Among the changes Scheid noted are penalties for people who vote at the wrong polling place, and a requirement that all legislative candidates must file for candidacy with the Secretary of State, whereas before, candidates whose districts were entirely within one county could file with the county. Sen. Dave Kleis (R-St. Cloud) offered an amendment that reversed the effect of the Vickerman amendment to the Lessard bill, S.F. 746. Kleis said that giving townships the

choice on when to hold their general elections is "the epitome of local control." He added that the amendment allows them the opportunity to decide. The amendment was adopted on a 51-7 roll call vote.

S.F. 1649, sponsored by Sen. Jerry Janezich (DFL-Chisholm), directs the Minnesota Veterans' Homes Board and the federal Veterans Administration to study how to provide free or reduced cost health care to veterans near where they live. Janezich said "If you live near St. Paul or St. Cloud, it's free, but not if you live elsewhere."

Sen. Arlene Lesewski said her bill, S.F. 1101, requires the Dept. of Transportation to erect directional signs for the New Life Treatment center. She said that the department had previously refused to do it because the center didn't meet their criteria for erecting signs. Sen. Carol Flynn (DFL-Mpls.), chair of the Transportation Committee, supported the bill and said she regrets having to micromanage the department, "but that's what it takes in this case."

Several other bills were given preliminary approval on General Orders with little or no discussion. H.F. 50, authored by Murphy, allows a 1998 levy limit adjustment for payments in lieu of tax. S.F. 283, carried by Sen. Don Betzold (DFL-Fridley), changes provisions in the civil commitment law. S.F. 347, sponsored by Johnson, allows parents of home school children to provide the classroom component of drivers' education instruction at home. S.F. 778, sponsored by Sen. Dallas Sams (DFL-Staples), requires that a security interest in a vehicle must be released by the dealer within seven days of satisfaction.

S.F. 1092, sponsored by Sen. Steve Dille (R-Dassel), changes provisions concerning the practice of veterinary medicine. S.F. 1528, sponsored by Sen. Leonard Price (DFL-Woodbury), makes changes to provisions related to harmful exotic species. S.F. 451, sponsored by Vickerman, changes provisions concerning the treatment of a security interest in agricultural land. S.F. 1324, sponsored by Wiger, provides for penalties for violations of out of service orders by operators of commercial motor vehicles. S.F. 775, sponsored by Solon, reduces the maximum travel distance or time allowed for mental health services provided by a health maintenance organization.

Preview

Monday, April 5

There are no meetings scheduled for Monday, April 5.

Tuesday, April 6

Crime Prevention and Judiciary Budget Division

Chair: Sen. Randy Kelly

9:30 a.m. Room 118 Capitol

Agenda: S.F. 371-Wiger: Appropriating money for National Weather Service transmitters. S.F. 1523-Pogemiller: Domestic fatality review team pilot project. S.F. 1772-Vickerman: Providing aid to political subdivisions for certain extraordinary disaster expenses. S.F. 1866-Higgins: Weekend camp program at Camp Ripley for first or second time juvenile offenders. S.F. 745-Kelly, R.C.: Appropriating money to the Department of Economic Security to award grants to cities of the first class (Minnesota Cities Grants). S.F. 1152-Kelly, R.C.: Limiting the licensing of new part time peace officers; requiring training. S.F. 1293-Kelly, R.C.: Appropriating money to construct a new BCA building. S.F. 1679-Ten Eyck: Authorizing lease-purchase of a BCA facility. S.F. 1440-Ten Eyck: Appropriating money for the center for reducing rural violence. S.F. 1648-Kelly, R.C.: Law enforcement training facilities for Hennepin and Ramsey Counties. S.F. 902-Samuelson: Pilot project chemical dependency treatment program for chronic DWI offenders. S.F. 1711-Kelly: Camp Ripley DWI program. S.F. 1294-Kelly, R.C.: Appropriating money for defibrillators. S.F. 1854-Kelly: Prosecution of domestic assault misdemeanors by Ramsey County Attorney. S.F. 2055-Junge: Critical incident stress management, fire assistance support team grant program. S.F. 1114-Ranum: Integrated local criminal justice information system planning, development, funding (Heals Bill). S.F. 1924-Kelly, R.C.: Requiring counties to pay the costs of confinement for juvenile females at Sauk Centre. S.F. 951-Spear: Establishing a pilot grant program for coordinated criminal justice strategies.

Economic Development Budget Division

Chair: Sen. Jerry Janezich

10 a.m. Room 123 Capitol

Agenda: To be announced.

The Senate is in Session at 12 noon.

Economic Development Budget Division

Chair: Sen. Jerry Janezich

2 p.m. Room 123 Capitol

Agenda: To be announced.

Environment and Agriculture Budget Division

Chair: Sen. Jane Krentz

2 p.m. Room 107 Capitol

Agenda: S.F. 1475-Moe: Seed potato inspection. S.F. 907-Sams: Omnibus agriculture bill. S.F. 1374-Sams: Agriculture chemical response reimbursement. S.F. 594-Stevens: Emergency deer feeding funds.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

2 p.m. Room 125 Capitol

Agenda: To be announced.

Election Laws Committee

Chair: Sen. John Marty

2:30 p.m. Room 112 Capitol

Agenda: Confirmations to the Campaign Finance and Public Disclosure Board.

Crime Prevention and Judiciary Budget Division

Chair: Sen. Randy Kelly

3 p.m. Room 118 Capitol

Agenda: Continuation of morning agenda.

Health and Family Security Budget Division

Chair: Sen. Don Samuelson

4 p.m. Room 112 Capitol

Agenda: S.F. 253-Moe: Tobacco endowment.

Environment and Agriculture Budget Division

Chair: Sen. Jane Krentz

6 p.m. Room 107 Capitol

Agenda: Any bills not finished in afternoon session. S.F. 1111-Janezich:

Iron Range OHV area addition. S.F. 559-Lourey: Subagents commission on sporting license. S.F. 1961-Lourey: Snowmobile trail construction appropriation. S.F. 1837-Wiener: Shoreland pilot project. S.F. 1431-Wiener: Nongame wildlife match. S.F. 182-Vickerman: Passing On the Farm Center. S.F. 932-Vickerman: County agriculture inspections. S.F. 819-Laidig: Cross-country ski pass provisions.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller

6 p.m. Room 112 Capitol

Agenda: To be announced.

Wednesday, April 7

The Senate is in Session at 8 a.m.

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

8 a.m. Room 15 Capitol

Agenda: S.F. XXX-Piper: Omnibus budget bill.

Crime Prevention and Judiciary Budget Division

Chair: Sen. Randy Kelly

10 a.m. Room 123 Capitol

Agenda: Rush City Prison Operation: DOC operating plans; private providers operating plans; discussion of public versus private management of prisons.

Legislative Coordinating Commission Subcommittee on Salary and Budget

Chair: Sen. Roger Moe

1:30 p.m. Room 400N SOB

Agenda: Review/approve budget proposals for commissions and joint agencies.

Economic Development Budget Division

Chair: Sen. Jerry Janezich

2 p.m. Room 318 Capitol

Agenda: To be announced.

Environment and Agriculture Budget Division

Chair: Sen. Jane Krentz

2 p.m. Room 107 Capitol

Agenda: S.F. 1295-Stevens: Repeal of the listed metals program. S.F. 962-

Preview

Anderson: Como Education Resource Center. S.F. 978-Anderson: Como live plant/animal exhibits. S.F. 1818-Anderson: Malformed frog research. S.F. 2123-Lessard: Snowmobile stud fee.

Governmental Operations Budget Division

Chair: Sen. Leonard Price
2 p.m. Room 125 Capitol
Agenda: To be announced.

Property Taxes and Local Government Budget Division

Chair: Sen. Sandra Pappas
2 p.m. Room 15 Capitol
Agenda: S.F. 1377-Kleis: TIF, St. Cloud. S.F. 1461-Pappas: TIF, St. Paul-Williams Hills. S.F. 1676-Stevens: Authorizing TIF project. S.F. 1757-Olson: TIF; expanding definition of qualified housing district. S.F. 2064-Olson: TIF, Plymouth. S.F. 2002-Day: TIF, small cities. S.F. 2015-Pappas: Reducing property tax on residential property containing 4 or more units. S.F. 1996-Pogemiller: Mississippi watershed. S.F. 132-Hanson: Extending ag rate to property used for production of sale of insects. S.F. 398-Sams: Sauk River watershed district. S.F. 565-Ten Eyck: Changing resort class rates. S.F. 2082-Flynn: Changing tax forfeiture and delinquency procedures.

Transportation Budget Division

Chair: Sen. Janet Johnson
2 p.m. Room 112 Capitol
Agenda: To be announced.

Legislative Coordinating Commission

Chair: Rep. Steve Sviggum
2:30 p.m. Room 400N SOB
Agenda: Report of the Salary and Budget Subcommittee: Budget proposal for joint agencies and commissions.

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller
4 p.m. Room 112 Capitol
Agenda: To be announced.

Taxes Subcommittee on Income and Sales Tax

Chair: Sen. Steve Murphy
4 p.m. Room 15 Capitol
Agenda: S.F. 1535-Anderson: Modify the

hearing requirement applicable to revenue recapture proceedings. S.F. 1926-Vickerman: Creating an offer-in-compromise program for agricultural tax relief. S.F. 1207-Oliver: Modifying definition of native prairie; modifying property tax exemption for property maintained as native prairie; creating a credit for costs of land management activities completed for conservation purposes. S.F. 1912-Cohen: Holocaust claims payment income tax exemption. S.F. 2010-Junge: Job training programs and post-secondary education income tax credits. S.F. 2126-Stumpf: Requiring the department of revenue to notify taxpayers when tax liabilities have been compromised; provide a subtraction from taxable income for gains realized on disposition of certain form.. S.F. 143-Robling: Smoking cessation devices sales tax exemption. S.F. 749-Vickerman: Exempt the purchase of certain property used in constructing a multipurpose center from sales and use taxes. S.F. 1567-Betzold: Exempting nonprescription drugs and residential fuels. S.F. 1851-Lourey: Allow the city of Proctor to impose a local sales tax. S.F. 1935-Murphy: Exempting certain machinery and equipment used by ski areas; exempt sales of lift tickets. S.F. 2026-Neuville: Exempt the purchase of construction materials used in building the Pearl Street 9-1-1 center in the city of Owatonna. S.F. 2080-Scheid: Exempt certain items from tax. S.F. 2102-Lesewski: Exempt materials used in constructing a regional emergency response and fire training center. S.F. 2115-Sams: Exempt materials and supplies used in constructing a community center by a nonprofit corporation. S.F. 1701-Frederickson: New Ulm sales and use taxes; requiring voter approval; providing bonding authority. S.F. 493-Anderson: Providing a low income housing credit; proposing coding for new law in Minnesota Statutes. S.F. 478-Johnson, D.H.: Reducing the rate of tax on the first income bracket. S.F. 838-Higgins: Providing a sales tax exemption for certain tree and stump removal and trimming services. S.F. 1397-Hottinger: Providing a credit for certain higher education expenses. S.F. 1805-Pappas:

Providing that the education expense credit and deduction apply to certain expenditures for prekindergarten expenses and museum memberships.

Environment and Agriculture Budget Division

Chair: Sen. Jane Krentz
6 p.m. Room 107 Capitol
Agenda: Any bills not completed in the afternoon meeting. S.F. 1980-Hottinger: St. Peter tree planting grants. S.F. 503-Ten Eyck: Non-paved alternate trails. S.F. 280-Ten Eyck: Mississippi Headwaters Board. S.F. 1436-Johnson, J.B.: Community forest improvement grants. S.F. 1257-Johnson, J.B.: Organic farming promotion and education. S.F. 1096-Stumpf: Specifying disposition of interest earned. S.F. 720-Stumpf: Permitting taking of farmed cervidae.

Thursday, April 8

The Senate is in Session at 8:30 a.m.

Crime Prevention and Judiciary Budget Division

Chair: Sen. Randy Kelly
After Session Room 118 Capitol
Agenda: To be announced.

Rules and Administration Subcommittee on Senate Budget

Chair: Sen. Roger Moe
10 a.m. Room 237 Capitol
Agenda: Senate budget.

Health and Family Security Committee

Chair: Sen. John Hottinger
11 a.m. Room 15 Capitol
Agenda: Appointment confirmations: Commissioner of the Department of Health, Jan Malcolm. Commissioner of the Department of Human Services, Michael O'Keefe. Emergency Services Regulatory Board, Sheriff Jim Dowson.

Children, Families & Learning Subcommittee on Teacher Preparation

Chairs: Sen. Sandra Pappas and Sen. Deanna Wiener
1 p.m. Room 318 Capitol
Agenda: Draft of subcommittee bill.

Economic Development Budget Division

Chair: Sen. Jerry Janezich
2 p.m. Room 123 Capitol
Agenda: To be announced.

Environment and Agriculture Budget Division

Chair: Sen. Jane Krentz
2 p.m. Room 107 Capitol
Agenda: S.F. 1628-Johnson, D.J.: Gitchi Gami State Trail. S.F. 802-Belanger: Scott County Aid Hwy #27, engineering and environmental assessment. S.F. 1587-Larson: MN Association of Resource Conservation and Development. S.F. 1731-Krentz: Brown's Creek stream protection. S.F. 1933-Frederickson: Land use mapping.

Governmental Operations Budget Division

Chair: Sen. Leonard Price
2 p.m. Room 125 Capitol
Agenda: To be announced.

Human Resources Finance Committee

Chair: Sen. Linda Berglin
2 p.m. Room 112 Capitol
Agenda: S.F. 1464-Cohen: State departments deficiency bill. S.F. 2052-Kelly, R.C.: Claims bill. S.F. 23-Foley: Child support magistrate system. S.F. 171-Higgins: Education campaign on mortgage flipping. S.F. 383-Pappas: Licensure requirements for midwifery.

Environment and Agriculture Budget Division

Chair: Sen. Jane Krentz
6:30 p.m. Room 107 Capitol
Agenda: S.F. 1629-Krentz: Sustainable lakes. S.F. 1594-Sams: Ottertail County solid waste recovery. S.F. 554-Johnson, J.B.: Interstate park fire and rescue operations. S.F. 1581-Johnson, J.B.: Mercury reduction program. S.F. 1367-Stumpf: Waste water. S.F. 15-Stumpf: Sustainable Forest Resources Act.

Friday, April 9

Rules and Administration Committee

Chair: Sen. Roger D. Moe
8 a.m. Room 107 Capitol
Agenda: Senate budget. S.F. 1636-

Stumpf (late bill-JR 2.03): Regulatory relief for local units of government. S.F. 2012-Johnson, J.B.: Production of video tape on the legislative process.

The Senate is in Session at 8 a.m.

Governmental Operations Budget Division

Chair: Sen. Leonard Price
After Session Room 125 Capitol
Agenda: Budget overview: Minnesota Senate.

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper
8 a.m. Room 15 Capitol
Agenda: Continuation of Wednesday agenda.

Economic Development Budget Division

Chair: Sen. Jerry Janezich
2 p.m. Room 123 Capitol
Agenda: To be announced.

Environment and Agriculture Budget Division

Chair: Sen. Jane Krentz
2 p.m. Room 107 Capitol
Agenda: To be announced

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller
2 p.m. Room 112 Capitol
Agenda: To be announced.

Saturday, April 10

K-12 Education Budget Division

Chair: Sen. Lawrence Pogemiller
9 a.m. Room 112 Capitol
Agenda: To be announced.

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IND	6-5094	Berg, Charles A.	G-51 SOB	13	DFL	6-4264	Murphy, Steve	301 Cap.	29
DFL	6-4261	Berglin, Linda	309 Cap.	61	R	6-1279	Neuville, Thomas M.	123 SOB	25
DFL	6-2556	Betzold, Don	306 Cap.	48	DFL	6-4334	Novak, Steven G.	322 Cap.	52
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R	6-2084	Fischbach, Michelle L.	149 SOB	14	DFL	6-1802	Pappas, Sandra L.	120 Cap.	65
DFL	6-4274	Flynn, Carol	120 Cap.	62	R	6-5252	Pariseau, Pat	109 SOB	37
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DFL	6-6153	Hottinger, John C.	120 Cap.	24	R	6-4314	Robertson, Martha R.	125 SOB	45
DFL	6-8017	Janezich, Jerry R.	328 Cap.	5	R	6-4123	Robling, Claire A.	151 SOB	35
DFL	6-9261	Johnson, Dave	111 Cap.	40	R	6-1253	Runbeck, Linda	107 SOB	53
R	6-3826	Johnson, Dean E.	117 SOB	15	DFL	7-8063	Sams, Dallas C.	328 Cap.	11
DFL	6-8881	Johnson, Douglas J.	205 Cap.	6	DFL	6-4875	Samuelson, Don	124 Cap.	12
DFL	6-5419	Johnson, Janet B.	G-9 Cap.	18	R	6-3903	Scheevel, Kenric J.	129 SOB	31
DFL	6-2889	Junge, Ember Reichgott	205 Cap.	46	DFL	6-8869	Scheid, Linda	317 Cap.	47
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DFL	6-5285	Kelly, Randy C.	323 Cap.	67	DFL	6-4191	Spear, Allan H.	120 Cap.	60
R	6-4848	Kiscaden, Sheila M.	135 SOB	30	R	6-8075	Stevens, Dan	105 SOB	17
R	6-6455	Kleis, Dave	143 SOB	16	DFL	6-8660	Stumpf, LeRoy A.	G-24 Cap.	1
R	6-4120	Knutson, David L.	133 SOB	36	DFL	6-4913	Ten Eyck, David J.	G-24F Cap.	4
DFL	6-7061	Krentz, Jane	235 Cap.	51	R	6-6238	Terwilliger, Roy	115 SOB	42
R	6-4351	Laidig, Gary W.	141 SOB	56	DFL	6-5650	Vickerman, Jim	226 Cap.	22
DFL	6-3205	Langseth, Keith	122 Cap.	9	DFL	7-8073	Wiener, Deanna L.	303 Cap.	38
R	6-5655	Larson, Cal	153 SOB	10	DFL	6-6820	Wiger, Charles W.	325 Cap.	55
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R	6-2159	Limmer, Warren	127 SOB	33					
DFL	6-0293	Lourey, Becky	G-9 Cap.	8					
DFL	6-5645	Marty, John	325 Cap.	54					

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Senate Briefly

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*Symmetry and repetition
accentuate this architectural
detail from the East wing
portico of the State Capitol
Photo by Andrea G. Murrill*



April 9, 1999

Senate Highlights

New Senator takes oath

The Senate took a step toward returning to full membership during the Tues., Apr. 6, floor session. The Senate also granted final passage to numerous bills on the Calendar and Consent Calendar and granted preliminary passage to several bills while on General Orders.

Donald N. Ziegler (R-Blue Earth) was sworn in as the newest member of the Senate. Chief Justice of the Minnesota Supreme Court Kathleen Blatz administered the oath to Ziegler, who won the seat for District 26 in a recent special election. The seat was previously held by Tracy Beckman, who resigned in February. The remaining empty seat, for District 32, will be filled in a special election scheduled for Tues., Apr. 13.

Tobacco settlement discussed

Members of the Human Resources Finance Committee, chaired by Sen. Linda Berglin (DFL-Mpls.), met Wed., Apr. 7, to discuss a bill relating to the use of tobacco settlement payments.

Carried by Sen. Roger Moe (DFL-Erskine), S.F. 1269 establishes the Minnesota Families Foundation and establishes two endowment funds—the

medical education and research endowment fund and the tobacco prevention endowment fund—with the \$1.3 billion one time tobacco settlement. A specified portion of the tobacco settlement payments received by the state in Jan. 2000 through 2003 are credited to the endowment funds and to the foundation. The bill also creates a health care fund, which is credited with \$38 million of each yearly tobacco settlement payment beginning Dec. 2003. According to the language of the bill, the Minnesota Families Foundation is designed to support self-sufficiency and reduce long term dependency on government. It is also designed to foster a partnership between public and private entities to provide improved services to clients, a more efficient coordination of services and a more effective allocation of resources. The endowment funds are designed to support medical research and tobacco prevention efforts in the state.

Moe said he feels strongly about setting up the funds and the foundation, which he said will have a lasting impact on the quality of public health in Minnesota. "This is not necessarily a once in a lifetime opportunity, but it is once in a legislative lifetime that we can do this,"

he said. He said the bill—which is the administration's proposal—blends together the strongest elements of his other tobacco settlement bill. The two proposals, he said, are now the same.

Pam Wheelock, commissioner of the Minnesota Department of Finance, said the bill has long term benefits for the people of Minnesota. However, she said, there is still work to be done on the bill. She said issues still under discussion include the precise appropriation amounts for each fund, the source of funding for health issues outside of tobacco prevention and further clarifying the role of the Department of Health.

Moe offered two mostly technical amendments that add additional reporting requirements and state that the principle of each fund must not be touched. Both amendments were adopted. Sen. Jane Ranum (DFL-Mpls.) offered an amendment that allows funding received by non-profit organizations to be matched with money from federal, state or local government funds. The bill does not allow any matches to be made with such funds. Ranum said the amendment is necessary to allow government entities to partner with non-profit agencies to help make low income families stronger. She said government matches reduce government spending in the long term. The amendment was adopted. Sen. Don Samuelson (DFL-Brainerd) presented an amendment that adds three criteria for organizations to be eligible for medical education grants. The amendment was also adopted. The bill was approved and sent to the Senate floor.

Rush City Prison discussed

An update on the Rush City Prison and a discussion on the merits of public and private ownership of correctional facilities highlighted the meeting of the Crime Prevention and Judiciary Budget Division Weds., Apr. 7. Sen. Randy Kelly (DFL-St. Paul) chairs the division.

Bert Mohs, acting warden of Rush City Prison, said the facility will be the seventh adult male correctional facility in Minnesota. It occupies a 385-acre site and will house 951 inmates who require close custody. Mohs said the prison, which is being built at a cost of \$89 million, is under budget and will be completed on time. The facility is

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scheduled to be finished and operational by fall of 1999 and ready for inmates by January 2000. Mohs said programming at the prison will include industry, education and support service. The industry program will employ approximately 300 inmates in a light manufacturing and assembly program. Mohs said 264 inmates will be involved in part-time educational and vocational programs, with instruction in literacy, basic education and GED courses. He said the vocational program will provide full-time building care and horticulture training opportunities to between 60 and 70 inmates. There will be 24-hour medical care provided through on-site health services staff.

The per diem is expected to be \$196.56 in FY 2000, but projected to decrease to \$65.75 by FY 2004. Mohs said the initial higher per diem is due to adding staff and other resources prior to beds coming on line.

David Cornell, chair and CEO of Cornell Corrections, Inc., said the corporation owns 55 correctional facilities in five time zones. He said privatization of correctional facilities is occurring throughout the United States. Gary Henman, vice president of operations, said Cornell practices behavior modification with inmates, providing tighter control initially and working towards less restricted control. He added that cognitive behavior therapy and 12-step concepts are practiced. "We believe in developing strong concepts with the community we serve and we hire people locally," he said.

Sen. Allan Spear (DFL-Mpls.) said he has concerns that with private ownership of prisons, economic interests can affect sentencing policy. Cornell said his company has never lobbied regarding prison sentencing. Tom Jenkins, Cornell's chief operating officer, said the company provides quality services and values its employees. He said the per diem cost at Rush City would be between \$50 and \$55.

Mike Murphy, director of marketing for Management and Training Corporation (MTC), said the company was founded in 1980 and has operated Job Corps since 1966. "We are the largest contractor for Job Corps in the United States," he said. MTC joined the private prison market in 1986 and currently operates facilities in four states and is opening a juvenile detention center in South Africa.

Murphy said private ownership of prisons provides construction savings, operational cost savings, faster openings of new facilities and leaves the government without debts.

Lane McCotter, director of business development, said MTC is a private company that would like to set up a pilot project in Minnesota under the control of the Department of Corrections (DOC). "We are cost-effective, not cost-cheap," he said. He said that MTC, as a private company, does not cut services and provides safe, humane and constitutional prisons. He said the company believes it is critical that staff be experienced and highly trained. He added that most of the leadership in the private sector comes out of the public sector, noting his own long-time career in public corrections. He said MTC could provide a per diem cost of \$52 to \$55 at Rush City. Murphy said it is possible enhanced medical costs, starting costs and transportation costs might not be included in the per diem figure.

Cloid Schuler, vice president of business development for Wackenhut Corrections, said the company has 52 facilities in 13 states. The company also operates several facilities overseas. He said he could not give exact per diem costs for Rush City, but believed they would be about 10 per cent lower than the DOC figure. He said private companies have more flexibility and can keep their costs down.

Speaking on behalf of privatization of prisons, Adrian Moore of the Reason Institute, said private companies have more leverage and can provide the same quality public corrections can. He said states are going forward with privatization because they are saving money. He said quality can remain, even if costs are lower, because of the flexibility and innovation of private companies. He said pay may be slightly lower for employees of private organizations, but staff cuts are at the administrative level. He said the competition between private companies is healthy and provides better service.

Joshua Miller, labor economist for the American Federation of State, County and Municipal Employees (AFSCME), spoke against privatization. "We don't feel justice should be contracted out," he said. He said he believes states privatize out of duress and overcrowding, not to save money. He said he believes private

ownership of prisons leads to a cutback in training, less inmate programs and greater inmate abuse. He said there is more evidence of drug and sexual abuse in private facilities.

Phil Leier, a member of the I-35 Corridor Prison Task Force, said he is concerned about security in Rush City. He said the task force has done a great deal of work in preparation for the prison facility, but had done so believing the prison will be publically operated. Mike Robinson, a city council member, said the community would have never voted in favor of the prison if the possibility of privatization had been known.

Dennis Benson, DOC deputy commissioner, said he has concerns about privatization. He said he is concerned about high employee turnover rates, which he said can be a prescription for disaster. He said he worries about employee inexperience and what kinds of programs are offered at privately owned institutions. "Initially we might see some cost savings, but I am not sure that would continue," he said.

"As we look to the next century, we cannot afford the system we have had in the past," Kelly said. He said that privatization is a possibility that must be considered.

Editor's note:

As the Senate approaches the third committee deadline, the time by which budget divisions must complete their work on omnibus budget bills, budget division meeting schedules and agendas are increasingly volatile. For the latest schedule and agenda information, please consult the Senate's world wide web site. The address is <http://www.senate.leg.state.mn.us>

In addition, the web site also provides bill status information, text of bills, Senate member biographies, records of official proceedings and bill summaries.

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Committee update

Crime Prevention

Forfeited gun sales allowed

Members of the Crime Prevention Committee, chaired by Sen. Allan Spear (DFL-Mpls.), met Wed., Mar. 31, to discuss a bill allowing law enforcement agencies to sell forfeited firearms.

Carried by Sen. Pat Pariseau (R-Farmington), H.F. 70 expands the option available to law enforcement agencies to dispose of forfeited firearms, ammunition and firearms accessories. The bill allows law enforcement agencies the option to sell antique firearms to the public at a forfeiture sale and to destroy semiautomatic military style assault weapons or use them for law enforcement purposes. Also, if the items confiscated do not fit the antique or military style category, they may either be destroyed, used for law enforcement purposes or sold to a federally licensed firearm dealer. Current law does not allow the selling of any firearm or firearms related accessory. Pariseau said the bill does not require firearms to be sold but simply gives law enforcement agencies that option.

St. Paul City Council member Jerry Blakey testified in opposition to the bill. He said he has concerns about weapons reaching the wrong hands in Ramsey County. He also said it is contradictory to sell weapons to generate money when it is possible some of the weapons sold will be used to create more problems.

Mary Lewis Grow, a representative from the League of Women Voters, also testified against the bill. She said confiscated weapons and ammunition have already been used to create enough mischief and questioned the necessity of putting them back on the market. Also, she said selling weapons and ammunition is not a constructive way to raise public safety, and added that there are better ways for law enforcement agencies to generate money.

Sen. Jane Ranum (DFL-Mpls.) also had concerns about the bill. She asked how law enforcement agencies can ensure that the weapons and ammunition that are sold are not bought or obtained by criminals. Responding, Larry Podany, a representative of the Minnesota State Sheriffs Association, said the bill includes safeguards regarding to whom weapons can be sold. There is, he said, an accountability procedure.

Sen. Ellen Anderson (DFL-St. Paul)

called selling confiscated weapons and ammunition in an urban area a bad idea. She said there is already easy access to firearms in St. Paul and offered an amendment to eliminate Hennepin and Ramsey Counties from the bill. Responding, Pariseau said there is no need to eliminate the two counties from the option of selling confiscated weapons. She said the local departments can decide whether to sell, calling it an issue of local control. Jim Turner, executive director of the Minnesota Sheriffs Association, also said the amendment is not necessary. He said it is possible that police departments in Hennepin and Ramsey Counties may confiscate dozens of shotguns—not just military style weapons—in drug raids, and added that the shotguns can be a tremendous resource for police departments. The amendment failed.

Sen. Thomas Neuville (R-Northfield) offered an amendment to subject the sale of confiscated weapons and ammunition by police departments in Hennepin and Ramsey County to approval from local governing bodies. The amendment was adopted, and the bill was approved to the Senate floor.

Sen. Roger D. Moe (DFL-Erskine) presented S.F. 1674, which amends the Police Officer Standard and Training (POST) Board law to expand the definition of “peace officer” to include peace officers employed by a law enforcement agency of a federally recognized Native American tribe. The bill also expands the definition of “law enforcement agency” to include a law enforcement agency of a federally recognized tribe.

Zenas Baer, general counsel of the White Earth Band of Chippewa Indians, testified in favor of the bill. Baer said the bill allows law enforcement officers and agencies within a reservation to be subject to the same regulations as those in the state. The bill, Baer said, provides a consistency for law enforcement in a reservation.

John Buckanagha, chairman of the White Earth Band, also testified in support of the bill. He said law enforcement is the top priority on reservations today and the bill provides for sound law enforcement programs. The regulations provided by the bill, he said, are needed to control a rising criminal element on reservations.

Irene Wade Benjamin, also from the White Earth Band, testified in opposition to the bill. She said the bill violates issues of sovereignty within the reservation and needs a referendum vote by reservation residents in order to be adopted. If the bill is approved, she said, an injunction will be filed in federal court.

Responding, Baer said the civil rights of reservation residents are not violated by the bill. Baer said it simply allows better enforcement of laws. Also, Baer said, a referendum can be called for through a petition process. The bill was approved and sent to the Senate floor.

Sen. Dave Johnson (DFL-Bloomington) offered S.F. 2120, which adds gamma hydroxybutyrate (GHB), including any of its salts, compound derivatives or preparations, to the list of Schedule III controlled substances. A substance is listed as Schedule III if it has less abuse potential than substances scheduled as I or II, a currently accepted medical use, and if abuse can lead to moderate or low physical dependence or high psychological dependence.

Bob Gagne, vice president of public affairs at the firm of Colle and McVoy, testified in favor of the bill. He said GHB is commonly used to treat a disabling symptom of narcolepsy that causes instant and complete loss of muscle control. However, he said recipes for the drug can now be found on the Internet and it has been used in situations of date rape. The bill was approved and sent to the Senate floor.

Neuville carried S.F. 574, a bill making sex offenders ineligible to be teachers. The bill requires the State Board of Teaching and State Board of Education to deny or take away the teaching license of individuals convicted of felony criminal sexual conduct in the first through fourth degree. The bill also requires a school board to discharge a probationary or continuing contract teacher immediately upon receiving notice from the state boards of the licensing action. The bill was approved and sent to the Senate floor.

Crime Prevention and Judiciary Budget Division

Bills for omnibus measure heard

The Crime Prevention and Judiciary

Budget Division met Tues., Apr. 6. The division, chaired by Sen. Randy Kelly (DFL-St. Paul), heard several bills that are under consideration for the omnibus bill.

Sen. Charles Wiger (DFL-North St. Paul) presented S.F. 371, a bill that appropriates funding for National Weather Service Transmitters. The bill appropriates money to the Department of Public Safety to purchase transmitters to be distributed across Minnesota to provide full coverage of weather emergencies. Under the bill, the funding also pays for engineering fees to determine the most appropriate locations for the transmitters and related equipment; to determine the viability of the towers to accommodate additional equipment; and to identify alternative sites.

An amendment, offered by Sen. Don Betzold (DFL-Fridley), reduces the appropriation from \$2.09 million to \$1.42 million and the number of transmitters purchased from 33 to 23. The amendment was adopted.

Todd Krause of the National Weather Service said that certain local groups are raising funds for some of the transmitters, which resulted in the decrease in the amount of appropriations. He said that currently citizens can receive weather warnings by a tone alarm on weather radios or Emergency Alert System (EAS) messages on AM and FM radio stations and TV stations which choose to carry such warnings. "One of the common things we hear is that a storm struck without warning," Krause said. He said the national weather transmitters cover some areas, but with the bill the National Weather Service is trying to fill in the gaps. Krause said the alarm warns everyone in the radio transmitters' proximity of the storm warning.

Sen. Jim Vickerman (DFL-Tracy) presented S.F. 1772, a bill that provides aid to political subdivisions for certain extraordinary disaster expenses. The bill requires the Department of Public Safety (DPS) to establish procedures for political subdivisions to apply for the aid and it requires a local match, which may be in kind, of one dollar for every three dollars of state aid. Under the bill, \$20 million in appropriations is requested over the biennium.

Sandy Martin, mayor of Shoreview, spoke in favor of the bill, citing the devastation that hit Shoreview last

summer from a tornado. She said the May tornado required clean-up for the rest of the summer, at a cost of \$650,000. She said that Shoreview was uncertain how to pay for repairing the damages until it was hit by a second storm and qualified with the rest of the state for federal aid. "We strongly support the bill as an assistance to cities," Martin said.

Kelly said the bill raises an interesting issue, but he does not know where he can find money in the division budget to appropriate \$20 million. Betzold suggested setting up some mechanism so that the governor could tap into a special account for assistance for cities for disaster relief when the Legislature is not in session. Vickerman and Betzold said they will further study the matter.

Kelly sponsored S.F. 745, a bill that appropriates money to the Department of Economic Security to award Minnesota Cities Grants. Clancy Finnegan, a teacher at the St. Paul Curfew and Truancy Center, said the center has been a great collaboration between the police department and school districts. He said the center's goal is to work with first-time truancy offenders and get them back in school. He said there has been a decrease in the number of youths apprehended, but an increase in the seriousness of the offense. "We are seeing some repeat offenders," he said. Finnegan said the program is dealing with hard-to-serve youngsters, as well as hard-to-serve parents. Sen. David Knutson (R-Burnsville) asked what kind of outcome measurements are in use. Finnegan said the Curfew and Truancy Center has a contract with Wilder Research. He said youth are evaluated six months before they enter the center and six months afterward. He said the evaluation is still in progress. He said that 96 percent of parents believe the enforcement of truancy is good and necessary.

Kelly also sponsored S.F. 1294, a bill that appropriates money for automatic external defibrillators (AEDs). The bill specifies the funding may be used to assist volunteer ambulance services in purchasing AEDs. The bill also provides for a study of the needs of public safety providers regarding AEDs. Kelly said legislation passed last year enabled AEDs to be purchased for the law enforcement community. "We got 140 to 150 of them at a cost of \$2,418.75 each," Kelly said. "They are now in police cars across the

state and have already saved the life of a person from Wisconsin."

O.J. Doyle, representing the Minnesota Ambulance Association, said that as a former paramedic, he cannot emphasize enough the importance of the AEDs in restarting the heart. He said some of the smaller volunteer ambulance services do not have the AEDs, and the legislation will close the loop so all ambulance services will have them. An amendment, offered by Kelly, allows the DPS and Emergency Medical Services Regulatory Board to consult with the American Heart Association in establishing standards for the distribution of AEDs. The amendment also specifies the appropriations for the AED study extend until Jan. 1, 2001, and a report to the Legislature be made by Jan. 1, 2001. The amendment was adopted. All the bills were placed under consideration for the omnibus bill.

Continuation of bills

The Crime Prevention and Judiciary Budget Division, chaired by Sen. Randy Kelly (DFL-St. Paul), met for the second time Tues., Apr. 6.

Sen. Jane Ranum (DFL-Mpls.) presented S.F. 1114, a bill that integrates local criminal justice information system planning, development and funding. The bill adds members to the task force that the criminal and juvenile justice information policy group is directed by statute to appoint to assist it in formulating criminal justice information system policy. Under the bill, the public members are increased from two to four, while requiring that at least two be representatives of the private business community with expertise in integrated information systems, and adding the attorney general or a designee and the commissioner of administration or a designee.

The bill requires that the policy group review funding requests for criminal justice information systems grants and specifies what must be included in funding requests. The bill specifies what a requesting agency must submit to the policy group if the request is for funds to develop a comprehensive criminal justice information integrating plan. Under the bill, \$15 million is appropriated for criminal justice system improvement aid, and \$1.2 million is appropriated to be used as grants to pay for a criminal justice information system integrating plan.

Committee update

Ranum offered an amendment limiting members from the Legislature appointed to the task force to one Representative and one Senator. The amendment specifies an individual recommended by the Minnesota League of Cities and an individual recommended by the Minnesota Association of Counties be appointed to the task force. The amendment was adopted.

Sen. Lawrence Pogemiller (DFL-Mpls.) sponsored S.F. 1523, a bill that creates a domestic fatality review team pilot project in Hennepin County. Pogemiller said the team's purpose is to assess domestic violence deaths in order to develop recommendations for policies and protocols for community prevention and intervention initiatives to reduce and eliminate the incidence of domestic violence and resulting fatalities. The bill also establishes a court monitoring grant program to award grants to organizations to expand the monitoring of cases of domestic abuse, child abuse and neglect, and sexual abuse in the criminal justice system.

Pogemiller said the budget for the 30-month pilot project is \$145,000, with the Hennepin County Family Violence Coordinating Council acting as the fiscal agent. The bill also appropriates \$250,000 in FY 2000 and \$250,000 in FY 2001 to the Minnesota Center for Crime Victim Services to distribute in grants. Pogemiller said it is hoped the project helps determine whether anything could have been done differently to prevent deaths that occurred as a result of domestic violence. An amendment, offered by Sen. Don Betzold (DFL-Fridley), deletes language that provides for the review team's access to data, confidentiality requirements and immunity from lawsuits. The amendment prevailed.

S.F. 951, a bill that establishes a pilot grant program for coordinated criminal justice strategies, was authored by Sen. Allan Spear (DFL-Mpls.) The demonstration grant program, Spear said, assists the city of Minneapolis or Hennepin County in dealing with the increased needs that have occurred as a result of more aggressive criminal policies. Under Computer Optimized Development-Focus on Results (CODEFOR), a strategy adopted by Minneapolis in 1998 that is designed to be more responsive to changes in crime trends, arrests have increased and

crime has decreased. Spear said \$5.248 million is the estimated funding needed for a two-year demonstration grant program that is a response to the increased numbers and activity created by CODEFOR. An amendment, offered by Spear, specifies what organizations may use the one-time grant money. The amendment was adopted.

Sen. Linda Higgins (DFL-Mpls.) presented S.F. 1866, a bill that provides for a weekend camp program at Camp Ripley for first- or second-time juvenile offenders. The bill calls for an appropriation of \$2 million to continue the weekend camp program, which began in 1997 and has served 303 children.

S.F. 2055, authored by Sen. Ember Reichgott Junge (DFL-New Hope), creates a Critical Incident Stress Management (CISM) and a Fire Assistance Support Team (FAST) grant program. The bill specifies the eligibility criteria for both programs, as well as the grant application and approval process. The bill appropriates \$200,000 for the program.

Sen. Don Samuelson (DFL-Brainerd) sponsored S.F. 902, a bill that creates a pilot project chemical dependency treatment program for chronic DWI offenders and authorizes courts to order repeat DWI offenders to successfully complete the program. Under the bill, the pilot project is located at the Brainerd Regional Human Services Center.

Kelly authored S.F. 1711, a bill that provides for a Camp Ripley DWI program. The bill creates a work program for repeat DWI offenders at Camp Ripley and requires courts to sentence certain DWI offenders to the work program. An amendment, offered by Kelley, melds S.F. 902 and S.F. 1711 together. The amendment requires DWI offenders who have five or more prior impaired driving convictions or license revocations to serve 12 months at the Camp Ripley work program and complete a chemical dependency treatment program, developed and administered by the Brainerd Regional Human Services Center. The amendment also provides for permissive sentencing, the responsibility of costs for the programs and length of stay in the program. The amendment was adopted.

Kelly also presented S.F. 1152, a bill that limits the licensing of new part-time peace officers. The bill requires current

licensed part-time peace officers to complete a training course to have their licenses renewed and caps the number of part-time peace officers a law enforcement agency may employ. The bill also prohibits the Peace Officers Standards and Training Board from issuing new part-time peace officer licenses after Feb. 1, 1999. Kelly offered an amendment that provides for various law enforcement groups and the board to prepare the learning objectives for a 320-hour course to test competency. The amendment also clarifies the number of officers that may be employed. The amendment was adopted.

Dan Larson, representing the Minnesota Rural Counties Caucus and League of Small Cities, spoke against the bill. He said local governments rely heavily on part-time peace officers as a means of providing public safety, and they want the continuity to remain in place.

Kelly presented S.F. 1854, a bill that authorizes the prosecution of domestic assault misdemeanors by the Ramsey County Attorney. The bill appropriates \$536,000 to the Ramsey County Attorney's office to establish and fund the Domestic Assault and Child Abuse Prosecution Unit. S.F. 1924, authored by Kelly, requires counties to pay the costs of confinement for juvenile females at Sauk Centre.

Kelly sponsored S.F. 1648, a bill that authorizes grants to Hennepin and Ramsey Counties to construct law enforcement training facilities. The bill provides \$5 million for the facilities, to be divided equally. An amendment, offered by Sen. Gary Laidig (R-Stillwater), provides for an additional \$2.5 million for a facility in Washington County. The amendment prevailed.

S.F. 1679, authored by Sen. David Ten Eyck (DFL-East Gull Lake), authorizes the lease-purchase agreement between the commissioner of administration and the city of Bemidji to build a satellite laboratory for the Bureau of Criminal Apprehension (BCA).

S.F. 1293, authored by Kelly, appropriates \$4.5 million for construction of a BCA building in St. Paul, \$2.27 million for rent and related costs to acquire by lease-purchase from the city of Bemidji and to operate the satellite laboratory facility. Kelly offered an amendment that adds the lease-purchase agreement terms of the Bemidji laboratory facility. Under

the amendment, the lease terms must not exceed 10 years, and the Department of Administration has a unilateral right to purchase the laboratory facility at the end of the lease term. The amendment was adopted.

Ten Eyck also presented S.F. 1440, a bill that appropriates \$850,000 for the biennium for the Center for Reducing Rural Violence (CRRV). The bill provides for continuing the technical assistance and related violence prevention services CRRV currently offers to rural communities.

All of the above bills were placed under consideration for the omnibus bill.

Betzold presented H.F. 92, a bill that modifies DWI judicial review procedures. The bill was recommended to pass and sent to the floor.

Economic Development Budget Division

DES budget reviewed

The budget for the Dept. of Economic Security (DES) was reviewed at the Tues., Apr. 6, meeting of the Economic Development Budget Division, chaired by Sen. Jerry Janezich (DFL-Chisholm).

Al St. Martin, assistant DES commissioner, said the department faces three challenges: the current workforce shortage, sustaining the workforce centers, and dealing with implications of the federal Workforce Investment Act.

Jack Wedenbach, DES Workforce Exchange Division director, said that a one-time federal grant funded the regional workforce centers, but the funding runs out this year. He said the division needs up to \$350,000 to maintain the centers. St. Martin added that the centers helped local elected officials around the state analyze the needs of their local market and the DES to coordinate the services they provide.

Turning the discussion to the workforce preparation division, Janezich said he was unsure of the difference between "workforce preparation" and "workforce training." He added that many programs need job training money and suggested that all funding for job training be put together on the table for budget discussions. St. Martin responded that in the past, specific populations needing training assistance were identified and eligibility requirements were

created, but the workforce didn't always get trained. He said it asks the question as to whether the state is getting the most benefit for its money. Jim Korkki, DES workforce preparation division director, said that for all training programs, the department receives \$190 million in federal funding and \$90 million in state funding. Sen. Deanna Weiner (DFL-Eagan), chair of the Legislative Audit Commission, said that topic is one being considered for study by the commission.

A lengthy discussion centered around the dislocated worker fund. Much of the discussion centered on assessing the actual need for dislocated worker services given the state of the economy. Korkki said that generally \$12-13 million is spent out of the fund each year even though it receives \$30 million each year through employment taxes. He said the governor recommends transferring the surplus to the state's general fund.

The panel also discussed the budgetary needs of the department's services for the blind (SSB). Dick Davis, SSB division director, said the division serves 35,000 Minnesotans who are blind or visually impaired. He said the division needs to upgrade its equipment to better serve its clients. Paul Barrett, representing the St. Paul Foundation and the Minnesota Foundation, said the foundations will give half of the \$2.8 million need if the state will provide the other half. Sen. Steven Novak (DFL-New Brighton) said the concept of a challenge grant is a good one, but was critical of the Ventura administration for recommending the elimination of many similar public/private partnerships.

After a recess, the division heard several bills proposing funding for programs operated by the department. S.F. 1768, sponsored by Sen. Linda Berglin (DFL-Mpls.), appropriates \$500,000 for the YouthBuild program. Of the amount, \$350,000 is added to the department's annual base budget, and \$150,000 is a one time appropriation. S.F. 873, also sponsored by Berglin, proposes transferring money from the federal Temporary Aid to Needy Families (TANF) grant to fund the Opportunities Industrialization Centers that serve Minnesota Family Investment Plan (MFIP) participants. S.F. 595, sponsored by Sen. Dan Stevens (R-Mora), reduces an appropriation made last year to Independent School District 473, Isle, by

\$300,000. S.F. 977, sponsored by Sen. Edward Oliver (R-Deephaven), redirects a previous appropriation to the World Trade Center Corporation for a secured computer server to make renovations at the center's conference center. S.F. 691, sponsored by Janezich, appropriates \$2.5 to the centers for independent living to assist people with disabilities. Stevens' bill was recommended to pass and sent to the Committee on Rules and Administration. The other bills remain in the division for possible inclusion in the division's omnibus budget bill.

HFA budget reviewed

The state's critical shortage of affordable housing was addressed in a discussion of the Minnesota Housing Finance Agency (HFA) budget and several bills proposing funding for programs administered by the agency at the Weds., Apr. 7, meeting of the Economic Development Budget Division.

Kit Hadley, HFA commissioner, discussed the various programs administered by the agency. Among the programs, Hadley highlighted the Affordable Rental Investment Fund program. She said the governor recommends an additional \$5 million per year for the biennium to leverage an additional \$38 million in federal assistance. The funding will be used to maintain and renovate affordable housing stock throughout the state, Hadley said.

Another item highlighted by Hadley is the agency's cost ceiling. She said the ceiling was originally put in place as a way of maintaining legislative oversight of the agency. However, Hadley said, it can interfere with opportunities to provide housing. As an example, Hadley said that last year the federal Dept. of Housing and Urban Development (HUD) offered to turn administration of 17,000 housing units over to the HFA. She said that even though HUD would fully fund the program, because of the way HFA costs are calculated, the cost ceiling prohibits a state takeover of the units. Hadley said that the agency welcomes legislative oversight, but the mechanism needs to be different. The governor recommends eliminating the cost ceiling.

Later, the panel turned its attention to the consideration of bills that fund various HFA programs. Sen. Linda Higgins (DFL-Mpls.) presented S.F. 568.

Committee update

She said the bill appropriates \$1 million for the Bridges program which provides rental assistance for people with mental illness. S.F. 329, sponsored by Sen. Ellen Anderson (DFL-St. Paul), and S.F. 541, sponsored by Sen. Linda Berglin (DFL-Mpls.) were jointly discussed by the division. Anderson's bill appropriates \$4 million to prevent family homelessness while Berglin's bill appropriates an unspecified amount to provide counseling to people with troubled rental histories so they can be better tenants. Berglin also presented another bill, S.F. 1770, proposing a pilot project to assist families that meet certain criteria in moving from rental housing into homeownership.

Another bill sponsored by Anderson, S.F. 1222, proposes using tobacco settlement money for housing programs. Anderson said she doesn't care about the source of the money, but more money needs to be put into housing programs. Janezich said he was concerned about language in the bill that specifically directs use of the funds. He said he would rather appropriate all housing money to the HFA and give the agency the flexibility to use it where it is most needed. He added that the housing shortage problem is statewide.

Other non-housing related bills were also considered by the division. Anderson also presented S.F. 1800, appropriating money to clean up contaminated land in the Metro Area. Anderson said there is a long line of businesses that want to move into the area that can't because land is not available. She added that the program will help control urban sprawl by encouraging businesses to return to the central cities.

S.F. 1112, sponsored by Sen. Steve Kelley (DFL-Hopkins), appropriates \$500,000 to provide technical assistance to microenterprises. Kelley said the bill is "the right thing to do" because it doesn't lure businesses away from elsewhere but helps grow them locally.

Sen. Dick Day (R-Owatonna) presented S.F. 1809, appropriating \$500,000 for infrastructural improvements in Owatonna. Sen. Arlene Lesewski (R-Marshall) said she was concerned about the bill because it may open the door for other cities to come to the Legislature for funding. The division took no formal action on the bills, but will consider them for possible inclusion in their omnibus budget bill.

Election Laws

Appointees considered

Members of the Elections Laws Committee, chaired by Sen. John Marty (DFL-Roseville) met Tues., Apr. 6, to consider the appointments of three individuals to the Campaign Finance and Public Disclosure Board. All three individuals are appointees of former Gov. Arne Carlson. Each candidate appeared before the panel and gave a brief statement about the board. All three indicated that the laws governing campaign finance are extremely complicated and pledged to work with the Legislature to simplify the laws and make them more "user friendly." The committee recommended the confirmation of the appointments of Wilbur Fluegel, for a term expiring the first Monday in Jan., 2001 and Thomas Heffelfinger, for a term expiring the first Monday in Jan., 2002. However, no motion was made to recommend the confirmation of Nancy Wilson. Sen. Carol Flynn (DFL-Mpls.) said that appointment should not be confirmed at this time in order to allow Gov. Jesse Ventura to make an appointment to the board. Flynn said that since Wilson has served the longest time on the board, it would make sense to not act on her appointment and give the governor the opportunity to fill the vacancy.

Environment and Agriculture Budget Division

Four bills heard

The Environment and Agriculture Budget Division, chaired by Sen. Jane Krentz (DFL-May Township) met Weds., Mar. 31, to hear four bills. Krentz said all four bills will be considered for inclusion in the division's omnibus budget bill.

Sen. Linda Higgins (DFL-Mpls.), offered two bills relating to the Dept. of Natural Resources' (DNR) Minnesota Conservation Corps Summer Youth Program. Craig Acomb, program manager of the Minnesota Conservation Corps (MCC), said the program provides training and natural resource work experience to youth. He said S.F. 1365 clarifies that the MCC may charge for the indirect costs of the program, such as administration fees, member training, education and recruitment, as well as for the actual services performed by mem-

bers. S.F. 1307 appropriates \$309,000 for the next two fiscal years to the program to fund an increase in the number of participants. Ralph Hagberg, the chair of the MCC's Youth Corps Advisory Committee, said the appropriation will provide for 110 more participants. He said currently the program receives over 500 applications for the 70 available positions. Sen. Dennis Frederickson (R-New Ulm) said he supports the work of the MCC. "The learning component is important, and these kids work hard. This is a very worthwhile program," he said.

S.F. 1250, authored by Sen. Richard Cohen (DFL-St. Paul), appropriates \$2.4 million over the next fiscal year to the Science Museum of Minnesota. James Peterson, the president of the Science Museum, said the appropriation will be used for unanticipated construction costs of the museum's new building, and for transition expenses so the museum will open as scheduled on Dec. 11. He said \$1.4 million of the appropriation will be used for construction costs, \$500,000 to complete exhibits, and \$500,000 for information systems infrastructure. Peterson said the new building is over 90 percent complete and that the state has already committed \$30 million, the city of St. Paul \$9 million, and the private sector \$41.5 million to the project.

S.F. 730, offered by Sen. Charles Wiger (DFL-North St. Paul), appropriates \$300,000 to Ramsey and Washington Counties to develop a master plan for a trail around Silver Lake. Wiger said Silver Lake is located near the Gateway Trail and the plan is to connect the trail to the lake. He said the bill requires the master plan be developed in consultation with the cities of North St. Paul, Maplewood, Oakdale, Birchwood, Dellwood, Mahtomedi, White Bear Lake, and White Bear Lake Township as well as with the DNR and the Dept. of Transportation.

Omnibus ag bill heard

The Environment and Agriculture Budget Division met Tues., Apr. 6 to hear three bills for possible inclusion in the division's omnibus budget bill. Sen. Jane Krentz (DFL-May Township) is the chair of the division.

S.F. 1475, authored by Sen. Roger Moe (DFL-Erskine), appropriates \$200,000 to the Dept. of Agriculture's Minnesota Certified Seed Potato Program in FY 2000. Moe said the appropriation is

needed due to recent revenue shortfalls and allows the continued certification, inspection, and marketing activities of the program with the least fiscal impact to growers. "The bill allows the department to hold the fees at the current level," he said. Jerry Larson, from the Red River Valley Potato Growers, said revenue from the program is received from growers for acres enrolled for certification and inspection. He said acreage has declined from 19,500 acres in FY 97 to 14,500 acres in FY 99 due to weather related problems, poor marketing conditions, and an increase in disease.

S.F. 1374, authored by Sen. Dallas Sams (DFL-Staples), changes the definition of "eligible person" to include owners of municipal airports, allowing the owners to be eligible to apply for partial reimbursements of cleanup costs for agricultural chemical incidents from the Agricultural Chemical Response and Reimbursement Account (ACRRA). Sams said that since 1989, agricultural chemical investigations or cleanups have been conducted at airports in Hollandale, Perham, Benson, Big Lake, and Madison. He said in addition, the airport in Hector had contamination but subsequent sampling by the Dept. of Agriculture determined that an investigation and cleanup was not required. The cleanup in Madison was the only one that occurred at an airport where the responsible party was a municipality, Sams said.

Terry Ambroz, the executive director of the Minnesota Agricultural Aircraft Association, said ACRRA was established by the Legislature five years ago as a low cost, environmental protection insurance for incidents involving accidental spills, leaks, or releases of agricultural chemicals. Ambroz said that if a farmer, customer applicator, or agricultural aircraft operator has an accident involving agricultural chemicals, they must report the incident immediately. She said the Dept. of Agriculture then provides instructions and oversight for the cleanup. The responsible party pays the first \$1,000 in cleanup costs and ACRRA then pays for 90 percent of the first \$100,000 and \$100,000 of the next \$100,000, Ambroz said.

She said the bill limits access to ACRRA to eligible persons by requiring the Dept. of Agriculture determine that the cleanup is necessary and requiring the municipal airport to prove to the

ACRRA board that the contamination was caused by a licensed agricultural aircraft operation, that every effort was made to identify the responsible party, and the responsible party is unable to conduct the cleanup. She said the bill addresses the growing concern among municipalities about the potential liability of crop protection operations, and provides a level of protection if an agricultural chemical incident occurs at a municipal airport.

Sams said S.F. 907 is the Agriculture and Rural Development Committee's omnibus bill. Sams said the bill provides for additional research on soybean diseases and genetics, establishes a livestock processing plant loan and grant program, authorizes a grant to the city of Windom to assist in an agricultural processing facility, and establishes new reporting requirements for livestock packers. The bill establishes that hog, cattle, and sheep processors with annual sales greater than \$10 million may not include a confidentiality clause in contracts with agricultural producers and may not have contracts with those producers for more than 75 percent of the processor's capacity. The bill also includes appropriations for the agricultural best management practices loan program, agriculture information centers, feedlot water quality upgrades, technical assistance and grants for the production of alternative crops, the Minnesota Grown Program, the Land Preservation and Conservation Assistance Program, the Family Farm Advocacy program, the Dairy Leaders Roundtable, and grants for farm-to-market initiatives.

Meeting continues

The Environment and Agriculture Budget Division held an evening hearing Tues., Apr. 6 to continue hearing bills leftover from an afternoon hearing. Sen. Jane Krentz (DFL-May Township), the division chair, said all the bills heard will be considered for possible inclusion in the division's omnibus bill.

Sen. Dan Stevens (R-Mora), offered S.F. 594 modifying the disposition of emergency deer feeding funds by increasing the unencumbered balance at the end of a fiscal year from \$750,000 to \$1,500,000. He said currently state law requires that the Game and Fish Fund be reimbursed for costs by canceling \$750,000 from an open appropriation for

deer feeding, funded by \$.50 per deer license, to the Game and Fish Fund when the balance in the deer feeding account exceeds \$750,000 at the end of a fiscal year. Dave Schad, from the Dept. of Natural Resources (DNR), said the department supports the bill.

S.F. 55, also authored by Stevens, authorizes a new grant program, administered by the Board of Water and Soil Resources (BWSR) for small cities for sharing costs of replacing wetlands that are drained or filled by city sponsored projects. Stevens requested that the bill be laid over until next session. He said he had heard no opposition to the bill, but that more work needs to be done on the bill. The motion to lay the bill over was adopted.

S.F. 1111, authored by Sen. Jerry Janezich (DFL-Chisholm), appropriates \$1.5 million to the DNR to plan, acquire, develop, and operate a second site for the off-highway vehicle recreation area near the city of Virginia. Janezich said the first site, near the city of Gilbert, was authorized by legislation passed in 1996. He said that over 20,000 people visit the recreation area every year providing the city of Gilbert with over half a million dollars in economic activity. Lois Campbell, co-chair of the Iron Range Off-Highway Vehicle Recreation Area Advisory Committee, said the proposed site complements existing outdoor recreational opportunities by providing an officially designated riding and special events area. She said the project has the support of both the city of Virginia and the city of Gilbert. The committee adopted an amendment adding a provision to the bill requiring the DNR to "recognize the possibility" that mining may be conducted in the future in the area, and that use of portions of the surface estate and control of the flow of water may be necessary for future mining operations.

S. F. 559 authored by Sen. Becky Lourey (DFL-Kerrick), allows entities that sell game and fish licenses to retain \$1.50 as a commission from each license sold. Lourey said the proposed \$.50 increase is an addition to the \$1.00 issuing fee presently charged by the agent to the license buyer. "The agents really need the extra fifty cents just to cover the expenses of selling the licenses," she said. Richard Thomes, an owner of a hardware store in Arlington, said more and more people are charging their licenses and

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that credit card processing fees consume much of the commission. Sen. Charles Berg (IND-Chokio), offered an amendment striking a provision in the bill exempting people over the age of 65 from the additional fee. Berg said the cost of processing licenses for those people is the same as for all license buyers. He said senior citizens already receive discounts toward the cost of the licenses themselves. The amendment was adopted.

S.F. 1961, also authored by Lourey, appropriates \$750,000 to the DNR to construct a snowmobile trail permanently connecting the Munger State Trail to the Northshore State Trail. Rep. Mary Murphy, sponsor of the companion House bill, said a permanent trail is needed in order to establish easements in the area. "Every year the trail gets changed, and every year a different group of people gets upset," she said. Murphy said over 3,000 snowmobilers use the trail during the weekends.

S.F. 819, authored by Sen. Gary Laidig (R-Stillwater), eliminates the husband/wife option for the one year and three year cross-country ski passes, leaving only daily, annual, and three year individual ski passes. The bill also increases the fees on ski passes to \$2 for a daily pass, \$9 for an annual pass, and \$24 for a three year pass. Laidig said the bill restores revenue lost in the governor's budget, which cuts \$100,000 over the next biennium to trail accounts. He said the DNR estimates that approximately \$157,000 will be collected from the purchase of ski passes. Rick McDonald, from the Northern Lights Cross Country Ski Club, said the revenue is necessary to maintain the state's trail system. "We need to keep a good healthy funding source for ski programs," McDonald said, "We have put in a lot of work on trails. There is a lot of support for them across the state." Sen. Leonard Price (DFL-Woodbury), questioned why the bill contains a provision for charging persons over the age of 65 a fee for the pass when currently they are exempt. Laidig said the bill was a result of recommendations made by a roundtable panel and that the provision was one of the recommendations made. "These passes are not for the right to ski," Laidig said, "They are for grooming the trails." Laidig said he would work further with Price on the provision.

Sen. Deanna Wiener (DFL-Eagan), offered S.F. 1431, requiring the Dept. of

Finance to transfer \$1 from the general fund to the Nongame Wildlife Management Account for each dollar contributed to the account. Craig Andresen, from the Audubon Society, said over 90 percent of the account's contributions come from people who check off the "loon box" on their state tax returns. He said over 490 wildlife species including the loon, the trumpeter swan, the bald eagle, the peregrine falcon, and the bluebird benefit from the education, habitat enhancement and preservation research programs conducted by the Nongame Wildlife Program. Wiener said the amount in the account currently is around \$1 million, but contributions have continued to decline over the years. She said that studies have shown that people who use a tax preparer are half as likely to check off the box than people who prepare their own returns.

S.F. 1837, also authored by Wiener, creates a pilot conservation easement and cost-share program for the restoration and permanent protection of lake and river shoreland. She said the bill requires BWSR to establish a pilot program in two counties, one in the Twin Cities Metropolitan Area and one in Greater Minnesota, to provide education and financial incentives encouraging private landowners to preserve and restore lake and river shoreland. Whitney Clark, the executive director of Friends of the Mississippi, said healthy shorelands with a variety of vegetation providing full ground cover, are the best way to protect waters threatened by sedimentation and eutrophication. "Runoff or nonpoint source pollution is the single greatest threat to water quality in Minnesota's lakes and rivers," Clark said. He said the introduction of sediments, nutrients, and chemicals into rivers, lakes, streams, and wetlands is contributing to the decline in the state's water quality. He said the bill is needed because currently there are no programs targeting shoreland protection and restoration.

Listed metals bill heard

A bill repealing the Minnesota Pollution Control Agency's (MPCA) Listed Metals Program was one of five bills heard by the Environment and Agriculture Budget Division, Weds., Apr. 7. The division took no action on any of the bills heard, but Sen. Jane Krentz (DFL-May Township), the division chair,

said all five bills will be considered for inclusion in the omnibus budget bill.

S.F. 1295, authored by Sen. Dan Stevens (R-Mora), repeals the Listed Metals Program, which was established in 1991, that created an advisory council to review the use of lead, cadmium, mercury, and hexavalent chromium in inks, dyes, paints, pigments, and fungicides. Dale Goodfriend, the chair of the Listed Metals Advisory Council, said that he came to the council after 30 years with IBM battling the MPCA over a variety of issues. He said the program's deliberate process approach in reviewing issues related to the metals' use in products has been appropriate and effective. He said in assessing specified products containing listed metals, the council considers whether or not an alternative product is commercially available and economically practicable as well as whether the product provides an economic benefit to the state. Bill Dunn, from the MPCA Policy and Planning Division, said that originally the agency estimated that 1,300 products would require review but in the end, only 220 specified products were submitted and thus there is a deficit of \$117,000 in the program's funds. He said the governor's budget addresses this deficit by increasing the annual fee from \$295 to \$750 per product and appropriating \$75,000 per year of the biennium. Richard Beck from the Dept. of Transportation (DOT), said he testified against the program in 1995, but has since become convinced of its effectiveness. He said the department's use of lead free striping paint on roads has not only addressed environmental concerns but has saved the DOT money.

Stevens said the program is no longer necessary and causes even more regulatory burdens on small businesses in the state. He said repealing the program not only saves the state the annual cost of the program, but also saves the money needed for the increases to address the deficit issue. He said the repeal conforms with the governor's emphasis on reviewing and reducing regulations in the state.

S.F. 2123, offered by Sen. Bob Lessard (DFL-Int'l. Falls), establishes an annual \$10 metal traction device sticker fee for all Minnesota snowmobiles equipped with studs. Lessard said non-residents are not required to purchase the sticker because it costs more to administer the collection of the fees than the price of \$10,

and because of the negative impact snowmobile fees have on tourism in the state.

Sen. Jim Vickerman (DFL-Tracy), offered an amendment to the appropriation language in the bill changing the provision from "for the repair of state trails" to "for the repair of paved public trails." Vickerman said the amendment addresses concerns raised by counties that money is needed to repair paved trails in their counties. Sen. LeRoy Stumpf (DFL-Thief River Falls), said he was concerned that the estimates of the amount of damage submitted by counties is too high. Lessard said that Washington County had submitted an estimate of 16.5 miles of damage to trails in the county but that previously the county had only reported having 14.5 miles of paved trails and thus would receive over 100 percent funding for repairs. Vickerman said he would work with Lessard on the amendment but that counties need money to repair damages done to their trails. The amendment was adopted. Vickerman also offered an amendment requiring non-residents to purchase the \$10 sticker. Lessard said he opposed the amendment because of the money lost last year to tourism from the now repealed \$50 sticker requirement and because the state has work to do to undo the damage that sticker fee caused to the tourism industry. Vickerman withdrew the amendment but said he would continue to pursue the issue.

Sen. Ellen Anderson (DFL-St. Paul), offered two bills appropriating money for construction and maintenance of Como Park. "Como Park is the second most visited tourist attraction in Minnesota," she said, "It is a statewide treasure and resource. It operates on a shoestring budget with a very tiny amount of state support." S.F. 962 appropriates \$21 million to the Metropolitan Council to complete the construction of the Como Park Education Resource Center. S.F. 978 appropriates \$800,000 to the city of St. Paul for a subsidy for the maintenance of live plant and animal exhibits for the zoo and the conservatory. Anderson said the money is needed to repair and sustain facilities and not for expansion of the park. Victor Camp, the director of the Como Zoo, said structures in the zoo are over 100 years old. He said the majority of the park's budget comes from the city of St. Paul.

Anderson also offered S.F. 1818,

appropriating \$400,000 to the MPCA for continued research on malformed frogs. "Frogs are an indicator species," Anderson said, "The malformed frogs are a warning about something in the environment that could be harmful to any living thing. Whether or not that's true, we need to find out." Greg Gross, from the MPCA, said that the agency has spent approximately \$650,000 over four years on research thus far and has narrowed the cause of the malformations to organic chemicals. He said research has eliminated bacterial and viral infections as the cause. Sen. Steve Dille (R-Dassel), said that at the end of last session he returned home to find an advertisement in the local newspaper accusing him of being a "free spending liberal" because he voted for appropriating more money for frog research. Sen. Jim Vickerman (DFL-Tracy), said he would have an easier time convincing his constituents that the money spent on Como Park was more worthwhile than money spent on further frog research. He said it would be more appropriate for researchers at the University of Minnesota to pursue the project than the MPCA. Sen. LeRoy Stumpf (DFL-Thief River Falls), said the frog research would make a good Legislative Commission on Minnesota Resources (LCMR) project. Dille offered an amendment deleting the provision in the bill appropriating money to the Dept. of Agriculture, the Dept. of Natural Resources, and the University of Minnesota as well as the MPCA. Vickerman said he thought the University of Minnesota should continue to receive money for the research. Dille changed his amendment to amend the provision from "the funding must be shared with the Dept. of Agriculture, the Dept. of Natural Resources, and the University of Minnesota" to "the funding may be shared." The amendment was adopted.

Organic farming bill heard

A bill appropriating money for educational programs for farmers on the benefits of organic farming was one of seven bills discussed by the Environment and Agriculture Budget Division, Weds., Apr. 7. The division took no action on any of the bills.

S.F. 1257, authored by Sen. Janet Johnson (DFL-North Branch), adds organic farmers to review panels for sustainable agriculture grants and loans,

requires the Dept. of Agriculture to promote organic agriculture and adds a person representing the organic industry to the advisory board for the Agriculture Utilization Research Institute. Johnson said the bill appropriates \$150,000 over the next biennium to the University of Minnesota for a position to coordinate projects in organic agriculture and \$400,000 over the biennium to the Dept. of Agriculture for cost-share payments to farmers for the costs of organic certification. "Organic farming is one area of agriculture not ailing, but flourishing," she said. James Riddle, member of the Dept. of Agriculture's Organic Advisory Task Force, said the biggest obstacle for farmers converting to organic farming is the lack of education. He said sales of organic foods have been increasing by 20 percent for the last ten years and are expected to top \$6 billion nationwide in the year 2000. Johnson said the international market for organic products is rapidly growing with high revenues for farmers. "The Japanese have scarfed up all of our organic soybeans for tofu at \$15 to \$20 a bushel," she said. She said now is the time for Minnesota farmers to become involved in the growing market.

Sen. Pat Pariseau (R-Farmington), said she was concerned that promoting organic farming sends a negative message about traditional farming methods. She said people perceive organic farming as healthier and an assumption is made that pesticides contaminate food. "People believe organic foods are safer and better and that's the reason they buy it," she said. Sen. Steve Dille (R-Dassel), said that 99 percent of pesticides are produced by plants as part of their natural immune system. He said that although he supports the bill because it encourages the strong work ethic of organic farmers, it is important for consumers to know that traditional farming products are as safe as organic farming products. Kevin Edberg, from the Dept. of Agriculture, said the department's marketing of organic farming does not make the claim it is safer or better but that it focuses on organic farming as a system of production.

Johnson also offered S.F. 1436, appropriating \$500,000 over the biennium to the Dept. of Natural Resources (DNR) for grants to local community forest ecosystem health programs. Dr. Jennifer Juzwik, a research plant pathologist for the U.S. Dept. of Agriculture, said the

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appropriation will be used to help control oak wilt, a disease that attacks oak trees. Juzwik said that unlike dutch elm disease, oak wilt is manageable and controllable. She said the disease spreads underground through the trees' root systems.

S.F. 503, authored by Sen. David Ten Eyck (DFL-East Gull Lake), appropriates \$750,000 to the DNR to provide funding for alternative snowmobile routes in conjunction with the Heartland and Paul Bunyon State Trails. Ten Eyck said the ban of studded snowmobiles has had a devastating effect on the economy of the city of Walker. "Tourism is the economic development engine in Walker," he said. He said the city is in the center of where the two trails come together and thus studded snowmobiles cannot come in and out of Walker.

Ten Eyck also offered S.F. 280, increasing the appropriation to the Mississippi Headwaters Board from \$95,000 per year, to \$208,000 per year. Ten Eyck said the board's funding has not increased since 1989. Jane Van Hunnik, the board's director, said the board is responsible for developing plans for protecting the natural, cultural, scenic, scientific and recreational values of the river's first 400 miles. She said the increase in funding will be used by the board to help meet its statutory obligations.

S.F. 1980, authored by Sen. John Hottinger (DFL-Mankato), appropriates \$150,000 to the DNR for grants to private landowners to plant trees in the city of St. Peter. Hottinger said tornadoes last spring destroyed over 18,000 trees in the city. Sen. Dennis Frederickson (R-New Ulm), offered an amendment adding the city of Comfrey to the bill. The amendment was adopted. S.F. 1096, authored by LeRoy Stumpf (DFL-Thief River Falls), provides for investment income on cash balances to be credited to the water recreation, all-terrain vehicle, off-highway motorcycle, off-road vehicle, and land acquisition subfunds in the Natural Resources Fund. Stumpf said currently the snowmobile and non-game wildlife subfunds receive investment income. Sen. Jane Krentz (DFL-May Township), the division chair, said the provision in the bill reducing revenue to highway funds would require the bill to go to the Transportation Committee. Stumpf offered an amendment striking that provision from the bill. The amendment was adopted.

S.F. 720, also authored by Stumpf, permits the harvesting of farmed cervidae on licensed shooting preserves. Cervidae, which include elk and red deer, are raised for producing fiber, meat, or animal bi-products, as pets or breeding stock. Stumpf said that the bill establishes that only farmed cervidae from herds in the accredited program of the Board of Animal Health may be transported to and released in a licensed shooting reserve. He said the bill also provides that the cervidae may be harvested by firearms or archery on the preserve. Sen. Gary Laidig (R-Stillwater), asked why a bill relating to hunting was not heard by the full Environment and Natural Resources Committee. Tony Kwilas, representing the Minnesota Elk Breeders Association, said that the bill was amended in the Agriculture and Rural Development Committee to replace all references to "hunting" with the word "harvesting." Krentz said that using the term "harvesting" instead of "hunting" along with a similar change in the bill amending the term "hunters" to "patrons of the shooting preserves" didn't change the overall policy of the bill. Mike Hamm, a conservation officer for the DNR, said the department does not support the bill because of concerns that increasing the number of captive herds may increase the transmission of diseases, and because of questions about the hunting ethics and fair chase of pen raised and fenced animals.

The division discussed taking action on H.F. 1415, a bill enacting a citizens roundtable's recommendation for wolf management in the state. Laidig, the bill's author, said at the request of Senate leadership he wanted to refer the bill to the Senate floor rather than for inclusion in the division's omnibus budget bill. Laidig said before going to the floor the bill first would go to the Rules and Administration Committee where it could be re-referred to other committees. Gregory Knopff, from Senate Research, said because of parliamentary procedures, the division first had to re-refer the bill back to the Environment and Natural Resources Committee. Because a quorum of that committee's members was present, Krentz suggested adjourning the budget division and convening the full committee for action on the bill. Stumpf said he was opposed to the suggestion because no public notice was given that action was

going to be taken on the bill. Sen. Bob Lessard (DFL-Int'l. Falls) said the bill should have been referred to the Agriculture and Rural Development Committee instead of the budget division and that the bill still should be heard by that committee. Krentz said she was concerned that the focus was on issues other than issues addressed by the bill. "It goes both ways just like using the term 'harvesting' instead of 'hunting' in the last bill. This doesn't seem to be about debating the merits of the issue but rather it's about showmanship," she said. She said the division would further discuss what action to take on the bill at its next hearing.

Family and Early Childhood Education Budget Division

Two bills discussed

Members of the Family and Early Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Wed., Mar. 31, to discuss two bills.

Sen. Roy Terwilliger (R-Edina) carried S.F. 1951, a bill appropriating \$100,000 for the biennium for a grant to the Kids Capacity Initiative pilot program in Hennepin County. The Kids Capacity program is designed to test the use of transition homes and circles of support for children in place of the current system of foster homes and treatment teams. According to information provided, the goal of the initiative is to ensure that children and youth in foster care make a successful transition to healthy and permanent living situations through reunification with their families, adoption or independent living. The bill states that the staff of the program must report to the governor and the policy committees that have jurisdiction over foster care by Feb. 1, 2001.

Clyde Turner, associate director of the Minneapolis based Family Alternatives, the organization that currently administers the Kids Capacity Initiative, provided testimony in support of the bill. Turner said the pilot program began in Sept. 1998 with 40 children, ages 8 to 12, and is set to end in Dec. 2000. He also said the program is designed to develop assessment techniques that focus on each child's strength and assets—as opposed to current models of assessing foster placement that are based on the emotional,

educational and behavioral problems of the children involved. The program, Turner said, encourages the active participation of children in every step of the foster care process and assists child serving agencies in developing programming that enhances the capacity of children identified as having special needs to succeed. He also said the bill expands collaboration with Hennepin County as a partner in establishing protocols for various foster care related issues. The bill was laid on the table to be considered for inclusion in the division's omnibus bill.

Sen. Arlene Lesewski (R-Marshall) presented S.F. 1263, a bill relating to child care assistance program integrity and fraud protection. The bill requires the enforcement of child care assistance fraud violations, adds child care assistance programs to current law defining wrongfully obtaining assistance as theft and provides penalties for families found guilty of wrongfully obtaining child care assistance. The bill also gives local agencies the authority to request a subpoena to compel the release of information prior to an administrative fraud disqualification hearing and appropriates \$300,000 each year of the biennium to fund fraud prevention activities related to child care programs. The bill was approved and re-referred to the K-12 Education Budget Division.

Governmental Operations and Veterans

Several bills discussed

The Governmental Operations and Veterans Committee, chaired by Sen. James Metzen (DFL-South St. Paul), met Weds., Mar. 31, to hear bills relating to data practices, technology and pensions.

Sen. Don Betzold (DFL-Fridley) presented S.F. 1039, a bill requiring publication of public access procedures. The bill also requires privatization contracts to include data practices compliance requirements, provides for the preparation of model policies, requires the director of the Historical Society to assist in the records management program and funds the information policy training program.

Under the bill, the responsible authority in every state agency, political subdivision and statewide system must

prepare public access procedures in written form and update them no later than Aug. 1 of each year as necessary to reflect any changes in personnel or circumstances affecting public access to government data. The bill also specifies that copies of written public access procedures be made easily available to the public by distributing free copies of the procedures to the public or by posting a copy of the procedures in a conspicuous place within the government entity. The bill was recommended to pass and was re-referred to the Governmental Operations Budget Division.

Sen. Steve Kelley (DFL-Hopkins) offered S.F. 1105, originally, a bill establishing the Intergovernmental Advisory Council for Technology and abolishing the Intergovernmental Information Systems Advisory Council. The bill was amended, however, by Sen. Linda Runbeck (R-Circle Pines) to extend the expiration date of the Intergovernmental Information Systems Advisory Council until June 30, 2000. Kelley distributed letters supporting the extension of IISAC from representative organizations and mayors of several Minnesota cities. The bill, as amended, was recommended to pass and re-referred to the Governmental Operations Budget Division.

A bill requiring the commissioner of employee relations to conform to consumer protection and benefit mandates was sponsored by Sen. Leonard Price (DFL-Woodbury). S.F. 1925 specifies that the commissioner of employee relations may self-insure any hospital and medical plan to promote reasonably stable and predictable premiums for hospital and medical benefits paid by the state and its employees to promote affordable, ongoing relationships between employees and dependents and the medical providers. Price said the self-insurance program is established because the premiums under the current plans are going to go up. He said the proposal is designed as a better way to provide health care insurance for employees.

Kathy Burek, assistant commissioner, Dept. of Employee Relations, said that the Medica insurance plan claims they have lost \$30 million on the state employee group and that they cannot sustain losses at that level. She said the new program stabilizes rates so that the

program can be maintained and the proposal provides the assurance in statute.

Under the bill, staff is employed for the purposes of assisting state employees and dependents in understanding benefits and coverage levels; obtaining information and responses to questions regarding issues of coverage, benefits and service from carriers and providers; and making use of all grievance, appeals and complaint resolution processes provided by law or contract. No formal action was taken on the bill.

Sen. Dallas Sams (DFL-Staples) presented S.F. 1966, the Dept. of Health bill. The bill repeals outdated sections and makes changes to the statutes including making certain health-related data nondisclosable; modifying maternal and child health provisions; modifying provisions for speech-language pathologists, audiologists, unlicensed mental health practitioners, alcohol and drug counselors and hearing instrument dispensers; and modifying the Minnesota Health Care Administrative Simplification Act. The bill was recommended to pass and sent to the Senate floor.

A bill relating to pensions and retirement was offered by Sen. Lawrence Pogemiller (DFL-Mpls.). The bill, S.F. 772, originally related to tax-sheltered annuities, but was amended to reflect the recommendations of the Legislative Commission on Pensions and Retirement. In addition to making changes to various statewide and other public pension plans, the bill provides special benefit coverage for privatized Glencoe Area Health Center employees. The bill was recommended to pass and re-referred to the State Government Finance Committee.

Runbeck offered S.F. 2017, the Dept. of Employee Relations "housekeeping" bill. The bill makes technical and administrative changes to the department's statutes. The bill was recommended to pass and sent to the Senate floor.

Governmental Operations Budget Division

Budget overviews

The Governmental Operations Budget Division met Weds., Mar. 31, to hear budget overviews for the Governor's Office and various public employee

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retirement funds in the state. The division is chaired by Sen. Leonard Price (DFL-Woodbury).

Steven Bosacker, chief of staff, presented the budget overview for the Office of the Governor. He said the governor is responsible for the general direction and supervision of the affairs of the state. The duties of the governor include overseeing and providing leadership for the day-to-day operations of state government, with emphasis on quality service delivery and state agency responsiveness to citizens; taking the lead in shaping public policy; developing programs directed toward efficient, effective operation of state government; appointing citizens to state boards and commissions and appointing judges for all court systems when vacancies occur; and performing all other duties as specified by the laws of the state. The lieutenant governor's chief duty is to assist the governor in carrying out the functions of the executive branch.

Bosacker said the governor is requesting the same funding level as last biennium. The only increase is for salary and non-salary inflation, said Bosacker. He said the governor and staff were frugal in setting up the office and retrofitting it to a new administration, and have no requests for change items in the budget.

Dave Bergstrom, Minnesota State Retirement System (MSRS), presented the budget overview for the agency. He said the agency provides a comprehensive retirement program for public employees working throughout the state. Membership is comprised mainly of state employees, state law enforcement officers, constitutional officers, legislators, judges, employees from the University of Minnesota, the Metropolitan Council and employees from other designated public agencies, said Bergstrom. The system provides an overall retirement program for 185 agencies and manages a tax-deferred income plan that is available to all public employees in Minnesota, said Bergstrom.

The Public Employees Retirement Association (PERA) of Minnesota administers 48 retirement plans and membership includes more than 211,000 public employees and 2,100 separate governmental subdivisions within the state. Mary Vanek, PERA, said the mission of PERA is to create opportunities for members to achieve a successful

and secure retirement by providing the highest quality of benefits and services. The agency's budget plan calls for key project initiatives including implementation and delivery of a full range of customer services, integration of internal financial systems, establishment of linkages with state-wide accounting systems and technology upgrades to ensure that initiatives can be carried out and that the agency system is Year 2000 compatible, Vanek said.

Gary Austin, Teachers Retirement Association (TRA), said the mission of TRA is to administer post-employment benefits for its nearly 120,000 members. Austin said the main administrative focus beyond the payment of benefits during the next biennium is the continuation of the reengineering and systems design and development of computer applications that allow TRA to meet the administrative challenges of delivering services and benefits to the expected flood of retirees within the next decade.

The governor recommends funding at the base level for the Minnesota State Retirement System, the Public Employees Retirement Association, and the Teachers Retirement Association.

Judy Johnson, Minneapolis Employees' Retirement Fund (MERF), said the fund provides survivor and disability benefits to active members and retirement benefits to retired members. There are currently 1,551 active members in the fund, said Johnson. Employers and the state are making supplemental payments so that the unfunded liability of the fund is eliminated by the year 2020, she said. The governor recommends a biennial reduction from base funding of \$6.2 million for FY 00-01 and an additional biennial reduction of \$1.1 million for FY 02-03.

Bills heard

The Governmental Operations Budget Division, chaired by Sen. Leonard Price (DFL-Woodbury), met Weds., Apr. 7, to consider bills for inclusion in the omnibus bill. No formal action was taken on any of the bills.

A bill appropriating money to renovate a building owned by the city of Ely was sponsored by Sen. Douglas Johnson (DFL-Tower). The bill, S.F. 1420, appropriates \$200,000 in FY 99 for the grant. Under the bill, the renovations may include the roof, loading docks for

both the upper and lower levels and a sprinkler system.

Sen. Linda Berglin (DFL-Mpls.) offered S.F. 1219, a bill establishing a uniform complaint resolution process for health plan companies and establishing an external appeal process. Berglin said the external appeal process is needed for people who don't feel they are receiving the services they are entitled to from their health plan. She said in some cases the appeal process replaces the need for arbitration.

Three bills were presented by Sen. Steve Kelley (DFL-Hopkins). S.F. 820 regulates the duties of the secretary of state as a licensed certification authority, modifies the effective period of emerging suspensions of certificates and specifies the consequences of accepting certain digital signatures. The bill also specifies that the digital signature account is created in the special revenue fund and all fees recovered by the secretary must be deposited in the account. S.F. 979 directs the secretary of state to study voting on the Internet. Under the bill, the Internet voting study addresses the issues of security, voter registration, maintenance of voter database, implementation cost and cost of elections after implementation. S.F. 1105 extends the expiration date of the Intergovernmental Information Systems Advisory Council until June 30, 2000.

Sen. Dennis Frederickson (R-New Ulm) offered S.F. 1941, a bill clarifying that the Government Training Service is not subject to the solicitation process and appropriates money for ongoing operations including technology upgrades. The \$200,000 appropriation for the biennium is for a grant to the Government Training Service to develop educational programs to increase awareness of new legislators and appointed state officials regarding the functions, operations and challenges of local governments and to develop a website. In addition, the grant funds programs to facilitate the dissemination of local government best management practices in public service delivery across jurisdictions and enhance skills needed to implement the programs.

A bill providing group long-term care coverage for members and annuitants of public employee pension funds and other eligible persons was offered by Sen. Charles Wiger (DFL-North St. Paul).

Under the bill, S.F. 1546, the program may provide coverage for home, community and institutional long-term care and coverage is optional. The bill also establishes an advisory committee to advise on program issues including benefits, coverage, funding, eligibility, enrollment, underwriting and marketing.

Price sponsored S.F. 1925, a bill requiring the commissioner of employee relations to conform to consumer protection and benefit mandates. The bill provides for the establishment of a self-insured state employee group insurance program. According to the Dept. of Employee Relations, self-insuring medical coverage provides the state increased flexibility to assure all participants the same benefit levels, including prescription drug formulary, the same access to care and the same appeal process – all at an affordable cost to the employee.

Sen. Sandra Pappas (DFL-St. Paul) offered S.F. 603, directing the Capitol Area Architectural and Planning Board and the Minnesota Historical Society to cooperate with the Philippine Study Group of Minnesota in causing a corrective plaque to be placed in the State Capitol. Under the bill, the plaque must correct inaccurate historical information presented on the Spanish-American war plaque currently displayed in the Capitol rotunda. The bill also specifies that the plaque must be of a quality similar to the existing Spanish-American war plaque and must be displayed in a position of comparable prominence.

A bill appropriating money for grants to noncommercial television was presented by Sen. Richard Cohen (DFL-St. Paul). The bill, S.F. 721, appropriates money for grants to assist with conversion to a digital broadcast signal as mandated by the federal government.

Higher Education Budget Division

Ag bills heard

The Higher Education Budget Division, chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls), heard several bills related to agriculture at the meeting Weds., Mar. 31.

Sen. Arlene Lesewski (R-Marshall) sponsored S.F. 1025, a bill that provides for a study of expanding agriculture

education at Southwest State University (SSU) in Marshall. The bill appropriates \$500,000 in FY 2000 to conduct a feasibility study of changing and expanding agriculture education to better meet current needs, and to develop a center for applied rural and regional research.

Doug Sweetland, SSU president, said every student at SSU is required to take a class in rural studies and a class in regional studies. He said the university wants to increase the number of studies in agriculture. Joe Amato, dean at SSU, said the school has been committed to rural and regional studies since the 1970s. He said SSU offers a variety of conferences focusing on southwestern Minnesota. "Each year we look at new subjects," he said. "This year we are also searching for two new faculty members."

Tim Alcorn, director of University Relations at SSU, said the need for Minnesota agricultural and rural communities to develop informed, decisive and communicative leaders is critical. He said the Minnesota Agriculture and Rural Leadership Program is designed to develop such leaders. A class conducted over a two-year period will offer seminars in three-day segments to a group of up to 30 individuals who have demonstrated leadership ability. Alcorn said there are also national and international seminars planned. He said SSU is committed to making the program successful and will work with agricultural and rural interests in the state to develop the best structure for the administration of the program in Minnesota.

Sen. Steve Kelley (DFL-Hopkins) asked how the agricultural center at SSU relates to the one at Mankato. "Why do we need two centers so close to each other?" he asked. Amato said Mankato was founded as a policy center, and the center at SSU is designed to shape regional study. Sweetland said that a student can currently attend SSU and obtain an agronomy degree from the University of Minnesota.

Sen. Dean Johnson (R-Willmar) sponsored S.F. 1072, a bill that appropriates \$996,000 for turkey respiratory disease research. Keith Friendshuh, Minnesota Board of Animal Health, said the research applies only to turkeys in Minnesota that contract an avian pneumovirus. He said the disease has resulted in losses of more than \$20 million to Minnesota turkey growers

since it was first diagnosed in late 1996. Friendshuh said the disease has not been found in any other turkey producing state. He said a vaccine has been developed that looks promising, but currently the method of transmission is not known. Friendshuh said scientists are studying rodents and wild birds for any signs of the virus.

Friendshuh said if the turkeys are infected with the disease and develop air sacculitis when they go to market, they are condemned and cannot be eaten. If the birds are infected early and recover and grow normally, they can be safely consumed.

S.F. 1492, a bill that provides \$200,000 for potato aphid research and \$1.775 million for research on soybean diseases and genetics, was presented by Sen. Keith Langseth (DFL-Glyndon). Jerry Schoenfeld, Greater State Advisors, said the price of soybeans, which is Minnesota's number one cash crop, has dropped dramatically. "On a world-wide market, soybean production has become very competitive," he said. Schoenfeld said the challenge of producing soybeans has increased substantially in the last few years because diseases such as white mold, phytophthora root rot and soybean cyst nematode have increased. The funding for research on these diseases, according to Schoenfeld, is very important in keeping soybean production economically beneficial.

Sen. Cal Larson (R-Fergus Falls) authored S.F. 1791, a bill that provides funding for farm and small business management programs and tuition assistance. The bill appropriates \$609,000 in FY 2000 and \$673,000 in FY 2001 to Minnesota State Colleges and Universities (MnSCU) for increased tuition assistance to reflect the increases in tuition and fees. The bill appropriates \$360,000 in FY 2000 and \$660,000 in FY 2001 to MnSCU for increased student access to farm business management and small business management programs. "We're going to need well-educated people in the field of agriculture," Larson said. Schoenfeld said that 5,000 Minnesota farmers participate in the programs.

Stumpf sponsored S.F. 708, a bill that transfers the farmer-lender mediation program to the Minnesota Extension Service and extends the sunset of the Farmer-Lender Mediation Act. Stumpf said the program is currently housed in

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the Humphrey Institute. Bob Olson, a farm management instructor, said he has been personally involved with students who are in mediation. "When we're all around one table, we can work things out," he said. "It's an ongoing process that gets everybody talking and solves many problems." All the bills were approved and placed under consideration for the higher education omnibus budget bill.

Health and Family Security

Appointment confirmations

Members of the Health and Family Security Committee, chaired by Sen. John Hottinger (DFL-Mankato), met Tues., April 6, to recommend confirmation of Jan Malcolm as the commissioner of the Minnesota Department of Health, Michael O' Keefe as the commissioner of the Department of Human Services and Jim Dowson as a board member of the Emergency Services Regulatory Board.

Malcolm has twenty years of experience in health policy and health care administration and most recently worked as system vice president in public affairs for Allina Health System. She said she believes Minnesota has one of the finest public health care systems in the world. She said the quality of health care in the state is high and the costs of health care are low. "It is one of the things that government is doing very well," she said. However, Malcolm also stated that the health care system in the state is not perfect. She said costs are rising after a period of low, stable rates and that one issue of concern is in dealing with the increase in the elderly population state wide. She also said too many people are still not able to receive proper health care. "Certainly not everything is rosy," she said. "We are in no danger of running out of challenges." One goal she has as commissioner, she said, is to begin a constructive, positive discussion regarding the focus of health care into the next decade. She said expectations for the role of public health care must be defined in order to arrive at a cohesive public policy for health care. Currently, she said, there is a lack of consensus for public health care expectations. Malcolm also said it is her goal to make quality health care available to more of the population and to ensure that children receive quality health care.

O' Keefe worked for ten years as the executive vice president of the McKnight Foundation, which supports projects and organizations in human services, community development, housing, the arts, environment, international needs and research. O' Keefe is also a member of the University of Minnesota Board of Regents. The work in which the Department of Human Services is involved, he said, is work in which he has a long history of involvement. "I will bring a strong commitment to helping people stand on their own feet and in helping people become self-sufficient," he said. He believes, he said, that government should supplement but not replace the responsibilities of family and community and that government assistance should be the last resort. He said he is committed to ensuring that welfare reform truly works to move families into employment and that government assistance is available to be used when a safety net is needed.

Sen. Don Samuelson (DFL-Brainerd) said many Senators are concerned that O' Keefe's affiliation with the university may cause a conflict of interest. The university, he said, receives approximately \$10 million from the department, and he suggested that O'Keefe not become involved in decisions that affect the school.

O' Keefe said he is committed to excluding himself entirely from any situations involving the university. He said many contracts are delegated quite far down from the commissioner and added that it is possible to be isolated from university related contracts. Also, he said other regents in the past have had similar potential conflicts and added that it is not unusual for them to be isolated from a particular decision. He said his term on the board ends in 2000 and he will decide at a later date whether to continue.

Dowson has been the Cass County Sheriff for 12 years. He was not able to attend the committee hearing. The committee recommended that all three gubernatorial appointees be confirmed.

Health and Family Security Budget Division

Tobacco settlement bill discussed

Members of the Health and Family Security Budget Division, chaired by Sen. Don Samuelson (DFL-Brainerd), met

Tues., Apr. 6, to discuss a bill relating to the use of tobacco settlement payments.

Carried by Sen. Roger D. Moe (DFL-Erskine), S.F. 253 establishes three endowment funds—the medical and research endowment fund, the children's endowment fund and the tobacco endowment fund—which are created through a portion of the payments made to the state from the recent tobacco settlement. The funds from the settlement are to be paid between the time period of Jan. 2000 and 2003.

Moe offered an amendment to eliminate the children's endowment fund and create the Minnesota Families Foundation. The foundation is a key part of the administration's tobacco settlement bill, also authored by Moe, and is designed to support the efforts of individuals and families to become self-sufficient. It is to receive 23 percent of the settlement payments made to the state in Jan. 2000, 2001, 2002 and 2003, will run separate from the government and sunset after ten years. Moe said many of the objectives of the children's endowment regarding the development of young children can be accomplished with the Family Foundation.

Questioning the amendment, Sen. Linda Berglin (DFL-Mpls.) said just because efforts to educate children can be accomplished with the foundation it is wrong to assume that they will. She said it would be a shame to lose the focus on the development of young children for which the children's endowment calls. Agreeing with Berglin, Sen. Pat Piper (DFL-Austin) said the benefits of investing early in children must be made clear to the public. The opportunity to invest early, she said, must not be allowed to evaporate. Responding, Pam Wheelock, commissioner of the Minnesota Department of Finance, said the foundation allows local control to meet the needs of local communities. She said it is flexible and thus can be used to foster the development of young children as called for in the children's endowment. The amendment was adopted.

Sen. John Hottinger (DFL-Mankato) offered an amendment to Moe's amendment to address the concerns raised by Berglin and Piper. The amendment states that, among the items already included, that foundation funds must be used for activities that contribute to the understanding of the development of

young children and that develop new methods to increase the effectiveness of educational activities for young children. The amendment also states foundation funds must support activities that enhance understanding necessary for the promotion of programs that stimulate brain development. Hottinger said the amendment brings the best ideas of the children's endowment into the Family Foundation. He also said that families will better achieve self-sufficiency when children receive the best educational beginning possible. The amendment was adopted.

Moe also presented an amendment that requires additional reporting regarding tobacco prevention measures and appropriates funds for administration costs. The amendment was adopted.

Sen. Dan Stevens (R-Mora) offered an amendment to the bill, authored by Sen. Sheila Kiscaden (R-Rochester), that deletes the children's endowment fund and replaces it with the families and early childhood endowment fund. The fund is designed to support activities that focus on social and behavioral health problems that impede self-sufficiency, improve the ability of communities to respond to barriers to self-sufficiency, enhance awareness necessary for the promotion of development in young children and supplement funding to projects that demonstrate success in developing young children. The amendment also establishes a Legislative Commission on Families and Early Childhood. The commission consists of 15 members—10 of whom are legislators—to determine the eligible grant recipients and submit a report describing those projects receiving money and projects anticipated to be receiving money.

Moe said he is not sure that setting up another legislative commission produces any results in the long run. He also said that setting up such a commission discourages creativity and innovation, which the Family Foundation encourages. Good ideas can be found, he said, from people other than legislators. Responding, Stevens said he is uncomfortable with a foundation outside of the government spending millions of dollars of government money. The amendment was not adopted.

Samuelson offered an amendment, also authored by Kiscaden, that raises the amount credited to the medical educa-

tion fund from 27 percent to 35 percent of the settlement payments. The amendment also requires additional reporting and appropriates specific percentages of the market value of the medical education and research endowment fund for medical education, medical research and instructional costs at publicly funded academic health centers. Moe's bill does not include funding for instructional costs. Moe opposed the section of the amendment that raised the amount credited to the medical education fund to 35 percent. He said 35 percent of the settlement is too much money to place in one area. However, Moe was open to the rest of the amendment. As a result, the section appropriating 35 percent to the fund was deleted and the rest of the amendment was adopted.

Berglin offered an amendment to create a health care fund in the state treasury with \$38 million of the tobacco settlement payments beginning Dec. 2003. Berglin stated that there are many needs in the health care area, and added that if some of the settlement isn't earmarked for health care issues it will be used for something else. Some of the settlement, she said, must be used to improve health care in the state. Responding, Wheelock said health care needs are best dealt with in the general fund. She said there is no need to create a new health care fund. The amendment was adopted.

Sen. Dallas Sams (DFL-Staples) offered an amendment creating the health improvement endowment fund and the adolescent health grant program. The amendment appropriates portions of the tobacco settlement for tobacco use reduction and local tobacco prevention efforts. The amendment also appropriates tobacco funds to address access to health services, adolescent and parental involvement in reducing adolescent health risks and increased capacity to respond to the unique health need of adolescents. Outcomes must be measured by decreases in the rates of tobacco use, suicide, alcohol and substance abuse, sexually transmitted diseases, eating disorders and other various behavioral health risks. Sams said the amendment gives the Legislature more authority over how the tobacco funds are spent. Speaking against the amendment, Moe said it dilutes the ability to educate the public

about smoking prevention. Also, he said the amendment is not flexible regarding program funding. The amendment was not adopted. The bill was then laid on the table to be considered for inclusion in the division's omnibus bill.

Judiciary

Firearms industry bill heard

The Judiciary Committee, chaired by Sen. Jane Ranum (DFL-Mpls.), heard a bill, Weds., Mar. 31, that limits regulation and causes of action by political subdivisions against the firearms industry.

Sen. Douglas Johnson (DFL-Tower) presented S.F. 1135, a bill that prohibits local governments from bringing civil actions against firearms or ammunition manufacturers and related entities. Under the bill, the state preempts the right of local government units to regulate gun shows, firearms dealers or dealers in firearm components by zoning. The bill limits the authority to bring suit against a firearms or ammunition manufacturer on behalf of a governmental or political subdivision for damages to the state. The bill does not prohibit a governmental or political subdivision from bringing an action against a firearms or ammunition manufacturer or dealer for breach of contract or warranty as to firearms or ammunition purchased by the governmental or political subdivision.

An amendment, offered by Sen. Thomas Neuville (R-Northfield), removes all reference to regulation of gun shows and firearms dealers by zoning. The amendment was adopted. Johnson said a lot of lawsuits brought by cities and counties against the firearms industry will drive up the cost of firearms that are used for target practice or hunting. Johnson said there is a difference between tobacco lawsuits and lawsuits against the firearms industry. "There was a deception by the manufacturers of tobacco," he said. "The gun manufacturers and gun industry have never denied that if a gun is used in the wrong way, it can be harmful." He said if guns are used improperly, for example in a crime, the law goes after the violator. He said that the zoning issue has been removed from the bill with the amendment, and that he will not use the bill as a vehicle for any other gun issue.

Speaking on behalf of the bill, John Risdall, CEO of Magnum Research, said that although more guns have been sold

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in Minnesota in the past six years, crime is down. He said guns are safe, citing that Magnum Research has never had an employee injury of the slightest kind in connection with guns. "Guns used responsibly don't hurt anybody," Risdall said.

Sen. Allan Spear (DFL-Mpls.) said that he believes the theory behind lawsuits against gun manufacturers is that the manufacturers know their product falls into the hands of criminals and do nothing to prevent that from happening. Risdall said that his is a federally licensed business that sells to federally licensed dealers. "If I can't account for one gun or piece of ammunition, I could lose my license," he said.

Joseph Olson, a law professor at Hamline University, also spoke for the bill. He said that lawsuits against the gun industry are not filed for the purpose of winning the lawsuit, but for the purpose of bankrupting the industry. "This bill does not prevent a lawsuit," he said. "The lawsuit can be brought by the state or individuals." He said a gun is a completely neutral product and does not change from a good gun to a bad gun by the process of changing hands.

Sen. Linda Berglin (DFL-Mpls.) said that certain types of guns are not generally used by the general public. She said she believes the gun manufacturer knows how many weapons are needed by the military for lawful purposes. Berglin said she believes the manufacturer then has some culpability in allowing other high-powered weapons that are sold. Olson replied that the vast majority of such guns are for lawful use. Spear said he questions if it is democratic for the state Legislature to tell local officials what they have to do regarding lawsuits.

Alan Nikolai, Minnesota Waterfowl Association, said that someone always pays financially for lawsuits. He said the bill discriminates against the lower-income gun owner in the state, because gun prices will rise. He said lawsuits punish the law-abiding gun owner.

Opposing the bill was Jerry Blakey, St. Paul City Council member. He said he represents a neighborhood that is besieged with gunfire. In a recent drive-by shooting, Blakey said a stray bullet went through the window of a home. "We should have the ability to at least bring a lawsuit forward," he said. "Being able to protest and bring lawsuits is what

makes this country great." He said that if St. Paul can sue gun manufacturers, the impact would be great, sending a clear message that accountability is required.

Jim Erlandson, pastor at the Lutheran Church of the Redeemer, said he spoke against the bill on behalf of his community, because of the ease with which young people in Minneapolis can get guns.

Mary Garcia, citizen, said she represented a coalition of churches whose primary concern is gun violence. "The bill gives me no voice in my local government, and I'm outraged the bill even exists," she said. She said she finds it hard to believe that officials elected to make the communities safer would even consider such a bill.

Sen. Richard Cohen (DFL-St. Paul) said he is concerned the bill puts a prohibition against local officials. Berglin said she would be more supportive of the bill if guns and bullets which leave no trace of fingerprints were not being manufactured. The bill failed to pass by a 5-6 roll call vote.

S.F. 2029, a bill presented by Sen. Randy Kelly (DFL-St. Paul), modifies requirements for tenant screening reports in the second and fourth judicial districts. Kelly said the bill eliminates a requirement that tenant screening services provide information on unlawful detainer actions only if the report accurately records the outcome of the proceeding. The bill was approved and sent to the floor.

K-12 Education Budget Division

Records policy discussed

The K-12 Education Budget Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met Weds., Mar. 31, to consider several bills for possible inclusion in the K-12 omnibus bill.

A bill authorizing the development and distribution of a comprehensive policy on student records and other data on school-aged children was presented by Sen. Leonard Price (DFL-Woodbury). The bill, S.F. 1244, specifies that the policy include procedures in the areas of use of data transferred between school districts, and between school districts and state, county and city law enforcement and correction agencies; the content and type

of data to be transferred between school districts; and any enforcement mechanisms to support the proper transfer of data as required by law.

Under the bill, by February, 2000, recommendations are to be made to the Legislature regarding necessary clarifications of state law and any enforcement mechanisms identified as essential for the proper sharing of data. The bill was recommended for inclusion in the K-12 omnibus bill.

Price also presented S.F. 1245, a bill adding participants to the review of district discipline policies and providing for district crisis management policies. Under the bill, participants in the school board's annual review of the district wide discipline policy must include administrators, teachers, employees, students, parents, community members, law enforcement agencies, county attorney offices, social service agencies and any other appropriate individuals or organizations. The bill also specifies that a school board must adopt a district crisis management policy to address potential violent crisis situations in the district, and that an annual review of the policy be conducted by the board. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Mark Ourada (R-Buffalo) offered S.F. 1238, a bill authorizing lap and shoulder belts on school buses and requiring training on appropriate use of lap and shoulder belts. Under the bill, a school bus may be equipped with an approved lap belt or an approved lap and shoulder belt installed for each passenger-seating position on the bus. The bill also specifies that passengers on buses equipped with lap or lap and shoulder belts must use the belts unless the passenger or the passenger's parent or guardian has notified the school district in writing that the passenger does not intend to wear the lap belt or lap and shoulder belt. The proposal requires that school buses manufactured after Jan. 1, 2000, with lap belts or lap and shoulder belts must have a minimum seat back height of 28 inches or higher.

In a letter distributed to members, Dr. Alan Ross, president, National Coalition for School Bus Safety, stated that there is a child restraint law in every state. He said seat belts on school buses have been endorsed by the American Medical Association, American Academy of

Pediatrics, American Academy of Orthopedic Surgeons, American College of Preventative Medicine, Physicians for Automotive Safety and the Center for Auto Safety. No formal action was taken on the bill.

Sen. Dennis Frederickson (R-New Ulm) sponsored a bill redefining types of school buses to increase by two persons the maximum manufacturer's rated seating capacity. The bill, S.F. 1351, changes the rated seating capacity from 10 to 12 in type A, type B, type C, type D, type III and type III Head Start buses. No formal action was taken on the bill.

A bill providing for student membership on school boards was offered by Sen. John Hottinger (DFL-Mankato). The bill, S.F. 1024, changes the makeup of the school board to include six elected directors, a student member and an ex officio member. No formal action was taken on the bill.

Bills considered

The K-12 Education Budget Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met Weds., Apr. 7, to consider a number of bills for possible inclusion in the K-12 omnibus bill.

Sen. Linda Higgins (DFL-Mpls.) presented S.F. 2098, a bill appropriating money for a grant to Special School District No. 1, Minneapolis, for the Urban League Street Academy. The grant is for the costs of acquiring and moving to a larger building to expand the academy's program. Higgins also offered S.F. 2035, a bill appropriating money for a grant program for community-based schools. The purpose of the grant program is to promote academic achievement by providing an integrated set of academic, youth development and year-round service-learning and an extended day for children, families and communities. Both bills were recommended for inclusion in the K-12 omnibus bill.

Four bills were sponsored by Sen. Linda Scheid (DFL-Brooklyn Park). S.F. 1776 makes the first grade preparedness program permanent. The bill appropriates \$20 million for FY 00 and FY 01 for the extension of the program. S.F. 2101 provides for a statewide youth athletic program. The bill expands a demonstration project to a statewide level and establishes the program at schools in communities where a school facility and a community park and recreation facility

are jointly located and where the school district has established a neighborhood-based school for enrollment purposes. S.F. 2039 provides an appropriation for a grant to the Board of Invention to expand the statewide K-12 Young Inventors programs in collaboration with other related sources. S.F. 1705 appropriates money for a grant to a non-state organization to develop systemic site decision-making models and implement systemic site decision making in school districts. All four bills were recommended for inclusion in the K-12 omnibus bill.

Sen. Steve Kelley (DFL-Hopkins) presented three bills for consideration. S.F. 1354 establishes a school-linked prevention and early intervention grant program for children ages 5 to 12 and appropriates money for the program. The program is designed to increase the interaction between parents and school staff and to improve students' attendance and school participation. The bill appropriates \$500,000 in FY 00 and 01 for the program. S.F. 2006 appropriates \$200,000 in FY 00 and 01 for a year-round school/extended week or day grant for the Hopkins School District. Both bills were recommended for inclusion in the K-12 omnibus bill. Kelley also sponsored S.F. 2180, a bill establishing the Learning Network of Minnesota II as a statewide education network to support the delivery of education and information programs and services to the citizens of Minnesota. No formal action was taken on the bill.

A bill appropriating money for a year-round school/extended week or day grant for the Hastings School District was one of two bills sponsored by Sen. Steve Murphy (DFL-Red Wing). The bill, S.F. 472, appropriates \$250,000 in FY 00 and 01 for the grant. S.F. 677, permits the Goodhue School District to start school classes on Aug. 30, 1999. Murphy said due to festivities in the city, the school is requesting to change the start date for this year only. Both bills were recommended for inclusion in the K-12 omnibus bill.

Sen. John Hottinger (DFL-Mankato) presented S.F. 1076, a bill providing for HIV education training sites and appropriating \$425,000 in FY 00 for the sites. Of the amount, \$150,000 must be used for continued development of the existing sites; \$150,000 for adding two

additional training sites; \$75,000 for coordination, technical assistance, evaluation and contract management service for the sites; and \$50,000 for a report and recommendations on the effectiveness of HIV education in public schools. The bill was recommended for inclusion in the K-12 omnibus bill. Hottinger also presented S.F. 2084, a bill creating district-sponsored choice magnet schools and qualifying the district-sponsored choice magnet schools for start-up grants. Hottinger said the district-sponsored choice magnet schools offer expanded alternatives for students. No formal action was taken on the bill.

Sen. Janet Johnson (DFL-North Branch) sponsored S.F. 1055, a bill providing for a grant to the Cambridge-Isanti School District. Under the bill, the appropriation must be used for initial facility costs relating to the district's year-round optional school that assists in reducing elementary teacher-to-student ratios, including expenses to conform leased space to building code requirements. No formal action was taken on the bill.

A bill amending the name of the Lola and Rudy Perpich Minnesota Center for Arts Education was offered by Sen. Roger Moe (DFL-Erskine). Under the bill, S.F. 704, the name of the center is changed to the Perpich Center for Arts Education. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Keith Langseth (DFL-Glyndon) sponsored S.F. 2092, a bill providing for the Family Connections Program. The bill also provides for the establishment of demonstration sites for the program to communicate the benefits of the program to other school districts and to help demonstrate how to implement the program. The bill was recommended for inclusion in the K-12 omnibus bill.

A bill clarifying the method of payment of wages by school districts and public school entities was sponsored by Sen. Steven Novak (DFL-New Brighton). Under the bill, S.F. 672, every employer must pay all wages earned by an employee at least once every 31 days on a regular pay day designated in advance by the employer regardless of whether the employee requests payment at longer intervals. Currently, the wages must be paid at least once every 30 days. The bill specifies that the statute does not prevent a school district or other public school

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entity from paying any wages earned by its employees during a school year on regular pay days in the manner provided by an applicable contract or collective bargaining agreement, or a personnel policy adopted by the governing board. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Bob Lessard (DFL-Int'l. Falls) offered S.F. 2030, a bill providing a grant for a full day daily kindergarten program. The grant is for \$100,000 for FY 00 and 01 for the Greenway School District to provide for a full day daily kindergarten program that prepares children for first grade by emphasizing language development and appropriate pre-literacy experiences. The bill was recommended for inclusion in the K-12 omnibus bill.

A bill removing the time period limitation for school district agreements was offered by Sen. James Metzen (DFL-South St. Paul). The bill clarifies that a subdivision of the statutes relating to limitation on participation and financial support applies only to agreements entered into between July 1, 1993, and June 30, 1999. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. David Ten Eyck (DFL-East Gull Lake) sponsored S.F. 968, a bill modifying laboratory school grants to include the operation of schools. The bill appropriates \$10 million in FY 00 for the lab school grants. The bill was not recommended for inclusion in the omnibus bill.

Local and Metropolitan Government

Airport bill heard

A bill defining minor and intermediate use airports for the purpose of prohibiting expenditures to expand or upgrade metropolitan airports was heard by the Local and Metropolitan Government Committee, Weds., Mar 31. The committee is chaired by Sen. Jim Vickerman (DFL-Tracy).

S.F. 751, authored by Sen. Steven Novak (DFL-New Brighton), defines minor use airports as those with primary runways between 2,500 and 4,000 feet in length, and intermediate use airports as those with primary runways of 4,001 to 8,000 feet in length. The bill defines the St. Paul downtown airport as an interme-

diated use airport and Flying Cloud, Crystal, Anoka County- Blaine, Lake Elmo, and Airlake airports as minor use. Novak said the bill clarifies a 1980 statute known as the "McCarron Amendment," named after former Rep. Paul McCarron, prohibiting the expansion of metropolitan minor and intermediate use airports unless approved by the Legislature. He said the Metropolitan Airports Commission (MAC), has used definitions from its Metropolitan Development Guide establishing the maximum length of a minor use airport runway at 5,000 feet.

Dan Coughlin, the mayor of Mounds View, said the city has had ongoing disagreement with MAC over the commission's recommendation to the Metropolitan Council that the length of the city's airport runway be extended. He said the city believes that expansion of the runway must first be approved by the Legislature. "It's an issue that was seemingly crystal clear with the McCarron amendment and now is cloudy gray," Coughlin said, "Having an unelected body make decisions tends to blunt people's voices." Scott Mace, a member of the Eden Prairie Citizens Noise Abatement Council, said MAC's decision to allow expansion at the Flying Cloud Airport has not allowed enough public input. "Because MAC promotes and regulates airports, it is difficult for them to step back and see the greater public interest," Mace said. McCarron said he believes MAC should adhere to the statutory definitions. "It never occurred to me when the legislation was put in place that an agency as responsible as MAC would try an end run to change the definitions," McCarron said, "Agencies should be subservient to the Legislature."

Natalio Diaz, a transportation manager of the Metropolitan Council, said in 1984 the Legislature directed the Met Council to prepare an aviation plan for the region. Diaz said the Met Council formed an Aviation Task Force comprised of 28 members representing a wide range of interests including representatives from cities and members of the Legislature. The task force learned that in 1977 there were 256,000 flights in and out of Mpls./St. Paul International Airport, and the number increased to 337,000 by 1984. Diaz said today the number is approaching 500,000 and the

regional airports are important in helping to deal with the increase in traffic. He said after two years of studying the issues, the Aviation Task Force recommended that either the Mpls./St. Paul International Airport be expanded or that the reliever airports be used more effectively. "We learned the most significant thing we can do is to improve facilities at these airports. Part of the improvement to the facilities includes the runways," Diaz said.

Jeff Hamiel, MAC's executive director, said the regional planning process for area airports involved all communities and was open to the public. He said the commission's role is to implement the regional plan and not play an advocacy role. Hamiel said he wasn't sure the exact issue the bill addresses. He said expanding the length of minor use runways makes them available for jets to use, and that if the issue was one of safety, professional pilots are generally more trained than the private pilots using the regional airports. Hamiel said if it is a noise issue being addressed, jets are much quieter than single engine aircraft. "It's about perception. People perceive jets to mean more activity," he said. The bill was approved by a 9-5 vote and sent to the Senate floor.

Two other bills were also approved and forwarded to the Senate floor. S.F. 1976, authored by Sen. Linda Higgins (DFL-Mpls.), authorizes the Minneapolis Park and Recreation Board to engage in the distribution and sale of hydroelectric power of less than four megawatts to protect the natural, historical, ecological, and aesthetic value of the Mississippi River at St. Anthony Falls. S.F. 2044, offered by Vickerman, was heard at a previous hearing. The bill exempts social dice games from criminal prohibitions on gambling. Vickerman offered an amendment he said addresses a concern raised at the original hearing of the bill. He said the amendment limits the prizes for dice games to food and beverages purchased and consumed on the premises. The amendment was adopted.

The committee approved the appointment of Ted Mondale as the chair of the Metropolitan Council. Mondale said the governor wants the Met Council to take the lead in regional planning issues. "All too often the Met Council has assumed its role is more fiduciary than activist," Mondale said, "The governor wants the Met Council to lead as it works with

other agencies.” The committee also confirmed the appointment of three members, John Breon, Eldon Fontana, and Donald McHale to the Gambling Control Board.

Property Taxes and Local Government Budget Division

TIF bills heard

The Property Taxes and Local Government Aids Budget Division met Weds., Apr. 7, and continued the process of hearing tax increment financing (TIF) bills. No formal action was taken on any of the measures and all will be considered for inclusion in the division’s omnibus bill.

S.F. 1377, authored by Sen. Dave Kleis (R-St. Cloud), authorizes the expenditure of revenue derived from tax increments paid by properties in St. Cloud tax increment financing districts to finance the redevelopment of commercial properties outside the districts which were destroyed in the natural gas explosion last December. S.F. 1461, authored by Division Chair Sandra Pappas (DFL-St. Paul), extends the duration of the Williams Hill tax increment district in St. Paul. S.F. 2015, also authored by Pappas, reduces the property tax class rates on residential property containing four or more units. S.F. 1676, carried by Sen. Dan Stevens (R-Mora), authorizes a tourism tax increment financing project in Benton County. The measure allows the creation of a development district for a tourism facility consisting of facilities for meetings, lodging, entertainment, and dining in the town of Watab along the Mississippi River.

S.F. 1757, authored by Sen. Gen Olson (R-Minnetrista), expands the definition of a qualified housing district to include certain owner occupied housing for purposes of the state aid offset. S.F. 2064, also sponsored by Olson, waives the local contribution requirement for a district in the city of Plymouth. S.F. 2002, authored by Sen. Dick Day (R-Owatonna), modifies the rule allowing use of economic development districts for commercial developments in small cities.

S.F. 132, carried by Sen. Paula Hanson (DFL-Ham Lake), extends the agricultural property tax classification to property used for the production of insects bred to be used as food for

animals. S.F. 398, sponsored by Sen. Dallas Sams (DFL-Staples), authorizes the Sauk River Watershed District to levy up to \$200,000 annually for its administrative fund for taxes payable in 2000, 2001, 2002, 2003, and 2004. S.F. 565, authored by Sen. David Ten Eyck (DFL-East Gull Lake), changes the classification requirements for certain resorts.

Finally, members began discussion of S.F. 2157. The bill, sponsored by Sen. John Hottinger (DFL-Mankato), repeals the transit zone tax with certain exceptions. Because of the lack of time, Pappas said discussion on the bill will continue.

Committee on Taxes

Tax cut proposals heard

The Tax Subcommittee on Income and Sales Tax met Weds., Apr. 7, to consider numerous bills dealing with various kinds of tax cuts. Subcommittee Chair Steve Murphy (DFL-Red Wing) said no action would be taken on most of the bills, but that they would be considered for inclusion in the subcommittee’s omnibus bill.

Members did make an exception, though, and took a formal vote to S.F. 1701 in the omnibus bill. The measure, sponsored by Sen. Dennis Frederickson (R-New Ulm), authorizes the city of New Ulm to impose sales and use tax of up to one half of one percent if the tax is approved by voters. Under the bill, revenues from the additional taxes are to be used for the construction of a civic and community center and a recreational center. The bill also authorizes the city to issue bonds to finance the project.

Three bills authored by Sen. Linda Scheid (DFL-Brooklyn Park) were also heard. S.F. 2080 exempts a number of items from the sales tax. Scheid said that the items contained in the bill are many of those upon which the Legislature imposed a sales tax in the 1980s during the time of budget shortfalls. Among the items exempted from the sales tax are meals and drinks served at hospitals, sanitariums, nursing homes, senior citizen homes and corrections facilities; admissions to recreational areas, tanning facilities, health clubs and spas or athletic facilities; interstate telephone services; parking fees; motor vehicle towing; motor vehicle washing; detective

services, security services, burglar, fire alarm and armored car services; pet grooming services; lawn care services; tree services; massages; pet care and boarding; non-prescription drugs; membership fees for sports and athletic facilities; personal hygiene items including soap, detergent hand lotions, toilet paper and facial tissues; books and sheet music; and veterinary prescription drugs. The second bill sponsored by Scheid, S.F. 1379, repeals the payment and refund requirements relating to sales of exempt capital equipment. The third measure, S.F. 1928, exempts printing activities from the sales and use tax. Under the bill, printing activities means prepress, press, and postpress activities including commercial photocopying.

The subcommittee considered S.F. 1926, sponsored by Sen. Jim Vickerman (DFL-Tracy) and S.F. 2126, authored by Sen. LeRoy Stumpf (DFL-Thief River Falls), together. S.F. 1926 creates an offer-in-compromise program that provides that taxpayers, after they enter into an agreement to compromise their tax liabilities, will still have adequate means to provide for their basic living expenses. The bill also provides that the income realized on the sale of agricultural production property is exempt from taxation if the taxpayer would become insolvent if the tax were paid on the income from the sale. S.F. 2126 requires the Dept. of Revenue to notify taxpayers when tax liabilities have been compromised and provides a subtraction from taxable income for gains realized on disposition of farm property.

S.F. 1207, sponsored by Sen. Edward Oliver (R-Deephaven), modifies the definition of “native prairie” and provides that pasture land used for livestock grazing purposes may be considered native prairie if the landowner has implemented conservation practices that maintain biological diversity. The measure also creates a credit for the costs of land management activities completed for conservation purposes.

S.F. 1912, authored by Sen. Richard Cohen (DFL-St. Paul), exempts payments in settlement of Holocaust claims from state income taxation. Cohen said the bill parallels federal legislation in the treatment of payments for Holocaust claims.

Several measures contain provisions providing exemptions from the sales tax.

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S.F. 749, carried by Vickerman, exempts the purchase of materials, supplies, furnishings and fixtures for the construction of the Windom Multipurpose Center from the sales tax. S.F. 1935, sponsored by Murphy, exempts machinery and equipment used by ski areas from the sales tax. The measure also exempts sales of lift tickets from the sales tax. S.F. 1567, sponsored by Sen. Don Betzold (DFL-Fridley), exempts non-prescription drugs and residential fuels from the sales tax. S.F. 143, carried by Sen. Claire Robling (R-Prior Lake), exempts sales of smoking cessation devices from the sales tax. S.F. 2026, sponsored by Sen. Thomas Neuville (R-Northfield), exempts the purchase of construction materials used in building the Pearl Street 911 Center in the city of Owatonna.

S.F. 838, also carried by Murphy, provides a sales tax exemption for tree and stump removal and trimming services. Murphy requested that the bill be laid on the table in order for the panel to examine the measure in the context of tax treatment of other services relating to disaster recovery. The panel adopted the motion.

S.F. 1022, sponsored by Sen. Steven Novak (DFL-New Brighton), exempts vehicles used by interstate carriers from the sales tax. S.F. 2102, authored by Sen. Arlene Lesewski (R-Marshall), exempts materials used in constructing a regional emergency response and fire training center from the sales tax. S.F. 2115, sponsored by Sen. Dallas Sams (DFL-Staples), exempts materials and supplies used in constructing a community center by a nonprofit corporation.

Sen. Ellen Anderson (DFL-St. Paul) sponsored two bills. S.F. 1535 modifies the hearing requirement applicable to revenue recapture proceedings. S.F. 493 provides a low income housing credit equal to the amount of the credit received under federal law for providing low income housing.

Members also heard a proposal allowing the city of Proctor to impose a local sales tax. S.F. 1851, authored by Sen. Becky Lourey (DFL-Kerrick), specifies that, upon voter approval, the city may impose the local sales tax and that the revenues are to be used for street, sidewalk and bikeway improvements and for construction of a community activity center.

S.F. 1397, carried by Sen. John Hottinger (DFL-Mankato), provides a credit for qualifying higher education expenses. Under the bill, qualifying higher education expenses include tuition and fees of an eligible student for the student's first or second year of post-secondary education less any refunds of tuition received from the institution and any employer reimbursement. S.F. 1805, sponsored by Sandra Pappas (DFL-St. Paul), provides that the education expense credit and deduction apply to expenditures for enrollment in prekindergarten programs and apply for museum memberships.

Transportation

Commuter rail discussed

A bill regarding commuter rail system planning was brought before the Transportation Committee by Sen. Carol Flynn (DFL-Mpls.). Flynn, who chairs the committee, presented S.F. 2136 at the meeting Weds., Mar. 31.

Flynn said the bill specifies that the Department of Transportation (MnDOT) is responsible for planning, developing, constructing, operating and maintaining commuter rail. The bill allows MnDOT to enter into a memorandum of understanding with public and private entities, including regional rail authorities, to carry out the activities. Under the bill, MnDOT is required to adopt a commuter rail system plan by Jan. 15, 2000, and update it as necessary, based on consultation with the regional railroad authorities.

Flynn said the system plan must be approved by Metropolitan Planning Organizations (MPOs) in areas in which commuter rail will be located before MnDOT makes the final design. S.F. 2136 also requires public hearings be held on the physical design component of the advanced corridor plan. A city, county or town in which the route is proposed to be located must review and comment on the plan. Each MPO must also review the advanced corridor plan, according to the bill. The bill establishes a rail corridor coordinating committee to advise MnDOT on issues relating to commuter rail. Flynn said that under the bill, regional rail authorities must not expend federal or state funds for light rail or commuter rail unless consistent with the commuter rail plan adopted by MnDOT

and the light rail transit (LRT) plan adopted by the Metropolitan Council. The bill specifies that \$6.5 million appropriated in the 1998 capital improvement bill is only available upon execution of a memorandum of understanding with MnDOT. An earlier appropriation of \$40 million is designated for design and construction of the Hiawatha Corridor, from downtown Minneapolis through Minneapolis-St. Paul International Airport terminating in southern Hennepin or northern Dakota County.

Sen. Randy Kelly (DFL-St. Paul) said the bill changes commuter rail from a county planning process to a centralized planning process. "I support going forward on commuter rail and LRT, but the bill has fundamental changes, taking powers from the county and giving them to MnDOT and the Metropolitan Council. Some things have to happen before I can accept this legislation," he said. Kelly proposed an amendment stating LRT must be constructed to connect the major employment concentrations in the Twin Cities. The amendment specifies that LRT priority is to connect Minneapolis and St. Paul to the Mall of America (MOA) and Minneapolis-St. Paul International Airport. The amendment also requires that a regional master plan for transit must be developed by MnDOT, the Metropolitan Council, the regional railroad authorities in the Metro Area, and the Metropolitan LRT Joint Powers Board, with the plan presented to the Legislature by March 1, 2000. The amendment requires the plan to include bus and rail development.

"The concerns of Ramsey County are the concerns of us all," Flynn said. She added that Ramsey County has already opted for \$3 million of the \$6.5 million to study the Riverview Corridor between the east side of St. Paul and the airport and MOA. "We are doing it this way so we have an established process," she said.

Kelly said the LRT investment makes no sense unless the core cities are connected. "We need to hook the two cities together, and whenever I bring this up there is resistance, which makes me suspicious," he said. Sen. Sandra Pappas (DFL-St. Paul) said that the west end has received money again and again. She spoke in favor of Kelly's amendment, saying the language is warranted.

Elwyn Tinklenberg, commissioner of

MnDOT, said that the priority in discussions of the Joint Powers Board, made up of county representatives, has been the Hiawatha Corridor. "This plan was put together over lots of agonizing discussions," he said. Peter McLaughlin, chair of the Joint Powers Board, said the Central Corridor, connecting downtown St. Paul and downtown Minneapolis, had been a priority but did not progress under the previous Legislature. "The decision was made, with the full participation of Ramsey County, to abandon the Central Corridor and go ahead with Hiawatha," he said.

Tony Bennett, Ramsey County commissioner, said Ramsey County supports the Hiawatha Corridor and always has. "We have a governor now who says we need an all-encompassing system," he said. "There need to be some assurances for the East Metro side." He said Ramsey County is not arguing Hiawatha shouldn't be first, but is concerned promises connecting downtown St. Paul won't be kept.

Sen. Clair Robling (R-Prior Lake) moved an addition to the amendment, adding that the adequacy of existing transportation corridors be included in the regional master plan. The language was adopted. Kelly moved that the completion date for presentation of a regional master plan to the Legislature be changed to Feb. 1, 2000. The date change was adopted. The amendment prevailed. S.F. 2136 was approved and re-referred to the Transportation Budget Division.

S.F. 1206, a bill modifying provisions relating to special number plates for collector aircraft, was presented by Sen. Gen Olson (R-Minnetrista). The bill defines "first year of life" for aircraft registration purposes as the earlier of the first year the aircraft received a type certificate from the FAA or the year of manufacture. Under current law, the first year of life is identified as the model designation year or year of manufacture. The bill also replaces the current category of collector aircraft with two categories: antique aircraft, manufactured before 1946, and classic aircraft (1946-1955). Under the bill, current "pioneer aircraft" plates are replaced with classic or antique plates. The bill was approved and re-referred to the Transportation Budget Division.

Sen. Dean Johnson (R-Willmar)

presented S.F. 1169, a bill that requires MnDOT to develop a corridor improvement plan for grade crossings on the railway corridor that runs through Winona, Olmsted, Dodge, Steele, Waseca, Blue Earth, Brown, Redwood, Lyon and Lincoln Counties. The bill allows affected railroad companies and local governments to participate in developing the corridor improvement plan. The bill was approved and re-referred to the Transportation Budget Division.

Transportation Budget Division

Truck "no zone" discussed

The Transportation Budget Division, chaired by Sen. Janet Johnson (DFL-North Branch), devoted the Weds., Apr. 7, meeting to discussion of two bills and a proposal for possible inclusion in the division's omnibus funding bill.

One bill provides for an appropriation for grants to motor carriers or private carriers for up to 50 percent of the costs of vehicle signage to educate the public about the "no zone" danger area around trucks and buses. S.F. 2140, carried by Sen. Dean Johnson (R-Willmar), also provides that the truck signage may be used to promote Minnesota tourism. According to Todd Iverson, Minnesota Trucking Association, the bill represents a public-private partnership to educate the public about the "no zone" danger area around trucks and buses. Iverson said the "no zone" danger area is the so-called "blind spot" in which truck drivers are unable to see other vehicles near them. Iverson said the bill builds on a federal public information program that was woefully underfunded. The measure contains a one-time appropriation of \$250,000.

The second bill, S.F. 1050, provides reimbursement to fire departments for the expenses incurred in extinguishing motor vehicle fires on a trunk highway or interstate. The bill's author, Sen. Becky Lourey (DFL-Kerrick), said the bill arises from conversations in her district with township officials who said that car fires present a problem for township volunteer fire departments because it is often difficult to recover costs from the vehicles owner. Members pointed out, however, that the bill allows any municipi-

pal or volunteer fire department to be reimbursed. Sen. Carol Flynn said that the appropriation, \$200,000, would not go very far if the large cities in the state were included. Lourey suggested that the reimbursement be limited to \$300 per occurrence.

The division also began discussing a proposal to increase the fees charged by deputy registrars. Tom Poul, representing deputy registrars, said that the fees have not been increased since 1989. He said that increasing the fee from \$3.50 to \$4.50 beginning Aug. 1, 1999 and to \$5 beginning Jan. 1, 2000, would enable deputy registrars to stay even with inflation. Flynn and Sen. Keith Langseth (DFL-Glyndon) both said that the division should proceed cautiously when increasing fees because, as yet, there has been no agreement on reducing license tab fees. Having a fee increase for deputy registrars, while not decreasing tab fees, would be poorly received because consumers would see an overall increase, Langseth said.

Tuesday, April 6

Daily floor sessions begin

In addition to welcoming the Senate's newest member, Sen. Donald Ziegler (R-Blue Earth), members also granted final passage to numerous bills on the Calendar and Consent Calendar and granted preliminary passage to several bills while on General Orders at the Tues., Apr. 6, floor session.

The floor session inaugurated the Senate's plan to meet in extended daily floor sessions for the remainder of the Legislative Session. Fifteen bills received final passage on the Consent Calendar during the floor session. Bills on the Consent Calendar were considered to be non-controversial by the committees that heard them and are allowed to skip the General Orders process. Sen. Charles Wiger (DFL-North St. Paul) carried two of those bills. H.F. 1556 extends pilot project waivers for civil service requirements in the Housing Finance Agency and S.F. 1609 amends the joint powers statute to exempt contracts for amounts under \$25,000. Other bills receiving passage on the Consent Calendar include H.F. 1565, carried by Sen. Deanna Wiener (DFL-Eagan), authorizing retired members of the national guard to return to active service and providing for

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warrant officers and enlisted personnel to serve temporarily or on armory boards; and H.F. 1421, carried by Sen. Roy Terwilliger (R-Edina), modifying temporary permit requirements for podiatrists.

Two bills carried by Sen. Dave Johnson (DFL-Bloomington), H.F. 240 authorizing sheriffs to spend money from a contingency fund to investigate DWI violations, and H.F. 216 modifying the law on transferring prisoners between jails and workhouses were both passed on the Consent Calendar.

Other bills passed on the Consent Calendar were: H.F. 525, carried by Sen. Linda Runbeck (R-Circle Pines), transferring administration of the dangerous dog registration system in Anoka County from the county to cities therein; H.F. 645, carried by Sen. Martha Robertson (R-Minnetonka), making state requirements for water supply and wastewater treatment operators certification conform to federal law; S.F. 521, carried by Sen. Sandra Pappas (DFL-St. Paul), requiring no-fault automobile insurance medical benefits to cover sign language and language translation services; S.F. 1368, carried by Sen. David Knutson (R-Burnsville), eliminating certain professions from retainage requirements in contracts; and H.F. 1216, carried by Sen. Pat Piper (DFL-Austin), modifying practical examination requirements for chiropractors licensed in other states.

Sen. John Hottinger (DFL-Mankato) sponsored four bills that were passed on the Consent Calendar. H.F. 614 expands the reserve corridor for community integrated service networks. H.F. 583 allows township mutual insurance companies to invest in overnight repurchase agreements. H.F. 1066 raises the limit on the number of adjoining townships that a township mutual insurance company may operate in from 150 to 300. H.F. 1660 grants an exemption from the unlawful practice of medicine law to those involved in research.

The Senate also granted final passage to eleven bills on the Calendar. S.F. 283, sponsored by Sen. Don Betzold (DFL-Fridley), modifies procedures governing persons committed as mentally ill and dangerous to the public. S.F. 1324, sponsored by Wiger, requires the commissioner of public safety to impose commercial driver's license disqualifications for out-of-service violations. S.F. 347, sponsored by Sen. Douglas Johnson

(DFL-Tower), allows parents to provide home school instruction for the classroom component of driver education. S.F. 1101, sponsored by Sen. Arlene Lesewski (R-Marshall), requires the Dept. of Transportation to erect directional signs to the New Life Treatment Center.

S.F. 778, sponsored by Sen. Dallas Sams (DFL-Staples), requires a security interest in a motor vehicle to be released within seven days if satisfied by a dealer. S.F. 746, sponsored by Sen. Bob Lessard (DFL-Int'l. Falls), permits Grand Rapids to hold their general election in November. S.F. 1649, sponsored by Sen. Jerry Janezich (DFL-Chisholm), directs the commissioner of veterans affairs to study the provision of free or reduced cost health care to veterans throughout the state. S.F. 1528, sponsored by Sen. Leonard Price (DFL-Woodbury), modifies exotic species laws.

S.F. 451, sponsored by Sen. Jim Vickerman (DFL-Tracy), regulates security interests in agricultural crops. S.F. 1144, sponsored by Sen. Linda Scheid (DFL-Brooklyn Park), is the Secretary of State's elections housekeeping bill. S.F. 775, sponsored by Sen. Sam Solon (DFL-Duluth), reduces the maximum travel time and distance to mental health care providers in a health maintenance organization.

The Senate also spent considerable time on General Orders and granted preliminary approval to a number of bills. Included in the bills was H.F. 40, the nursing home restraint bill, sponsored by Sen. Don Samuelson (DFL-Brainerd). Samuelson said the bill empowers the physician, the patient and the patient's family in the use of restraints and said the details of the bill were worked out between the Office of the Attorney General, the Dept. of Health and other regulatory agencies. Sen. Claire Robling (R-Prior Lake) spoke in favor of the bill and called it a "common sense" approach. She said the current state rule doesn't work.

A number of bills concerning the conveyance of land were also approved on General Orders. S.F. 338, authored by Sen. Steve Murphy (DFL-Red Wing), authorizes the private sale of land in Goodhue County. S.F. 1264, carried by Sen. Paula Hanson (DFL-Ham Lake), authorizes the private sale of land in Anoka County. S.F. 1449, sponsored by Price, is the Dept. of Natural Resources

(DNR) annual state park boundary adjustment bill. S.F. 1830, carried by Sen. Douglas Johnson, authorizes the sale of tax-forfeited land in Cook County. S.F. 1340, sponsored by Sen. Gary Laidig (R-Stillwater), authorizes the sale of tax-forfeited land in Washington County. S.F. 1255, carried by Sen. Thomas Neuville (R-Northfield), authorizes the sale of tax-forfeited land in LeSeuer County. S.F. 1572, authored by Sen. Dennis Frederickson (R-New Ulm), makes technical changes in the law regarding the sale or exchange of leased lakeshore lots.

Three crime related bills were also granted preliminary approval. S.F. 903, sponsored by Neuville, adds the county attorneys in the county where a sex offense occurred and where a sex offender is likely to live following release from prison to the list of authorities to be notified 12 months in advance of the release. S.F. 1604, carried by Sen. David Ten Eyck (DFL-East Gull Lake), provides a second track for probation violations. Senators adopted an amendment to the bill, offered by Ten Eyck, reinstating language that allows community service work for probation violations. S.F. 1722, carried by Sen. Leo Foley (DFL-Coon Rapids), allows admissibility of the results of a preliminary breath test in prosecution of violations of the implied consent law.

Other miscellaneous bills also received preliminary approval. S.F. 1402, carried by Sen. Carol Flynn (DFL-Mpls.), allows the DNR to lease state land at Fort Snelling to the Minneapolis Park Board for athletic use. S.F. 1470, sponsored by Samuelson, allows the DNR to change the route of the Paul Bunyan Trail. S.F. 527, also sponsored by Samuelson, provides for the licensure of physical therapists. S.F. 556, carried by Piper, provides exemption to a utility that owns the right of way used for part of the Shooting Star Trail.

S.F. 1920, authored by Price, changes the classification and appointment process of the State Archaeologist. S.F. 1093, carried by Hottinger, provides for the effect of mediated settlement agreements. S.F. 1273, sponsored by Sams, makes technical changes to provisions on the licensing of nursing home administrators. S.F. 1060, carried by Knutson, is a Secretary of State business registration housekeeping bill.

S.F. 1592, sponsored by Sams, allows people with mental disabilities to obtain provisional hunting licenses without taking the written examination.

Wednesday, April 7

Many bills discussed

A bill regulating low speed vehicles was one of many bills discussed during the floor session Wed., Apr. 7. Carried by Sen. Charles Wiger (DFL-North St. Paul), S.F. 1325 allows local governing bodies to authorize the operation of low speed vehicles on designated roadways under their jurisdiction. The bill states that persons operating such a vehicle must possess a permit and must follow traffic laws. Low speed vehicles are electric vehicles, or golf cars (not carts), that are manufactured and sold as on-the-road, four wheel passenger vehicles. They have a maximum speed limit of 25 miles per hour. The state legislation is a direct result of federal legislation that created a separate class of vehicles for low speed vehicles.

Questioning the bill, Sen. Jim Vickerman (DFL-Tracy) asked if the vehicles are allowed on all Minnesota highways and freeways. If they are allowed, he said, the vehicles will not only back up traffic, but will also be a major safety hazard for those driving them. Responding, Wiger said the vehicles are regulated at the local level and added that he couldn't conceive any local government allowing such vehicles on fast moving freeways. Sen. Leo Foley (DFL-Coon Rapids) also stated that freeways have minimum speed limits that low speed vehicles cannot obtain. Sen. Steve Murphy (DFL-Red Wing) said the bill is designed for a limited use of the vehicles. The vehicles, he said, are used by those who lack mobility and are meant to be operated on residential roads. He said the bill is small and not a big deal. The bill was given final passage on Special Orders.

Sen. Ember Reichgott Junge (DFL-New Hope) presented H.F. 836, which regulates business corporations, modifies the authority to grant restricted stock, regulates take-over offers, regulates mergers and exchanges and regulates certain control agreements and dissolutions. Junge also offered an amendment that requires a vote of shareholders specified in current law when a proposal

is made to change the bylaws of a corporation unless approved by a board of directors comprised of persons not affiliated with or employed by the acquiring person or a related organization. Junge said the amendment protects against hostile takeovers of small businesses by ensuring that stakeholders in a small business participate in preventing a takeover. If action is not taken, she said, many small businesses are vulnerable to a takeover. The amendment was adopted.

Sen. Charles Berg (IND-Chokio) offered an amendment relating to family farm partnerships. The amendment defines a family farm partnership as being a limited partnership in which none of the partners are corporations, at least one of the related persons is residing on or operating the farm and the agricultural land owned by the partnership was owned by one or more of the related persons for a period of five years before its transfer to the limited partnership. Berg said the amendment helps farmers pass down their property to their heirs in the least costly manner. However, the amendment was ruled not germane to the bill and was not acted upon. The bill was given final passage on Special Orders.

Sen. David Ten Eyck presented S.F. 473, which authorizes the conveyance or public sale of certain tax-forfeited and other public lands in Anoka, Cass, Douglas, Hennepin, Houston, Hubbard, Mower, Ramsey, Sherburne and Steele Counties. Offering amendments authorizing the sale of similar lands were Sen. Steve Dille (R-Dassel), in Wright County; Sen. Dallas Sams (DFL-Staples), in Wadena County; Sen. Cal Larson (R-Fergus Falls), in Otter Tail County; and Sen. Bob Lessard (DFL-Int'l. Falls), in Anoka, Chisago, Goodhue, Hennepin, Itasca, Kandiyohi, Koochiching, LeSueur, Roseau, Wabasha and Washington Counties. All amendments were adopted and the bill was given final passage on Special Orders.

Sen. Martha Robertson (R-Minnetonka) carried S.F. 296, which modifies special education provisions in current law. The bill requires any state, county or city government agency that is providing special education services under an interagency service agreement to be subject to the same dispute resolution systems as local school districts and provides that parties serving students attending a non-public school on a

shared time basis must have access to the due process hearing and complaint system under federal law. Also, the bill clarifies the role of parent advisory councils for special education and includes interpreter and transliterator fees in the neutral due process hearing cost to be covered by state aid. Robertson said the bill represents an agreement between teachers, parents, Department of Children, Families and Learning representatives and special education advocates. She said it provides a better system for children with disabilities that is simpler and lower in cost. The bill was given final passage on Special Orders.

Many other bills were given final passage. S.F. 1585, authored by Sen. Dan Stevens (R-Mora), makes several technical and conforming changes to the Minnesota Family Investment Program. S.F. 382, authored by Sen. Linda Scheid (DFL-Brooklyn Park), makes technical corrections to income, property, sales and certain special taxes. S.F. 1485, also authored by Scheid, modifies provisions of the Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and Interior Design relating to fees, continuing education and penalties. H.F. 463, authored by Sen. Becky Lourey (DFL-Kerrick), provides for a review of ambulance services and first responders. S.F. 1527, authored by Sen. Dennis Frederickson (R-New Ulm) prohibits convicted sexual offenders from school board member eligibility. S.F. 1115, authored by Sen. Jane Ranum (DFL-Mpls.), modifies provisions relating to the collection of delinquent taxes. H.F. 1132, also authored by Ranum, eliminates the filing of duplicate documents relating to delinquent real estate taxes and updates court administrator governing laws. S.F. 673, authored by Ten Eyck, regulates health plan contract stacking. H.F. 1037, authored by Sen. Don Betzold (DFL-Fridley), eliminates obsolete references and corrects ambiguous language in current law. H.F. 643, also authored by Betzold, repeals the prohibition against civilly committed criminals from voting. S.F. 1218, authored by Sen. Kenric Scheevel (R-Preston), makes technical changes to re-employment insurance provisions in current law. S.F. 1047, authored by Sen. Sam Solon (DFL-Duluth), allows Roth IRAs to be treated identically to other retirement accounts.

Committee update

The Senate also passed on Special Orders S.F. 1182, authored by Sen. Arlene Lesewski (R-Marshall), allowing funeral establishments to sell funeral insurance and receive commissions for the sales; S.F. 1725, sponsored by Sen. Leo Foley (DFL-Coon Rapids), creating a gross misdemeanor penalty for violation of alcohol-related restrictions on driver's license if the violation occurs while driving a motor vehicle; S.F. 510, authored by Sen. John Hottinger (DFL-Mankato), expanding the number of members on the Board of Dentistry; H.F. 408, also authored by Hottinger, modifying the definition of practice of pharmacy; S.F. 2017, authored by Sen. Linda Runbeck (R-Circle Pines), a bill making technical and administrative changes to the public employment statutes and redesigning administrative procedures for pilot projects; S.F. 436, authored by Foley, limiting liability for 911 dispatchers providing pre-arrival medical instruction; S.F. 369, sponsored by Sen. Pat Piper (DFL-Austin), permitting physician assistants to render care in disasters without physician and physician assistant agreements; S.F. 1699, authored by Sen. Leonard Price (DFL-Woodbury), authorizing payment by electronic means for certain government services; H.F. 1714, authored by Sen. David Ten Eyck (DFL-East Gull Lake), allowing the Board of Pharmacy to grant waivers to pharmacists regarding the ratio of pharmacists to pharmacy technicians; S.F. 834, authored by Sen. David Knutson (R-Burnsville), changing requirements and procedures for the putative fathers' adoption registry, communication or contact agreements and post-adoption reports; H.F. 735, also authored by Knutson, expanding the scope of the crime of adulteration of food and beverage to include adulteration capable of causing death or bodily harm; S.F. 832, authored by Sen. Don Betzold (DFL-Fridley), making changes applicable to securities registered under the small company offering registration; H.F. 60, authored by Betzold, allowing reimbursement for supplemental private duty nursing services provided by spouses of recipients under the community alternative care home and community-based waived services program.

A bill sponsored by Sen. Paula Hanson (DFL-Ham Lake) received final passage on the Calendar. The bill, S.F. 1264, authorizes the private sale of certain

surplus state land in Anoka County.

The Senate also granted concurrence and re-passage of S.F. 881. The other body added an amendment providing that the bill be coded in statutes rather than session law. The bill, authored by Sen. Dave Kleis (R-St. Cloud), creates a parks and trails plan of regional significance in Stearns, Benton and Sherburne Counties.

Amortization ban bill passed

Much of the Thurs., Apr. 8, floor session was devoted to debating a bill prohibiting the use of amortization by a municipality to terminate lawful land use. S.F. 854, authored by Sen. Keith Langseth (DFL-Glyndon), prohibits local governments from using the process, in which nonconforming land use is terminated over a period of time, in order to remove a business from the municipality. Langseth said, "The issue here is quite simple; it boils down to individual property rights and the rights of the individual to be compensated." Langseth continued, "If a city wants a business out of the city then the business should be compensated."

Sen. John Hottinger (DFL-Mankato) offered a major amendment to the measure. Hottinger said the Courts have found that municipalities have the right to remove businesses that don't conform. He said that the bill takes away local control on the part of municipalities. Sen. Sandra Pappas (DFL-St. Paul) supported the amendment and said, "Just because a tool is used sparingly, it does not mean we should get rid of the tool. This is a local control issue." The amendment failed on a 19-47 roll call vote.

Members then considered an amendment, offered by Sen. John Marty (DFL-Roseville), eliminating the ban on amortization for removing billboards and adult-oriented businesses. Sen. Dan Stevens (R-Mora), offered an amendment to the amendment removing billboards from the language. The Stevens motion prevailed on a vote of 43-22 and the amended Marty amendment was adopted on a 61-0 roll call vote. Sen. Ember Reichgott Junge (DFL-New Hope) offered an amendment to provide that the bill not apply to any pending lawsuits. The amendment failed on a 23-41 roll call vote. Senators also defeated amendments exempting cities of the first

class, providing funding and enabling municipalities to enact amortization if approved by the voters. The bill was granted final passage on a 45-19 roll call vote.

In other action, members considered three bills dealing with the Y2K problem. S.F. 2, authored by Sen. Steve Kelley (DFL-Hopkins), provides immunity for entities that share solutions to the year 2000 problem, provides for reporting by critical systems providers on their Y2K preparedness, expedites municipal contracting laws, defines the Y2K problem as an emergency in order to allow the governor to take emergency measures should there be a catastrophic problem and provides a \$20 million appropriation to assist local governments in fixing the problem. Kelley said that there is a need for state leadership on the issue and that "we need to engage in a dialogue with citizens about the issue in order to avoid panic and provide solutions."

S.F. 299, also carried by Kelley, limits the liability of the state and municipalities for claims involving Y2K problems if the problems have been identified and reported. S.F. 1262, sponsored by Sen. Warren Limmer (R-Maple Grove), limits liability from Y2K problems for consumers. Limmer said that the bill is one of the first in the nation to protect the consumer against Y2K problems. The measure provides an affirmative defense for the consumer, Limmer said. He outlined a scenario in which an individual has money in the bank, but a Y2K problem prevents the individual from accessing the funds and meeting the individual's financial obligations. Under the bill, the consumer would have an affirmative defense against actions resulting from the failure to meet the financial obligations. An amendment, offered by Sen. Thomas Neuville (R-Northfield), extended the coverage in the bill to small businesses with fewer than 20 employees. Senators adopted the amendment. All three bills were granted final passage on Special Orders.

Senators also granted final passage to several additional bills on Special Orders. S.F. 983, sponsored by Kelley, makes changes in the laws relating to the licensing of psychologists. S.F. 1618, carried by Sen. Sam Solon (DFL-Duluth), modifies judicial remedies pertaining to brewers and wholesalers.

Two bills were sponsored by Sen. Ember Reichgott Junge (DFL-New Hope). S.F. 551 requires battered women programs to coordinate services with child protection agencies, authorizes service of short form notification in lieu of personal service for orders for protection, expands the definition of first degree murder in situations involving domestic abuse, provides enhanced penalties based upon a previous conviction or adjudication for malicious punishment of a child, adds assault in the fifth degree and domestic assault to the definition of “crimes of violence,”

increases the cash bail for individuals charged with malicious punishment of a child, clarifies when evidence of similar prior conduct of an accused related to domestic abuse is admissible and provides criminal penalties. S.F. 486 authorizes criminal background checks for firefighters. An amendment, offered by Sen. Linda Runbeck (R-Circle Pines), providing immunity to employers for providing reference information about employees or former employees, touched off considerable debate. Most of the debate centered on whether the amendment was germane. The amendment was

ruled not germane and the decision of the president was upheld.

S.F. 653, sponsored by Sen. Don Betzold (DFL-Fridley), is the omnibus data practices bill for this session. Debate centered on the use of the “Tennessen warning” in education settings.

Senators also approved a motion to withdraw H.F. 1415, the roundtable recommendations for wolf management, from the Environment and Natural Resources Committee and send the bill to the Rules and Administration Committee.

Floor action

Tuesday, April 6

Bills granted final passage on the Consent Calendar

H.F. 1565-Wiener: Relates to the military; expands eligibility for certain state service. 57-0

H.F. 1216-Piper: Modifies practical examination requirements for chiropractors licensed in other states. 57-0

H.F. 1421-Terwilliger: Modifies temporary permit requirements for podiatrists. 57-0

H.F. 1556-Wiger: Extends the civil service pilot project in the Housing Finance Agency. 56-0

H.F. 525-Runbeck: Provides for city administration of the dangerous dog registration system. 55-0

H.F. 240-Johnson, D.H.: Authorizes sheriffs to expend money from the sheriff's contingent fund for investigating DWI-related violations. 57-0

H.F. 216-Johnson, D.H.: Clarifies the law authorizing transfer of prisoners between jails and workhouses. 56-0

H.F. 645-Robertson: Conforms state requirements for water supply and wastewater treatment operator certification to federal requirements, removes the expiration date of an advisory council, and removes obsolete references. 57-0

S.F. 521-Pappas: Requires no-fault automobile insurance medical benefits to include sign interpreting and language translation and makes technical changes. 58-0

S.F. 1609-Wiger: Provides exemption for governmental units to jointly or cooperatively contract in amounts estimated not to exceed \$25,000. 58-0

H.F. 614-Hottinger: Expands the reserve corridor for community integrated service networks and modifies the definition of review organization. 58-0

S.F. 1368-Knutson: Regulates contracts for architects, engineers, surveyors, landscape architects, geoscientists, and interior designers. 58-0

H.F. 583-Hottinger: Regulates investments by township mutual insurance companies. 58-0

H.F. 1066-Hottinger: Regulates the territories of operation of township mutual insurance companies. 58-0

H.F. 1660-Hottinger: Exempts persons employed by a nonprofit organization performing duties that are incidental to research from the unlawful practice of medicine. 58-0

Bills granted final passage on the Senate Calendar

S.F. 283-Betzold: Clarifies standards and procedures relating to civil commitment and modifies procedures governing persons committed as mentally ill and dangerous to the public. 59-0

S.F. 1324-Wiger: Requires the commissioner of public safety to impose commercial driver's license disqualifications for violations of an out-of-service order and requires the commissioner of transportation to impose civil penalties for violations of an out-of-service order. 35-25

S.F. 347-Johnson, D.J.: Allows parents to provide home-school instruction to children in the classroom component of driver education. 56-2

S.F. 1101-Lesewski: Requires the commissioner of transportation to erect directional signs at specified locations for the New Life Treatment Center. 61-0

Floor action

S.F. 778-Sams: Requires release of a security interest in a vehicle to be acted upon within seven days if satisfied by a dealer. 61-0
S.F. 1092-Dille: Changes veterinary practice requirements. 61-0
S.F. 746-Lessard: Permits the city of Grand Rapids to hold their general election in November. 61-0
S.F. 1649-Janezich: Directs the commissioner of veterans affairs to study the feasibility and desirability of providing free or reduced cost health care to veterans throughout the state. 58-3
S.F. 1528-Price: Modifies harmful exotic species provisions. 61-0
S.F. 451-Vickerman: Regulates security interests in agricultural crops and modifies the treatment of certain collateral. 60-0
S.F. 1144-Scheid: Simplifies language on certificates of election and clarifies and simplifies Minnesota election laws. 52-9
S.F. 775-Solon: Changes the required travel distance or time to the nearest mental health provider for health maintenance organizations. 60-0

Bills granted preliminary passage on General Orders

S.F. 903-Neuville: Requires the commissioner of corrections to notify additional county attorneys when offenders who have been determined to be appropriate subjects of civil commitment petitions are nearing their release date.
S.F. 1604-Ten Eyck: Creates a sanctions conference procedure to allow probation officers to impose, with District Court confirmation, probation sanctions for technical violations of probation.
S.F. 1722-Foley: Permits the results of a preliminary breath test to be admissible in a criminal prosecution for the crime of implied consent test refusal.
S.F. 338-Murphy: Authorizes private sales of certain county land in Goodhue County.
S.F. 1402-Flynn: Authorizes the commissioner of natural resources to enter into a lease of land at Fort Snelling.
S.F. 1264-Hanson: Authorizes private sale of certain surplus state land in Anoka County.
S.F. 1340-Laidig: Authorizes private sale of certain tax-forfeited land that borders wetland in Washington County.
S.F. 1470-Samuelson: Modifies the route of Paul Bunyan State Trail.
S.F. 1449-Price: Renames a state park and adds to and deletes from various state parks.
S.F. 556-Piper: Limits municipal power agencies liability for recreational purposes.
S.F. 1830-Johnson, D.J.: Authorizes the sale of undivided partial interests in certain parcels of tax-forfeited land that border public waters in Cook County.
H.F. 40-Samuelson: Allows a nursing facility resident to request and consent to the use of a physical restraint.
S.F. 527-Samuelson: Establishes a State Board of Physical Therapy and provides licensing requirements for physical therapists.
S.F. 1920-Price: Modifies the appointment process and position classifications for the state archaeologist.
S.F. 1255-Neuville: Authorizes the private sale and conveyance of certain tax-forfeited lands that border public water in LeSueur County.
S.F. 1093-Hottinger: Provides for the effect of a mediated settlement agreement.
S.F. 1273-Sams: Modifies provisions relating to nursing home administrator licensing.
S.F. 1060-Knutson: Regulates service of process and certain notice requirements, regulates the names of certain business organizations and provides technical and conforming changes.
S.F. 1572-Frederickson: Modifies provisions for the exchange or sale of leased lakeshore lots.
S.F. 1592-Sams: Provides for a provisional firearms safety certificate for persons with mental disabilities and allows certain persons with mental disabilities to hunt with firearms when assisted.

Wednesday, April 7

Bills granted final passage on the Senate Calendar

S.F. 903-Neuville: Requires the commissioner of corrections to notify additional county attorneys when offenders who have been determined to be appropriate subjects of civil commitment petitions are nearing their release date. 57-0
S.F. 1604-Ten Eyck: Creates a sanctions conference procedure to allow probation officers to impose, with District Court confirmation, probation sanctions for technical violations of probation. 57-0
S.F. 1722-Foley: Permits the results of a preliminary breath test to be admissible in a criminal prosecution for the crime of implied consent test refusal. 56-0
S.F. 338-Murphy: Authorizes private sales of certain county land in Goodhue County. 62-0
S.F. 1402-Flynn: Authorizes the commissioner of natural resources to enter into a lease of land at Fort Snelling. 58-0
S.F. 1264-Hanson: Authorizes private sale of certain surplus state land in Anoka County. 60-0
S.F. 1340-Laidig: Authorizes private sale of certain tax-forfeited land that borders wetland in Washington County. 58-0
S.F. 1470-Samuelson: Modifies the route of Paul Bunyan State Trail. 59-0
S.F. 1449-Price: Renames a state park and adds to and deletes from various state parks. 59-0
S.F. 556-Piper: Limits municipal power agencies liability for recreational purposes. 56-0
S.F. 1830-Johnson, D.J.: Authorizes the sale of undivided partial interests in certain parcels of tax-forfeited land that border public waters in Cook County. 58-0

H.F. 40-Samuelson: Allows a nursing facility resident to request and consent to the use of a physical restraint. 60-0
S.F. 527-Samuelson: Establishes a State Board of Physical Therapy and provides licensing requirements for physical therapists. 60-0
S.F. 1920-Price: Modifies the appointment process and position classifications for the state archaeologist. 55-7
S.F. 1255-Neuville: Authorizes the private sale and conveyance of certain tax-forfeited lands that border public water in LeSueur County. 62-0
S.F. 1093-Hottinger: Provides for the effect of a mediated settlement agreement. 61-0
S.F. 1273-Sams: Modifies provisions relating to nursing home administrator licensing. 62-0
S.F. 1060-Knutson: Regulates service of process and certain notice requirements, regulates the names of certain business organizations and provides technical and conforming changes. 62-0
S.F. 1572-Frederickson: Modifies provisions for the exchange or sale of leased lakeshore lots. 62-0
S.F. 1592-Sams: Provides for a provisional firearms safety certificate for certain persons with mental disabilities and allows certain persons with mental disabilities to hunt with firearms when assisted. 54-7

Bills granted final passage on the Consent Calendar

S.F. 1585-Stevens: Makes technical changes to cross-references in statutes relating to human services. 62-0

Bills granted final passage on Special Orders

S.F. 296-Robertson: Modifies special education provisions. 64-0
S.F. 382-Scheid: Makes technical changes to statutes relating to the Dept. of Revenue. 63-0
S.F. 1485-Scheid: Modifies provisions relating to the Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and Interior Design relating to fees and continuing education. 63-0
H.F. 463-Lourey: Provides for review of ambulance services and first responders. 60-0
S.F. 1325-Wiger: Regulates low-speed vehicles. 49-14
S.F. 1527-Frederickson: Provides that a person convicted of a sex offense, who is required to be registered under the predatory offender law, is not eligible to be a candidate for the office of school board member. 61-0
S.F. 1115-Ranum: Revises the process for action for payment or collection of taxes. 62-0
H.F. 1132-Ranum: Eliminates the filing of duplicate court documents and updates the law relating to court administrators. 62-0
S.F. 437-Ten Eyck: Authorizes the conveyance or public sale of tax-forfeited and other land in Anoka, Cass, Douglas, Hennepin, Houston, Hubbard, Mower, Ramsey, Sherburne and Steele Counties. 61-0
S.F. 673-Ten Eyck: Regulates health plan contract stacking and provides a remedy. 62-0
H.F. 1037-Betzold: Revisor's bill; corrects erroneous, ambiguous and omitted text and obsolete references in statutes. 61-0
H.F. 643-Betzold: Provides the legal right to vote for persons under commitment status. 57-0
S.F. 1218-Scheevel: Makes technical changes to laws relating to reemployment insurance. 60-0
S.F. 1047-Solon: Provides that Roth IRAs will be treated identically to other retirement accounts. 59-0
H.F. 836-Junge: Regulates business corporations, modifies the authority to grant restricted stock, regulates take-over offers, regulates mergers and exchanges, regulates limited liability companies, regulates member control agreements and dissolutions and provides for the duration of certain companies. 59-0
S.F. 1182-Lesewski: Regulates insurance for funeral or burial expenses and allows funeral establishments to sell funeral insurance and receive commissions for these sales. 62-0
S.F. 1725-Foley: Creates a gross misdemeanor penalty for violation of alcohol-related restriction on driver's license if violation occurs while driving a motor vehicle. 58-0
S.F. 510-Hottinger: Expands the number of members on the Board of Dentistry. 62-0
H.F. 408-Hottinger: Modifies the definition of the practice of pharmacy. 61-0
S.F. 2017-Runbeck: Makes technical and administrative changes to provisions relating to the Dept. of Employee Relations. 58-0
S.F. 436-Foley: Limits liability for 911 dispatchers providing prearrival medical instruction. 61-0
S.F. 369-Piper: Permits physician assistants to render care in disasters without physician and physician assistant agreements. 62-0
S.F. 1699-Price: Authorizes payments to state government by electronic means. 64-0
H.F. 1714-Ten Eyck: Allows the Board of Pharmacy to grant waivers to pharmacists regarding the ratio of pharmacists to pharmacy technicians. 64-0
S.F. 834-Knutson: Changes requirements and procedures for the putative fathers' adoption registry, communication or contact agreements and postadoption reports. 64-0
H.F. 735-Knutson: Expands the scope of the crime of adulteration to include adulterations capable of causing death or bodily harm and increases penalties. 62-0
S.F. 832-Betzold: Makes changes applicable to securities registered under the small company offering registration. 62-0
H.F. 60-Betzold: Allows reimbursement for supplemental private duty nursing services provided by spouses of recipients under the community alternative care home and community-based waived services program. 60-0

Bill granted concurrence and repassage

S.F. 881-Kleis: Creates a parks and trails plan of regional significance in certain counties in central Minnesota. 59-0

Floor action

Thursday, April 8

Bills granted final passage on Special Orders

S.F. 2-Kelley, S.P.: Provides authority to local government units to address the year 2000 problem, provides immunity for activities relating to Y2K, clarifies the mutual aid authority of local government units, requires reports by utilities, health care and nursing home providers, and requires the Dept. of Health to collect and disseminate information. 51-0

S.F. 299-Kelley, S.P.: Limits the liability of the state and municipalities for claims involving Y2K problems if problems have been identified and reported. 53-0

S.F. 1262-Limmer: Limits liability from Y2K failures for consumers. 54-4

S.F. 854-Langseth: Precludes the termination of lawful land uses by amortization. 45-19

S.F. 983-Kelley, S.P.: Modifies provisions relating to psychologists' licensing. 60-1

S.F. 1618-Solon: Modifies judicial remedies pertaining to brewers and wholesalers. 65-0

S.F. 551-Junge: Requires battered women programs to coordinate services with child protection agencies, authorizes service of short form notification in lieu of personal service for orders for protection, expands the definition of first degree murder in situations involving domestic abuse and provides for enhanced penalties based upon a previous conviction or adjudication for malicious punishment of a child. 60-0

S.F. 486-Junge: Authorizes background investigations on firefighters, requires disclosure of certain employment information and provides civil and criminal penalties. 52-7

S.F. 653-Betzold: Omnibus data practices bill. 56-5

Conference committees

H. F. 1-Tax rebate bill.

Members:

Johnson, D.J.	Abrams
Vickerman	McElroy
Hottinger	Osthoff
Belanger	Daggett
Flynn	Kuisle

H. F. 414-Pseudorabies control bill.

Members:

Hanson	Gunther
Stumpf	Ness
Dille	Wenzel

S. F. 174-Sex offender registration expansion to include certain persons committed as mentally ill and dangerous.

Members:

Ranum	Bishop
Betzold	Haake
Neuville	Skoglund

S. F. 333-Identity theft penalties.

Members:

Kelly, R.C.	Bishop
Limmer	Seifert, J.
Ten Eyck	Skoglund

Repassed House: 3/29/99; Senate: 3/31/99

Preview

Monday, April 12

Rules and Administration Committee

Chair: Sen. Roger D. Moe

8:30 a.m. Room 107 Capitol

Agenda: H.F. 1415/S.F. 1543-Krentz (Rule 40): Gray wolf management.

The Senate is in Session at 9:30 a.m.

Family and Early Childhood Education Budget Division

Chair: Sen. Pat Piper

2 p.m. Room 123 Capitol

Agenda: Continuation of S.F. XXX-Piper: Omnibus budget bill, if needed.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

2 p.m. Room 125 Capitol

Agenda: To be announced.

Economic Development Budget Division

Chair: Sen. Jerry Janezich

4 p.m. Room 123 Capitol

Agenda: S.F. 861-Moe, R.D.: Upper Red Lake business loan program. S.F. 737-Novak: Extended employment services for persons with disabilities reimbursement rate and base funding increase appropriations. S.F. 1010-Cohen: Metropolitan Area inclusionary housing policies. S.F. 385-Johnson, D.J.: Duluth Entertainment and Convention Center bonds refunding. S.F. 1847-Johnson D.H.: Grimm Farmstead restoration grant appropriation. S.F. 1804-Anderson: St. Paul Community Work Empowerment Support Group demonstration project grants appropriation. S.F. 1819-Anderson: Minnesota Employment Center for Deaf and Hard of Hearing People grants appropriation. S.F. 990-Anderson: St. Paul Ramsey County landlords and tenants education and dispute resolution pilot program establishment and evaluation.

Tuesday, April 13

The Senate is in Session at 8 a.m.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

2 p.m. Room 125 Capitol

Agenda: To be announced.

Human Resources Finance Committee

Chair: Sen. Linda Berglin

2 p.m. Room 15 Capitol

Agenda: To be announced.

Health and Family Security Budget Division

Chair: Sen. Don Samuelson

4 p.m. Room 123 Capitol

Agenda: Omnibus health and family security budget proposal, continued.

Property Taxes and Local Government Budget Division

Chair: Sen. Sandra Pappas

4 p.m. Room 15 Capitol

Agenda: S.F. 1996-Pogemiller: Mississippi Watershed. S.F. 2157-Hottinger: Repealing transit zone tax. S.F. XXX-Pappas: LGA proposal. S.F. 828-Flynn: Regional rail authorities.

Wednesday, April 14

The Senate is in Session at 8 a.m.

Crime Prevention Committee

Chair: Sen. Allan Spear

2 p.m. Room 112 Capitol

Agenda: Confirmation hearing for the commissioner of corrections and the commissioner of public safety.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

2 p.m. Room 125 Capitol

Agenda: To be announced.

Legislative Audit Commission Subcommittee on Topic Selection

Chair: Rep. Dan McElroy

2 p.m. Room 400S State Office Building

Agenda: Select program evaluation topics for consideration by the full Legislative Audit Commission.

Health and Family Security Budget Division

Chair: Sen. Don Samuelson

4 p.m. Room 123 Capitol

Agenda: Omnibus health and family security budget proposal, continued.

Thursday, April 15

The Senate is in Session at 8 a.m.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

2 p.m. Room 125 Capitol

Agenda: To be announced.

Human Resources Finance Committee

Chair: Sen. Linda Berglin

2 p.m. Room 123 Capitol

Agenda: To be announced.

Health and Family Security Budget Division

Chair: Sen. Don Samuelson

4 p.m. Room 123 Capitol

Agenda: Health and family security budget proposal, continued.

Friday, April 16

The Senate is in Session at 8 a.m.

Governmental Operations Budget Division

Chair: Sen. Leonard Price

2 p.m. Room 125 Capitol

Agenda: To be announced.

Human Resources Finance Committee

Chair: Sen. Linda Berglin

2 p.m. Room 123 Capitol

Agenda: To be announced.

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DFL	6-4261	Berglin, Linda	309 Cap.	61	R	6-1279	Neuville, Thomas M.	123 SOB	25
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R	6-4131	Dille, Steve	103 SOB	20	R	6-5981	Ourada, Mark	145 SOB	19
R	6-2084	Fischbach, Michelle L.	15 SOB	14	DFL	6-1802	Pappas, Sandra L.	120 Cap.	65
DFL	6-4274	Flynn, Carol	120 Cap.	62	R	6-5252	Pariseau, Pat	109 SOB	37
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DFL	6-8017	Janezich, Jerry R.	328 Cap.	5	R	6-4123	Robling, Claire A.	151 SOB	35
DFL	6-9261	Johnson, Dave	111 Cap.	40	R	6-1253	Runbeck, Linda	107 SOB	53
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DFL	6-8881	Johnson, Douglas J.	205 Cap.	6	DFL	6-4875	Samuelson, Don	124 Cap.	12
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R	6-2159	Limmer, Warren	127 SOB	33					
DFL	6-0293	Lourey, Becky	G-9 Cap.	8					
DFL	6-5645	Marty, John	325 Cap.	54					

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With the final deadline for committee action rapidly approaching, the Senate Committee on Agriculture and Rural Development hears a bill in Room 15 of the Capitol. Photo by David J. Oakes



April 16, 1999

Senate Highlights

Transportation bill approved

The omnibus transportation budget bill, S.F. 2217, carried by Sen. Janet Johnson (DFL-North Branch), was reviewed and approved by the State Government Finance Committee Weds., Apr. 14. The bill appropriates operational funding for the Minnesota Dept. of Transportation (MnDOT), Metropolitan Council Transit, the Dept. of Public Safety, the Minnesota Safety Council and the Office of Strategic and Long Range Planning.

Overall, the package appropriates \$3.569 billion, spending \$231 million from the general fund, \$2.084 billion from the trunk highway fund, \$736.7 million from the county state aid fund, \$212.9 million from the municipal state aid fund, \$31.148 million from the highway user distribution fund, \$38.86 million from the airports fund, and \$1.912 billion from special revenue funds. The total is below the governor's recommendations by \$8.87 billion.

For transit spending, the package proposes \$30.962 million for transit assistance in Greater Minnesota. The total includes \$150,000 for welfare-to-work transit assistance that is above the governor's recommendation. In the Metro

Area, the Hiawatha Light Rail Transit (LRT) project receives \$60 million and welfare-to-work transit assistance receives \$350,000 from the general fund. A total of \$1.028 billion in spending from the trunk highway fund on state road construction is proposed in the bill.

Members discussed various provisions of the bill. Sen. Dennis Frederickson (R-New Ulm) questioned the projected dollar amounts that correspond to percentage allocations of the motor vehicle sales tax. Amy Vennewitz, fiscal analyst for the Senate, said that for the biennium, the five percent minimum dedicated to transit is projected at \$47.7 million, and the 22 percent minimum dedicated to the highway user tax distribution fund is projected at \$210.3 million. Addressing the increase in deputy registrar fees for vehicle registrations, Sen. James Metzen (DFL-South St. Paul) asked when the fees were last raised. Vennewitz replied that it was in 1988.

Sen. Janet Johnson said that the appropriation for capitol security personnel is for "protection of elected state officials" rather than specifically the governor or members of the Legislature so as to give the Dept. of Public Safety flexibility in how the security personnel

are used. She added that the Crime Prevention and Judiciary Budget Division is considering studying the issue of security for the entire Capitol complex.

Sen. Mark Ourada (R-Buffalo) offered an amendment authorizing MnDOT to establish 25 mile per hour speed limits on trunk highways in school zones only after a local school board requests the action. The amendment also allows local authorities to establish other speed limits on trunk highways in school zones with MnDOT approval. Ourada said the provision in the bill is a "one-size-fits-all" approach that doesn't work. The committee adopted the amendment.

Sen. Bob Lessard (DFL-Int'l. Falls) offered an amendment permanently attributing 1 percent of the gasoline tax to snowmobile use, resulting in additional funding to the snowmobile trails account. Krentz said the account took a big hit in the governor's budget recommendation and the amendment restores the funding. Johnson commented that the state still needs to deal with other users of trails, such as bicyclists. The amendment was adopted.

Railroads and waterways receive \$2.563 million from the general and trunk highway funds for the biennium, exceeding the executive recommendation by \$50,000 for rail service feasibility studies. Ourada offered another amendment eliminating funding for the two studies and shifting the amount back to the Metropolitan 800 MHz Radio System as the governor recommended. Ourada said the funding amounts for the studies were not based in reality and the radio system is a priority need. Committee members disagreed with Ourada and rejected the amendment.

Sen. Richard Cohen (DFL-St. Paul), chair of the committee, questioned why the bill didn't fund Attorney General services to the agencies funded by the bill. Johnson said the budget for the Office of the Attorney General is funded by the governmental operations budget bill and should not be in her proposal. Cohen replied that every budget division could make that same argument for the attorney general services for agencies under their jurisdiction. The committee took no action to restore funding for the legal services.

The committee adopted an amendment offered by Sen. Sam Solon (DFL-Duluth) setting the maximum local contribution

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requirement for operation of the Duluth transit system at 50 percent of the total operating cost. The percentage was reduced from 55 percent. Solon said the amendment treats Duluth's transit system like all other transit systems.

Committee members approved the bill as amended and referred it to the Senate floor.

Crime Prevention bill discussed

Members of the Human Resources Finance Committee, chaired by Sen. Linda Berglin (DFL-Mpls.), met Wed., Apr. 14, to discuss the Crime Prevention and Judiciary Budget Division omnibus bill.

Carried by Sen. Randy Kelly (DFL-St. Paul), the bill, S.F. 2221, appropriates a total of \$1.154 billion for criminal justice operations during the 2000-01 biennium. Among many appropriations, the bill allocates approximately \$99 million for public safety provisions, \$54.5 million for Supreme Court operations, \$45 million for crime victims services, \$92 million for the Board of Public Defense and \$190 million for community services purposes. Kelly specifically pointed to appropriations of \$6.1 million to the Bureau of Criminal Apprehension to complete the design of and site preparation for a new headquarters in St. Paul and operate a satellite office in Bemidji. He also pointed to an appropriation of \$1.2 million to the bureau for regional jail facilities across the state, \$6 million to restore funding for the Criminal Gang Strike Force, \$13.3 million in law enforcement and community crime prevention grants and \$15.3 million for information technology purposes in various departments.

Differences from the governor's criminal justice budget proposal include a state employee salary increase of two percent each year rather than a three percent increase. The lower increase creates a savings of \$8.8 million. Also, the bill does not fund the 800 megahertz radio network system designed to provide better communication between public safety agencies.

Several major policy changes are also made in the bill. The bill creates 18 new judgeships across the state, transfers the Office of Drug Policy and Prevention from the Department of Children, Families and Learning to the Department of Public Safety and establishes a pilot program in Hennepin County to fund

community based programs in high crime areas to provide youth under age 16 volunteer and community service opportunities. The bill also creates the Camp Ripley work program for repeat DWI offenders, transfers the program from the Department of Corrections to the Department of Public Safety and requires part time peace officers to achieve a total of 320 hours of training instead of the current requirement of 54 hours.

Sen. Sheila Kiscaden (R-Rochester) asked why the funding of the radio system was not continued. Responding, Kelly said he had originally intended to fund the system but decided not to after conversations with various law enforcement personnel. He said the law enforcement officers told him that because technology is changing so much it is not worth funding this biennium. They convinced him, Kelly said, that it would be fiscally prudent to wait. Kelly added, however that the program is not being abandoned and will be funded in later years. The bill was approved and sent to the Senate floor.

Gray wolf bill debated

The Agriculture and Rural Development Committee, chaired by Sen. Dallas Sams (DFL-Staples), met Weds., Apr. 14, to discuss H.F. 1415, a bill providing for gray wolf management.

Sen. Jane Krentz (DFL-May Township) chief author and Sen. Gary Laidig (R-Stillwater) co-author, presented the bill to members. Under the bill, a person who takes, harasses, destroys, buys, sells, possesses, transports or ships a gray wolf in violation of the game and fish laws is guilty of a gross misdemeanor. The bill specifies that a person may, at any time and without a permit, destroy a gray wolf in defense of the person's own life, the life of another or when the wolf is posing an immediate threat to livestock, a guard animal or a domestic pet. The bill also specifies there is no open season for gray wolves.

Krentz said the wolf is going to be removed from the endangered species list and the state needs to move forward with a management plan that upholds the integrity of the report of the Wolf Management Roundtable. Laidig said the issue affects farm families and livestock interests in the state. He said the bill represents the goals, conclusions and recommendations of the roundtable

and is the only agreement that will succeed in the area of wolf management.

Roger Williams, director, Office of Dispute Resolution, told members that the Wolf Management Roundtable consists of 33 members who were identified by the Dept. of Natural Resources as having a stake in the outcome of the situation. He said the members came together for several meetings and all decisions were made through a consensus process. He said that at the time of the last meeting of the roundtable, all of the members supported the provisions in the bill.

Dept. of Agriculture Commissioner Gene Hugoson said it is very important that there be agreement on a wolf management plan. "Wildlife and agriculture can co-exist - we just need reasonable management," said Hugoson.

The section of the bill defining "immediate threat" was the center of much discussion by members. Sen. Bob Lessard (DFL-Int'l. Falls) offered an amendment expanding the definition of "immediate threat" to mean observing a gray wolf in the act of pursuing or attacking livestock, a guard animal, or a pet under the supervised control of the owner. The amendment also provides that a wolf that returns to feed on the carcass of agricultural livestock or a domestic pet meets the definition of "immediate threat". The amendment was adopted.

Under an amendment offered by Sen. Charles Berg (IND-Chokio), a gray wolf management plan is to be adopted that ensures the long-term survival of the gray wolf population in Minnesota consistent with the federal wolf recovery plan but if the wolf population exceeds 1,600 wolves, procedures must be established to manage the gray wolf population to a level that minimizes conflicts between humans and gray wolves and the depredation of livestock and domestic pets. Laidig said the provisions of the amendment would be almost impossible carry out. Currently, the DNR estimates the statewide population of gray wolves to be between 2000-2400, he said. The population threshold provision in the amendment would allow for wolves to be taken now, even before they are removed from the endangered species list, said Laidig. The amendment passed on an 8-4 roll call vote. The bill was recommended to pass and sent to the Senate floor.

Committee update

Children, Families and Learning

Teacher prep proposal discussed

The Children, Families and Learning Subcommittee on Teacher Preparation met Thurs., Apr. 8, to discuss the subcommittee proposal. The subcommittee is co-chaired by Sen. Sandra Pappas (DFL-St. Paul) and Sen. Deanna Wiener (DFL-Eagan).

The proposal, based on recommendations by the subcommittee, was presented by Pappas for consideration by members. The proposal addresses issues and concerns relating to teacher recruitment, training and retention.

The proposal extends the date for the State Board of Teaching to adopt new licensing rules; grants a substitute teaching license to individuals enrolled in a board approved teacher training program; and specifies that teacher licensure programs must teach how to teach reading. The proposal also addresses the issue of licensure reciprocity, retired teachers returning to the classroom, seniority and district changes and teacher loan forgiveness.

The proposal establishes the Minnesota New Teacher Project, which is a teacher induction proposal. The project is established to retain new teachers in the profession and to provide models for supporting the professional development of first-year and second-year teachers.

The proposal provides for a survey of districts every two years to determine if a teacher shortage exists; establishes a pilot program to allow school districts to collaborate in teacher training with post-secondary teacher prep institutions; encourages MnSCU and the University of Minnesota to reallocate money to teacher prep programs that address projected teacher shortages; and appropriates money for various related projects.

The proposal was recommended to pass and referred to the K-12 Education Budget Division.

Crime Prevention

Appointees approved

Members of the Crime Prevention Committee, chaired by Sen. Allan Spear (DFL-Mpls.), met Wed., Apr. 14, to discuss confirming Sheryl Ramstad Hvass as the commissioner of the Minnesota

Department of Corrections and Charlie Weaver as the commissioner of the Department of Public Safety. Both were appointed to their positions by Gov. Ventura.

Hvass has been a partner at the law firm of Rider, Bennett, Egan and Arundel since 1986 where she practiced general civil litigation. She has also worked as a Hennepin County judge, assistant Hennepin County Public Defender and assistant United States Attorney in Minnesota. She has also taught as an adjunct professor of law at William Mitchell College of Law. Hvass is currently a board member of the YMCA of Metropolitan Minneapolis and has served on the board at the Minneapolis Children's Medical Center.

Hvass said that corrections has an important role in ensuring that the government provides safety and security for its citizens. She said the corrections system must be accountable to the public and must creatively use alternative methods to incarceration to get the most out of limited state funds. Hvass stated several goals that would drive her time as commissioner. First, she said she would not recommend building more prison facilities. She said it is better to add on to existing facilities or to simply add more beds to existing facilities. Hvass also said she supports treatment for non-dangerous drug offenders. She said help must be given to help the offenders turn their lives around. Hvass said that youth must be a priority. She said work needs to be done with local communities to address the problem of juvenile crime. Hvass also said she hopes to work on the successful transition of offenders into the community and to equip them with the skills needed to survive. Hvass said she hopes to facilitate a thoughtful and humane corrections policy with an emphasis on prevention. Hvass was recommended to be confirmed by the full Senate.

Weaver has been the Anoka County Prosecutor since 1991. He was also elected to five terms in the Minnesota House of Representatives, where he served on the education, environment and local government committees. Weaver also serves on the Crime Witness Advisory Council, the Minnesota Special Olympics Board and the Anoka American Cancer Society Board.

Weaver said he has two main goals for

his first year as commissioner. First, he said he hopes to provide better customer services in the vehicle services department. He said sometimes people wait many hours for services such as a drivers license examination, and added that there is no excuse for such things to happen. He said many things, such as ordering vehicle tabs, can be done over the Internet. Weaver also said he hopes to expedite a cohesive plan to fight crime in the state. Weaver was recommended to be confirmed by the full Senate.

Crime Prevention and Judiciary Budget Division

Various bills heard

A number of bills were heard at the meeting of the Crime Prevention and Judiciary Budget Division Thurs., Apr. 7. The division is chaired by Sen. Randy Kelly (DFL-St. Paul).

Sen. Dave Kleis (R-St. Cloud) presented S.F. 260, a bill that makes the state financially responsible for costs associated with civil commitment of sexual psychopathic personalities or sexually dangerous persons. Under the bill, the state is solely responsible for all costs relating to the petition and the cost of the person's treatment and confinement at a state facility or county jail, both prior to and following commitment. "The bill looks at the civil commitment of the cost currently borne by the county," Kleis said. Currently, the county is solely responsible for all commitment costs. The Department of Human Services (DHS) is responsible for 90 percent of the confinement and treatment costs after commitment, with the county picking up the remaining 10 percent. Kleis said the numbers and costs of commitments are on the increase and one or two commitments can break a county's budget.

George Rindelaub, Stearns County administrator, spoke in favor of the bill. He said the size and cost of commitments under the Sexually Dangerous Predator Law are hard to predict. He said one case can wipe out an entire year of a county's mental health budget.

Bonnie Lee, DHS, said DHS has some concerns about pre-trial costs. She said DHS is concerned that policy may be put in place without stating specific responsibilities. She said the bill's language seems too broad.

Allen Rasmussen, DHS, said the commitments of persons who are considered sexually psychopathic or sexually dangerous average 18 a year for a total cost of \$2 million. Rasmussen said that currently per diem costs are all-inclusive, and clients are charged the same per diem whether they are under treatment or are being held awaiting adjudication.

Kleis moved an amendment calling for a 50-50 match on holdover costs, splitting the costs evenly between the state and county. The motion prevailed.

S.F. 846, authored by Sen. Jane Ranum (DFL-Mpls.), establishes requirements relating to out-of-home placements of juveniles. The bill specifies that in any out-of-home setting potentially exceeding 30 days in duration, the court must notify the county welfare agency. Under the bill, each county is required to develop a written policy for classifying juvenile offenders, with cooperation from the Department of Corrections (DOC). The bill provides for the development of case plans for dispositions ordered, cites county responsibility for transitional services plans and establishes a task force on juvenile out-of-home placement goals. The bill also establishes a task force to identify ways to collect comprehensive statewide information on juvenile out-of-home placement spending and individual juvenile out-of-home placements. A task force on residential program completion information is also established under the bill.

Ranum said she hopes a mechanism is in place for some of the required data to be collected. "The Legislature is very concerned about the lack of accountability in out-of-home placements," she said. John Patterson, Auditor's Office, said he believed the DOC and DHS can collect summary data and combine the data in a less costly process.

Kelly presented S.F. 769, a bill that requires the Peace Officer Standards and Training (POST) Board to adopt a statewide model policy governing the conduct of police pursuits of fleeing suspects and requires state and local law enforcement agencies to adopt local police pursuit policies in conformity with the state policy. The bill also requires new and existing peace officers to receive pre-service and in-service training in conducting police pursuits in conformity with learning objectives developed by the POST Board. The bill requires the head

of a law enforcement agency to report police pursuits as required under the bill or be subject to licensing sanctions.

Kelly also authored S.F. 1194, a bill that establishes a grant program to promote, recruit and train young people to be care givers to at-risk youth. The bill provides for a two-year pilot project grant program to improve the instruction in child care services to at-risk youth. The bill provides that local units of the American Red Cross will train more than 20,000 young people to take better care of the children they are frequently being required to supervise because of family economic necessity, according to Kelly.

Tom Heffelfinger, chairman of the Greater Minneapolis Chapter of the Red Cross, said young people of lower income families are often watching younger siblings. He said the KidCare program, offered by the Red Cross, prepares youth ages 11 and up to care for other children in a home setting. Under the bill, KidCare will be offered through community organizations that focus on services to families. The Red Cross will recruit and train staff from the organizations to become KidCare instructors.

S.F. 1208, authored by Kelly, appropriates money for grants for the probation caseload reduction program. Kelly said the bill provides increased funds to counties to help reduce probation caseloads statewide.

James Hayes, chair of the Minnesota Corrections Association (MCA) Legislative Committee, said caseload reduction provides for other programs, such as gang units and intensive supervised programs for juveniles. An amendment, offered by Kelly, requires reports on outcomes achieved through the use of state probation caseload reduction appropriations made since 1995. The amendment was adopted. All the bills were laid over for consideration in the omnibus bill.

Omnibus bill heard

A draft of the division's omnibus bill was presented at the Crime Prevention and Judiciary Budget Division meeting Mon., Apr. 12, chaired by Sen. Randy Kelly (DFL-St. Paul).

Kelly said the division is cutting one percent each year out of agency salary increases, with the exception of the Supreme Court and Crime Victims Services Center. Kelly said this results in a savings of \$8.8 million. The budget for

civil legal services is increased by \$750,000. The total Supreme Court budget over the biennium is \$53.610 million.

The division did not fund salary supplements for judges in the Court of Appeals, bringing that agency's total budget to \$12.999 million. Kelly said 18 new District Court judges will be phased in over the biennium. The District Court received a budget total of \$157.698 million. The Board of Judicial Standards is budgeted \$471,000 and the Tax Court receives \$1.331 million.

"I have felt for some time that we have needed to look at Capitol security," Kelly said. "I don't think we are quite the Lake Wobegon we think we are." A study on Capitol security is funded for \$25,000. The 800 Megahertz radio systems are fully funded, and a criminal gang strike force receives \$3 million per biennium. The total public safety budget is \$90.512 million. Of that amount, \$86.074 comes from the general fund. The remainder is provided by trunk highway funds, special reserves, environmental funds and gifts.

According to Kelly, the Crime Victim Services Center includes battered women's shelters, a domestic fatality review team pilot program and Asian-American violence prevention studies. The Center is funded \$44.678 million. The crime victims ombudsman receives \$880,000 and the Private Detectives Board \$275,000. Funds for police pursuit training, part-time peace officer licenses and minority recruitment videos are included in the Peace Offices Standards and Training Board budget of \$9.291 million. The Public Defense Board is budgeted for \$91.889 million.

The budget for the Department of Corrections (DOC) provides for academic programs at Red Wing, probation caseload reduction and technology improvements. The appropriation is \$670.385 million, which includes \$2.244 million from special revenues. Funding for the ombudsman for corrections is \$1.238 million; Sentencing Guidelines Commission, \$1.145 million; Department of Human Rights, \$7.786 million; Uniforms Law Commission, \$75,000; and Auto Theft Prevention Board, \$5.433 million.

Kelly said the budget for the Department of Administration (DOA) includes the request for proposals (RFP) for the Rush City Prison operation and planning

Committee update

and design for the Bureau of Criminal Apprehension (BCA) headquarters. The total is \$ 4.750 million. The Department of Economic Security receives \$1.350 million and the Attorney General's Office \$536,000.

An amendment, offered by Sen. David Knutson (R-Burnsville), specifies the DOC must transfer the residents of the Minnesota Correctional Facility at Sauk Centre to other facilities. The amendment transfers the responsibility for operating Sauk Centre from the DOC to the DOA. Sen. Cal Larson (R-Fergus Falls) spoke on behalf of the amendment, which pertains to a facility in his Senate District. He said Sauk Centre contains 280 acres of property and is currently occupied by 15 female juveniles. "This is a perfect location for a residential academy," he said. He said the facility has continuously been downsized, and needs to be fully used. Debbie Eng, DOC, said the transfer of the female juveniles may cause the DOC some difficulty, since there are few available facilities for them. The amendment was adopted.

An amendment, offered by Sen. Ember Reichgott Junge (DFL-New Hope), provides for grants for critical stress management teams, which offer extra support and counseling for people in law enforcement and firefighting professions. The amendment was approved. Another amendment, offered by Junge, provides that no new judge units become effective in the Fourth Judicial District unless the Supreme Court determines that a Community Court has been established in the district and that two judge positions are assigned to it on a continuing basis. The amendment prevailed.

Kelly offered an amendment requiring a study of correctional officer staffing, focusing on the ratio of supervisory officers to non-supervisory officers. The amendment was adopted.

An amendment, offered by Sen. Thomas Neville (R-Northfield), describes in detail the requirements that must be met by a vendor that bids for operation of the new correctional facility at Rush City. Neville said the amendment addresses a number of concerns and issues raised regarding the RFP for Rush City Prison. The amendment sets a bidding time line from July 1 through Aug. 1, 1999, and states that a vendor must be selected by Sept. 15, 1999. The amendment calls for financial audits on

the proposals to operate the facility.

Neville said that if the DOC submits a bid, the department must include in its per diem bid proposal the cost of all direct and indirect costs relating to the facility's operation. Neville said this includes payment in lieu of property taxes, which he said are required from private operations but not from the DOC. Neville said the key provision of the amendment is the requirement that any proposal submitted by the DOC include all direct and indirect costs in its per diem bid proposal, and that all public or private bidders are treated in an equal manner.

A list of 45 requirements of the RFP are in the amendment, including financial responsibilities of the vendor, health care provisions for prisoners, provision of informational data on the vendor, an agreement that employees at the facility may collectively bargain and a list of educational and vocational services. Junge said she understood the amendment is meant to cover all areas of concern, but as a corporate lawyer she said she is scared the amendment provides for micro-management by the Legislature. "As Legislators, we make policy—we do not manage," she said. Neville responded that he believes the amendment addresses policy, not the contract itself.

"This is a major step," Sen. Gary Laidig (R-Stillwater) said. "I have seen the worst of what can happen with privatization." Kelly said that 28 states and many different countries are privatizing prisons. "It's not like Minnesota is the first state to do any of this," he said. The bill and amendment were laid over for further discussion.

RFP proposal debated

Debate continued on the division's omnibus budget bill and a major amendment to the bill at the Crime Prevention and Judiciary Budget Division meeting Tues., Apr. 13. The division is chaired by Sen. Randy Kelly (DFL-St. Paul).

An amendment, offered by Sen. Thomas Neville (R-Northfield), details a request for proposals (RFP) to operate a new correctional facility at Rush City. The amendment had been discussed at length in an earlier meeting, and several questions had arisen. Kurt Schultz, division administrator, said he had consulted an environmental planner and

learned that changing a prison facility from public to private could have some environmental impact, but not enough to make any significant difference. Kelly said he knew of 32 private correctional facilities that pay property taxes. "The private companies pay if they own the facility, and they anticipate paying if they lease it," he said.

Scott Simmons, deputy commissioner for the Department of Administration (DOA), said the department believes that the less descriptive the RFP, the better. He said that the RFP detailed in the amendment is a rather specific and unusual type, and the department would hire a consultant to interpret the RFP. Simmons said that is not typically done, but because of the controversial nature of the RFP regarding Rush City, a consultant would be hired at a cost of \$237,000 for a two-year period.

Regarding unionization and the ability of private facility employees to collectively bargain, Senate Counsel Kenneth Backhus said case law shows that an employer can voluntarily bargain with a union that represents both secure and non-secure personnel. An employer can also raise the issue with the National Labor Relations Board and the Guard Rule will kick in. Under the Guard Rule, a union that represents guards in a correctional facility cannot represent any other employees. Backhus said he believed the RFP contract can provide that the employer gives the right to bargain to mixed unions, and that the contract is enforceable. Sen. Ember Reichgott Junge (DFL-New Hope) said the issue is subject to challenge, and that concerns her.

Neville offered an amendment to the amendment, providing that the vendor agrees to collectively bargain with any exclusive representative or representatives of employees at the facility chosen by a majority of the employees in any bargaining unit. The amendment was adopted.

Sen. Gary Laidig (R-Stillwater) expressed concerns about language in the amendment that requires the commissioner of administration to select the vendor with the lowest bid, unless the commissioner determines that the vendor is incapable of responsibly performing the contract. He asked if the statement can invite serious or frivolous litigation. He also questioned what may happen if a

selected vendor does not work out. "Who operates the prison while we search for another vendor?" he asked. Neuville said the state can take over the prison immediately if such a situation rises. "We can cancel a contract for any breach," he said. He said the amendment is not intended to be all-inclusive, but lists a minimum of requirements that are expected of a vendor. An amendment to the amendment, offered by Sen. Jane Ranum (DFL-Mpls.), specifies that the commissioner of administration select the vendor whose bid is determined by the commissioner to be the best value. The amendment prevailed. The amendment, offered by Neuville, was adopted.

An amendment, offered by Sen. David Ten Eyck (DFL-East Gull Lake), removes funding from the 800 megahertz radio transmitters under the Department of Public Safety and designates \$100,000 for the Center for Reducing Rural Violence. According to Legislative Analyst Chris Turner, the remaining \$1.26 million is appropriated to fill the financial gap created by transferring 25 juvenile females from Sauk Centre. The amendment was adopted.

An amendment, offered by Kelly, provides the Department of Corrections (DOC) with greater authority to enter into contracts with private corporations or governmental units of Minnesota to house in their correctional facilities adult offenders committed to the DOC. The amendment was adopted.

Sen. Ellen Anderson (DFL-St. Paul) offered an amendment that provides that \$1 million be appropriated to the Asian-American juvenile crime intervention and prevention grants. The amendment was adopted. Anderson also offered an amendment that provides for victims and family members of victims of accidents resulting from police pursuits to serve on an advisory panel regarding the development of police pursuit training. The amendment prevailed.

Kelly proposed an amendment that transfers the operation of Camp Ripley, a weekend program for youth at risk, ages 11 to 14, from the DOC to the Department of Public Safety. The amendment was adopted.

Sen. Don Betzold (DFL-Fridley) offered an amendment to adopt the part of the omnibus bill that addresses the requirements for the RFP of Rush City Prison. Kelly, speaking for the amendment, said

an incredible amount of money is currently being spent on correctional facilities, and will continue to be spent. "Privatization can potentially keep some of these costs down," he said. Laidig spoke against the amendment, saying he does not want to turn over incarcerated Minnesotans to private business. A roll call vote resulted in a tie, and the amendment was not adopted.

An amendment, offered by Kelly, states that the Rush City correctional facility may not continue to house inmates after July 1, 2001, unless its continued operation is specifically authorized by law. The amendment prevailed. The omnibus bill was approved to be introduced as a committee bill.

Members also approved language authorizing \$2 million in state bonds to provide for repairs to the storm and sanitary system of the Minnesota Correctional Facility-Faribault.

Economic Development Budget Division

Public Service budget reviewed

The budget of the Dept. of Public Service was reviewed at the Thurs., Apr. 8, meeting of the Economic Development Budget Division. The panel also heard bills requesting funding for various economic development projects throughout the state.

Steve Minn, commissioner of the Dept. of Public Service, said the agency is requesting an overall budget increase of 20.3 percent. Minn said the increase in funding will be used to for two additional engineering positions to study electric generation, transmission and distribution system capacity issues and three additional rate analysts to deal with increased telephone filings.

Sen. Steven Novak (DFL-New Brighton) said he was glad to hear Minn's comments on the costs of hiring well qualified staff. Novak said he understands the desire to recruit talented individuals from the private sector but that in order to do that, the state has to be willing to pay a competitive wage. Currently, Novak said, state employees with expertise are recruited into the private sector and the loss of talent is unfortunate.

The division also heard a presentation by Christine Scotillo, executive director

of the Minnesota Municipal Board. The board's function is to make decisions regarding boundaries of municipalities. However, the board is scheduled by law to sunset at the end of 1999. Scotillo distributed documents stating support for the board's continuation from Gov. Ventura and Metropolitan Council Chair Ted Mondale among others.

Sen. Jim Vickerman (DFL-Tracy) presented S.F. 1632, a bill appropriating \$500,000 for a grant to the city of Windom in order to make a business expansion loan. Jim King, Economic Development director in Windom, said a local meat packing plant needs the appropriation to expand. He said that plant officials say they will move their headquarters to Iowa if the appropriation is not made. No action was taken on the measure.

Several bills appropriating money for a variety of targeted economic development programs were also heard. S.F. 1323, sponsored by Sen. Sandra Pappas (DFL-St. Paul), appropriates \$1 million in each of the next two fiscal years for grants under the community resources program. S.F. 1148, sponsored by Division Chair Jerry Janezich (DFL-Chisholm), appropriates \$900,000 for the next fiscal biennium for grants to non-profit organizations that encourage and assist women in entering nontraditional trades and technical occupations. S.F. 871, sponsored by Sen. Dave Johnson (DFL-Bloomington), appropriates \$450,000 in each of the next two fiscal years for a matching grant to Advantage Minnesota. Janezich said there is overlap in a number of the programs seeking appropriations in the division's budget bill. He said he is interested in working to better coordinate such efforts in order to achieve more efficient use of tax dollars. The panel took no formal action on the bills, but will consider them for inclusion in the division's omnibus budget bill.

Grant requests heard

The Economic Development Budget Division considered several bills for inclusion in the division's omnibus budget bill at a Fri., Apr. 9, meeting. The bills proposed funding related to a number of economic development projects throughout the state.

Sen. Arlene Lesewski (R-Marshall) presented three bills to the panel. S.F.

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2150 appropriates \$150,000 for a grant to the Pipestone County Historical Society to develop program space in the third floor of the county museum and install an elevator. Chris Roelfsema-Hummel, museum director, said the grant allows the museum to expand service and accommodate traveling exhibits. He added that currently, the second and third floors are not wheelchair accessible. Roelfsema-Hummel said the museum sought federal Americans with Disabilities Act (ADA) money, but none was available. Lesewski said that because of the crisis with the agricultural economy, the county doesn't have the funds to pay for the project.

Lesewski said her second bill, S.F. 1922, authorizes the transfer of the superintendent's home of the Indian school that used to operate on what is now the Pipestone campus of Minnesota West Community College and appropriates \$13,000 for asbestos removal and restoration of the home. John Ostrem, Minnesota State Colleges and Universities (MnSCU) said that Minnesota West didn't really want the building, but received it as part of the MnSCU merger a few years ago. He said that Minnesota West wants to transfer the home to a non-profit organization. Sen. Jerry Janezich (DFL-Chisholm), chair of the division, expressed some reservations with the appropriation. He said that the Higher Education Budget Division has a much higher budget target and that the \$13,000 could be appropriated in that budget bill.

Lesewski's last bill, S.F. 1220, appropriates \$100,000 for a planning grant for a new visitors' center and railroad depot in Lake Benton. Marlin Thompson, mayor of Lake Benton, said the Dakota, Minnesota and Eastern Railroad is building a line through Lake Benton and will make it a stop for passenger service. However, Thompson said, the city doesn't have the resources to pay for the planning. No formal action was taken on any of Lesewski's bills.

The division heard two bills presented by Sen. Dallas Sams (DFL-Staples). The first, S.F. 1593, contained no appropriation, but authorizes the Long Prairie Housing and Redevelopment Authority (HRA) to issue \$1.5 million in general obligation bonds to convert a vacant hotel into 17 units of affordable housing. Walt Bruns of the Long Prairie HRA said

the housing development would be privately owned but publicly operated. Sams said the legislation was necessary to allow the arrangement for the bond sale. Janezich said that the bill will probably be included in the omnibus bill.

Sams' other bill, S.F. 1595, appropriates \$100,000 for a grant to the Perham Business Technology Center. Sams said that half of the grant would be used to install an interactive television system, and the other half would be used for programming. He said that there are 3,000 jobs in Perham even though it only has a population of 2,400, but many of the jobs pay low wages. He said that with the grant to the business technology center, the city's tax base will increase and the city's youth will more likely stay with the availability of better jobs. He added that Perham also has a workforce development center. Sen. Deanna Wiener (DFL-Eagan) said that Perham is the kind of local economic hub that needs the division's support. No action was taken on the bill.

The panel next considered a \$400,000 appropriation found in S.F. 1277. Sen. Janet Johnson (DFL-North Branch), sponsor of the bill, said the appropriation is for a grant to the Pine Technical College for a virtual reality center. Robert Musgrove, Pine Technical College president, said the center will be self-sufficient in 22 months. Janezich said that a loan would be better if the center will be self-sufficient in that length of time. No action was taken on the bill.

Minneapolis City Council Member Joan Campbell testified on behalf of S.F. 1524, carried by Sen. Lawrence Pogemiller (DFL-Mpls.). Campbell said the bill appropriates \$5 million for a federal empowerment zone grant match. She said the appropriation is targeted at two areas in Minneapolis, the near North side and the Great Lakes Center area around the old Lake Street Sears store. Campbell said that most of the money will be used for brownfield clean up, which will redevelop the tax base. Mike Boo, Allina Health, said that a number of public-private partnerships have developed in the Great Lakes Center area, resulting in many living-wage jobs, housing developments and crime reduction. Janezich indicated that the division will work on funding the request in the division's budget bill.

A bill, appropriating money to raise awareness of foreign trade zones in the business community, was heard by the panel. The bill, S.F. 1829, carried by Sen. Dave Johnson (DFL-Bloomington) grants \$80,000 for each of the next two years for the effort. Don Risk, Foreign Trade Zone representative, said that the zone designation has created jobs that pay an average wage of \$12 per hour. Janezich said that many businesses in Greater Minnesota are unaware of the program.

Finally, the panel heard S.F. 1484, carried by Sen. Steven Novak (DFL-New Brighton). Novak said the bill appropriates \$500,000 to the Minnesota Investment Fund for planning and design work on the proposed new Medtronic Headquarters in the Moore Lakes area of Fridley. Novak said the project will yield 3,000 new jobs that pay an average annual salary of \$55,000. The panel adopted a motion by Sen. Steve Murphy (DFL-Red Wing) to include the bill in the division's omnibus budget bill.

Several bills heard

The Economic Development Budget Division held its last meeting before assembling its omnibus budget bill Mon., Apr. 12. Many of the bills heard by the division appropriate money for various economic development projects throughout the state.

The division approved and sent to the floor S.F. 385, sponsored by Sen. Douglas Johnson (DFL-Tower). Johnson said the bill authorizes the city of Duluth to reissue bonds at a lower interest rate than those originally sold to finance the Duluth Entertainment and Convention Center / Imax Dome Theater. Todd Torvinen, City of Duluth finance director, said that the bond reissue will save the city \$90,000 per year.

Sen. Arlene Lesewski (R-Marshall) presented S.F. 2181. She said the city of Wendell needs assistance for infrastructural improvements so that a value added alfalfa processing plant can be constructed. Although the grant amount in the bill is unspecified, Sen. Jerry Janezich (DFL-Chisholm), chair of the division, said that the bill exempts the grant from the \$500,000 limit on Minnesota Investment Fund grants. No action was taken on the bill.

The panel considered S.F. 737, sponsored by Sen. Steven Novak (DFL-

New Brighton). Novak said the bill has two parts: it increases the reimbursement rate for extended employment programs and appropriates money for the program. He said that the extended employment training program is for people who are the most difficult to employ, but the program has been tremendously successful at putting people to work and getting them off welfare. Novak added that funding the program is a test as to whether the state is serious about getting people off welfare. "These people won't get there on their own," Novak said.

A bill appropriating \$250,000 to fund a loan program to resort businesses operating on the eastern side of Upper Red Lake was heard by the panel. Sen. Roger D. Moe (DFL-Erskine), sponsor of the measure, said the walleye population has been depleted in the lake and walleye fishing is banned. He said the loan program is to sustain the resorts until the walleye population can be restored.

The Grimm Farmstead in Carver County is the subject of a bill appropriating \$211,000 to the Minnesota Historical Society. Sen. Dave Johnson (DFL-Bloomington), sponsors the measure, S.F. 1847. Tom McDowell, Hennepin Regional Parks, said the site is where Johannes Grimm settled after migrating to this country. He said that Grimm brought a box of clover seeds with him from Germany and that the clover was able to survive the winter. McDowell said that Grimm's clover was the precursor to all modern strains of clover. Johnson added that the farmstead holds an important place in Minnesota agriculture and is a great educational resource for the Metro Area. Janezich said it is a good idea, but suggested that Johnson try to coordinate the idea with the University of Minnesota's initiative to start an agricultural high school.

Sen. Edward Oliver (R-Deephaven) said his bill, S.F. 781, creates an account for the Minnesota World Trade Center and transfers \$70,000 of unused money appropriated in 1992 for a medical exposition to the account. The bill also transfers the World Trade Center Corporation to the Dept. of Trade and Economic Development, Oliver said.

A \$2 million matching grant of bond sale proceeds to restore the Territorial Prison wall in Stillwater, S.F. 1314, was presented by Sen. Gary Laidig (R-Stillwater). Ed Cain, city of Stillwater,

said the wall is both historical and functional in that it prevents the cliffs from collapsing. Janezich said he didn't think there would be a bonding bill this year, but would consider funding the bill if there is one.

The Dept. of Economic Security is slated to receive \$125,000 in each of the next two fiscal years under S.F. 1819, carried by Sen. Ellen Anderson (DFL-St. Paul). Anderson said the appropriations provide funding for employment support to deaf and hard-of-hearing people in Greater Minnesota. Janezich the bill raises the question of how to address needs not met by the workforce development centers. Sen. Linda Higgins (DFL-Mpls.) suggested that services for the deaf and hard-of-hearing should be administered through the centers.

Anderson also authored S.F. 1804, a bill that sets up community work empowerment support groups for people who are trying to stay in the workforce. One other bill carried by Anderson, S.F. 990, appropriates \$180,000 for a landlord/tenant dispute resolution pilot project in Ramsey County.

The critical need for affordable housing is addressed in S.F. 1010, sponsored by Sen. Richard Cohen (DFL-St. Paul). Russ Sacks, Metro Livable Communities, said the bill tries to address many concerns of cities and developers. He said the bill provides a pot of money to build affordable housing for within areas of market rate housing. Cohen added that cities, counties, inner and outer ring suburbs and developers all support the bill.

Sen. John Hottinger (DFL-Mankato) presented a bill, S.F. 1623, appropriating a \$1 million grant to the city of St. Peter to build a community center. Hottinger said the community center replaces the one destroyed by a tornado last year. He said the appropriation is one third of the difference between the cost of the new building and the insurance settlement. Hottinger said the balance of the cost will come from local contributions.

Panel members heard testimony on S.F. 741, carried by Sen. Randy Kelly (DFL-St. Paul). The bill appropriates a grant for the construction of an Asian Pacific community center in St. Paul. Kelly said the center will be a unifying structure for Asian Pacific Minnesotans and will be financed on fifty-fifty basis with the state. One other bill authored by Kelly, S.F.

1802, appropriates \$4 million for brownfield clean up around the Stroh's Brewery in St. Paul. However, Daniel Rosen, speaking for the brewery owner, said the company has invested their own money for clean up and doesn't need state assistance. The panel adopted an amendment increasing the total appropriation to \$10 million and expanding the targeted cleanup areas to two other locations in St. Paul.

Division members also reviewed the budget of the Iron Range Resources and Rehabilitation Board. Language offered by Janezich was adopted that puts the board under the control of a simple majority of members rather than eight of the eleven members and gives the board broader economic development authority. All proposals will be considered for inclusion in the division's omnibus budget bill.

The division met again briefly Weds., Apr. 14, to release a draft of the omnibus bill. Janezich said the division will act on amendments to the bill the next time they meet.

Education Finance

Early childhood bill discussed

Members of the Education Finance Committee, chaired by Sen. Keith Langseth (DFL-Glyndon), met Wed., Apr. 14, to discuss the Family and Early Childhood Education Budget Division omnibus bill.

Carried by Sen. Pat Piper (DFL-Austin), the bill, S.F. 2222, appropriates a total of \$460.053 million for family and early childhood programs in the state. The total amount is the same as that appropriated in the governor's total family and early childhood budget proposal, but allocates funding differently in several areas. First, under children and family support programs, the bill transfers a total of \$90.825 million over the biennium in temporary assistance for needy families (TANF) funds—\$88.98 million for basic sliding fee child care assistance and \$1.845 million for child care development. The TANF transfer is \$30 million above what is recommended by the governor for child care assistance and supplements the more than \$210 million in non-TANF funds already allocated for child care programs in both of the budget recommendations. The bill appropriates \$44.498 million for basic

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sliding fee child care assistance, which is \$2.996 million more than appropriated by the governor. The measure also appropriates \$6.284 million for transitional housing programs and \$2.556 million for food assistance to migrant workers, which are \$3 million and \$100,000 more, respectively, than what is recommended by the governor. The bill also appropriates \$3.338 million for adolescent parenting grants, \$1 million for male responsibility programs, \$3 million for emergency services, \$500,000 to the Ramsey Action Program for the family assets program and \$750,000 for lead abatement, none of which are funded in the governor's budget. The bill also requires that the family and early childhood budget equal one-twelfth of the K-12 budget by the 2006-07 biennium.

The bill also funds certain areas less than in the governor's budget. The bill provides \$3.1 million over the biennium for health and developmental screening and \$7.312 million for family service collaboratives, which are \$2.85 million and \$6.338 million less, respectively, than recommended by the governor. The bill also allocates \$9.52 million over the biennium for after school enrichment programs and \$174.761 million for Minnesota Family Investment Program (MFIP) child care assistance, which are, respectively, \$2 million less than and \$2.996 million less than recommended by the governor.

Piper offered an amendment to reinstate language that was eliminated in the bill requiring families to have received MFIP assistance at least three of the previous six months to be eligible for transitional year child care. According to Piper's staff, reinstating the language is necessary because eliminating the requirement has a \$2 million fiscal impact. Piper also presented an amendment requiring the identification of obstacles to the consolidation of the MFIP, transition year and basic sliding fee child care programs into one program. The amendment also requires the study of ways to achieve the consolidation during the 2002-03 biennium. The bill had required the three programs be consolidated by July 2000. Piper said it is a goal to consolidate the three programs because the current system is confusing and difficult to understand.

Piper offered another amendment to

delete language requiring appropriations for the family asset program to be reduced by the amount, if any, appropriated for the program in another bill. Piper had hoped to partially fund the program, which enables low income families to save money, with funds from the tobacco settlement. However, Piper's staff said any tobacco dollars are not available until at least July 2000, and funding is needed immediately to receive federal matches. Piper also offered an amendment requiring any MFIP child care funds not expended during the biennium to be deposited into the child care reserve account. All amendments were adopted.

Sen. Roger D. Moe (DFL-Erskine) presented an amendment deleting the section requiring the Family and Early Childhood budget to equal one-twelfth of the K-12 budget. He said it is difficult to argue with the principle of the section, but added the requirement does not fit budget constraints. The amendment was adopted and the bill was approved and sent to the Senate floor.

Environment and Agriculture Budget Division

Six bills heard

The Environment and Agriculture Budget Division met Thurs., Apr. 8, to hear six bills being considered for inclusion in the division's omnibus budget bill.

S.F. 1587, authored by Sen. Cal Larson (R-Fergus Falls), appropriates \$500,000 over the next biennium to the Board of Water and Soil Resources (BWSR) for grants to the Minnesota Association of Resource Conservation and Development. Larson said \$50,000 goes to the association each year and \$25,000 per year goes to the association's eight councils. Terri Lundblad, the director of the WesMin Resource Conservation and Development Council, said the association seeks to improve the quality of life and standard of living through economic and natural resource development. Lundblad said the association is a locally directed program that addresses rural needs and opportunities by bringing together diverse groups to work toward common goals. Jerry Loher, a Stevens County Commissioner, said the appropriation will be used for administrative

assistance to promote rural development projects in the state

S.F. 1628, authored by Sen. Douglas Johnson (DFL-Tower), authorizes a state trail from Two Harbors to Grand Marais and appropriates \$120,000 to the Dept. of Natural Resources (DNR) for planning and development of the Gitchi-Gami Trail. Johnson said the appropriation will be used in addition to \$550,000 from the Legislative Commission on Natural Resources (LCMR), and \$1.25 million from the Dept. of Transportation (MNDOT) which includes federal ISTEA and T21 funds. He said 9 miles of the 80 mile trail have already been completed, and that it is important to time the development of the rest of the trail with reconstruction of Highway 61. "This is one of the most beautiful parts of Minnesota, along the North Shore Trail," Johnson said. Rob Buntz, owner of the Bluefin Bay Resort in Tofte, said the development of the trail is important for the tourism industry in the area. "This is about connecting our communities with non-motorized access," Buntz said, "It will provide a wonderful experience for residents as well as visitors to our communities."

S.F. 802, authored by Sen. William Belanger (R-Bloomington), appropriates \$350,000 over the biennium to MNDOT for grants to the city of Savage and Scott County to conduct preliminary engineering and environmental studies related to the extension of Highway 27. Belanger said the city wants to connect Highway 27 with Highway 13 providing a north/south arterial highway that runs completely through the eastern part of Scott County. Steve King, the Savage city administrator, said the DNR has denied a permit to extend the road citing that other alternatives had not been sufficiently studied, the need for the extension had not been proven, and the proposed road extension threatened the Savage Fen Wetland Complex in the area. He said the bill includes an additional appropriation of \$500,000 if the preliminary studies show that an environmental impact statement is required. Kent Lokkesmoe, from the DNR, said there are only 5,000 acres of calcareous fen in the entire country and the department wants the city to examine all alternatives before extending the road through the 60 acres of fen. "Calcareous fen is a unique resource in this

area. We want to be sure to exhaust all feasible alternatives," he said. Belanger said one alternative route will mean the destruction of 20 homes, and another takes out part of a bluff in the area. Sen. Steve Dille (R-Dassel) said after studying the issue it is clear the city's proposal is the best alternative. "This is the path of least political resistance. I don't know how much more we need to study this," he said. Belanger agreed with Dille that the study is not needed because the best alternative has already been identified. "The city of Savage and Scott County don't have the financial wherewithall to jump through all these hoops," he said.

S.F. 1455, authored by Sen. Dennis Frederickson (R-New Ulm), appropriates \$63,000 in each of the next two fiscal years to BWSR for a grant to the Minnesota River Basin Joint Powers Board (MRBJPB). The bill also appropriates \$100,000 in each fiscal year to BWSR for a grant to the Minnesota River Basin Data Center at Minnesota State University, Mankato. The MRBJPB was established by the Legislature in 1994 to coordinate and add value to ongoing activities improving the water quality of the Minnesota River. Frederickson said the appropriation doubles the amount in BWSR's base budget for the board. Steve Hansen, the board's director, said MRBJPB is comprised of county commissioners from the 37 counties in the state that have land that ultimately drains into the Minnesota River. He said without the appropriation, the MRBJPB will not be able to continue its mission.

Frederickson also offered S.F. 1933, appropriating \$370,000 for the next two fiscal years to the Office of Strategic and Long Range Planning in cooperation with BWSR for an agreement with the University of Minnesota to maintain and update the land use map of Minnesota. Frederickson offered an amendment specifying that the project grant agreement must include provisions relating to project coordination, status reporting, conformance with state data standards, methodology, and financial management requirements. The amendment was adopted. Dave Weirens, from the Association of Minnesota Counties, said counties are one of the primary users of the map data and that for county officials to make the best decisions possible, they need up to date information. George Orning, the director of the Center for

Urban and Regional Affairs at the University of Minnesota, said the data benefits a wide range of people. "We're not only making the data available to government but also to the general public and to students of all levels," he said, "It is a census of land parallel to the census of people."

Division Chair Jane Krentz (DFL-May Township), offered S.F. 1731, appropriating \$3.5 million in FY 2000 to the Dept. of Finance for a loan to the city of Stillwater for the protection of Brown's Creek. Krentz said the bill not only helps Brown's Creek but establishes a loan program for water protection statewide. John Michaels, from the Brown's Creek Watershed District, said that Brown's Creek is one of the few viable trout streams in the Metro Area. He said continued urbanization of the city of Stillwater has threatened the creek. "Brown's Creek will not survive the urbanization unless we take some drastic measures," he said. Krentz offered an amendment striking a provision requiring legislative approval for all loans made by the program. She said to delay projects until the Legislature is in session is not necessary since the Legislature approves the loans when it appropriates the money. The amendment was adopted. Krentz said the proposed loan program is a concept worth exploring. "It is a thoughtful, forward looking concept," she said.

Waste recovery bill heard

The Environment and Agriculture Budget Division met Thurs., Apr. 8 to continue hearing bills from its morning hearing. Sen. Jane Krentz (DFL-May Township), the division chair, said all of the bills will be considered for inclusion in the division's omnibus budget bill.

Sen. Dallas Sams (DFL-Staples), offered S.F. 1594, appropriating \$3 million to the Office of Environmental Assistance for a grant to Ottertail County for operation of a solid waste recovery center in the city of Perham. Mike Hanan, director of the Ottertail County Solid Waste Office, said the center, which was privately owned, closed in 1998 and the ownership was transferred to the city. He said the appropriation will pay for 50 percent of the cost of rebuilding the center which needs substantial improvements before it can return to operational status. "This brings

significant environmental and economic benefits to a large number of counties in central Minnesota," Hanan said. He said the bill is supported by all the counties represented on the Solid Waste Joint Powers Board which is comprised of representatives from Grant, Ottertail, Stevens, Todd, Traverse, Wadena, and Wilkin Counties. Hanan said currently the seven counties that would be the primary users of the center, are able to recycle approximately 60 percent of their municipal waste, but the remaining 51 tons per year is becoming more and more expensive to dispose of. "To continue to landfill will cost all the counties a considerable amount of money," he said. Andy Lindquist, a county commissioner from Ottertail County, said a major component of the project is an agreement with Land O' Lakes to purchase steam generated by the center. He said the county, along with the city of Perham, continues to negotiate with Land O' Lakes for a long term agreement that would provide the company with all of its steam energy requirements for its facility in the area. Lindquist said the city and county will issue bonds to pay for their 50 percent of the costs to rebuild the center. Mike Osdoba, from the Office of Environmental Assistance (OEA), said because the facility was until recently privately owned, it did not qualify for the agency's capital assistance program. He said now that the facility is publicly owned, it would rank high on the agency's list of potential grant recipients because there is an existing system in place and it is a multi-county effort. Sams said if there is an emergency bonding bill this session, he would propose to include the project in that bill.

Sen. Charles Berg (IND-Chokio), offered S.F. 1555, appropriating \$50,000 to the Upper Minnesota Valley Regional Development Commission for the preliminary design and engineering of a segment of the Minnesota River Trail from Appleton to the Milan Beach on Lake Lac Qui Parle. Berg said that there will be a local match of \$100,000. Gary Hendricks, a Swift County commissioner, said the trail continues redevelopment in the area. He said that the recently built prison in Appleton created 400 jobs. Hendricks said the city addressed a housing shortage by building 12 duplexes. "The trail is another piece of the puzzle,

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it brings a recreational value to attract people into the region," he said.

Sen. Janet Johnson (DFL-North Branch), offered S.F. 554, appropriating \$25,000 in each of year of the biennium to the Dept. of Natural Resources (DNR) for a grant to the city of Taylors Falls for fire and rescue operations in support of Interstate State Park. Lynn Longnecker, the mayor of Taylors Falls, said the park makes up a third of the city and brings in 400,000 visitors a year. He said the city provides emergency police, fire and rescue services in the park and that the state has reimbursed the city for the services in 1996 and 1997 under terms of a mutual aid agreement which ended June 30, 1997. Steve Morse, deputy commissioner from the DNR, said because the appropriation is not in the governor's budget, the department could not support the bill. Johnson said the DNR has supported the funding in the past. "This is an unusual state park," she said, "Not all state parks have a river running through it with high rocks."

Johnson also offered S.F. 1581, establishing state goals for reducing mercury releases to air and water and directing the MPCA to implement strategies recommended by the Mercury Reduction Initiative Advisory Council. She offered an amendment clarifying the state's goal to reduce mercury contamination by reducing the release of mercury into the air and water of the state "by 60 percent from 1990 levels by December 31, 2000." The original language stated the goal as reducing the levels "to below 60 percent of 1990 levels." The amendment similarly clarifies the reduction goals to reduce mercury levels "by 70 percent from 1990 levels by December 31, 2005." The original language read "to below 70 percent from 1990 levels." The amendment was adopted.

Krentz offered S.F. 1629, appropriating \$2 million over the biennium for enhanced lake management. "Because we use our lakes for so many different purposes, we need to be good stewards, by nurturing them and keeping them whole," Krentz said. George Orning, from the Center for Urban and Regional Affairs at the University of Minnesota, said the bill increases education efforts on lakes, provides technical assistance to local governments on land use management, involves local government in the development of fishery management

plans, increases the development of lake watershed maps, continues the development of planning techniques for sustainable lake management, improves the management of information on lakes, increases lake monitoring and improves local water planning. Kit Searight, a board member of the Minnesota Lakes Association, said the bill consolidates efforts of the many organizations involved in managing the state's lakes and helps people know where to go to get information and support for lake management issues.

Sen. Jim Vickerman (DFL-Tracy), offered S.F. 182, appropriating \$50,000 over the next biennium to the Dept. of Agriculture, to expand services provided by the Passing on the Farm Center. He said the appropriation adds to the \$100,000 proposed in the governor's budget. Carol Rikke, from the Minnesota West Community and Technical College, said the center's purpose is to provide programs that include education, direct service, training and technical assistance. The appropriation will be directed toward the Farm Internship Program, which assists beginning and retiring farmers, farm family members, and agricultural land owners, to get hands on experience under the supervision of a mentor or mentoring business, Rikke said.

Vickerman also offered S.F. 932 a bill that appropriates \$1.1 million over the biennium to the Dept. of Agriculture to partially fund county agricultural inspector positions. Dean Williams, a Murray County agriculture inspector, said currently the positions are mandated by statute, but are not funded by the state. Sen. Leonard Price (DFL-Woodbury) said that although the bill specifies that the funding not exceed 50 percent of county costs, that it does not specify how the funds will be dispersed and thus one county could receive more funding than another. Price offered an amendment adding a provision that only one inspector position in each county is eligible for the reimbursement. The amendment was adopted.

Sen. LeRoy Stumpf (DFL-Thief River Falls), offered S.F. 1367, appropriating \$300,000 for each year of the biennium to the MPCA for a grant to the University of Minnesota Center for Rural Technology for a water quality cooperatives project. Stumpf offered an amend-

ment deleting all the sections in the bill except for the appropriation provision. He said the amendment addresses concerns raised by representatives from several cities about the bill. He said the remaining provision requires the center to study and prepare a report to the Legislature on the current barriers to financing and permitting cost-effective innovative or alternative sewage treatment technologies, systems, methods and processes. The center must also report on the potential for such treatment technologies for reducing point and nonpoint sources of water pollution. Robert Sykes, an associate professor of the University of Minnesota Center for Rural Technology and Cooperative Development, said water quality cooperatives are created as member owned finance and management systems to provide a uniform level of support to decentralized rural or suburban residents and businesses beyond the reach of central sewers. Sykes said water quality cooperative systems are voluntary and that they save money for state and local governments while providing greater environmental focus, basin wide, on the integrated problems causing surface water pollution. He said there were two cooperatives founded in Minnesota, the Headwaters Rural Utility Association and the Rainy River Rural Utility Association. Charles Lymangood, a resident of Corcoran and former Plymouth City Council member, said the bill does not meet the intended benefits and causes unintended consequences. Lymangood said the work of the cooperatives duplicates existing government services. "After four years and \$400,000, there has been a lack of results. There are no members, no septs installed and no alternative energy sites," he said. Mike Robertson, city administrator of Otsego, said the Headwaters Rural Utility Association protest to the MPCA of the city's proposed sanitary sewer collection system and wastewater treatment facility, delayed permitting and added costs to the project. Sen. Pat Pariseau (R-Farmington), said since no municipalities have implemented the project, there is no apparent reason to continue to fund the study. She moved to not adopt Stumpf's amendment. Sykes said the center is currently working with the city of Corcoran, among other jurisdictions, for a project in that city. Pariseau said because of the issues raised

in the discussion she intends to ask the Legislative Auditor to look into the matter. Krentz said because the discussion was looking at policy issues rather than budgetary issues, that the bill should be discussed by the full committee.

More bills heard

The Environment and Agriculture Budget Division met Mon., Apr. 12, to hear ten bills for possible inclusion in the omnibus budget bill. Sen. Jane Krentz (DFL-May Township), the division's chair, opened the meeting by welcoming the division's newest member, Sen. Ellen Anderson (DFL-St. Paul). Krentz said Anderson will add balance to the division being the only representative from either St. Paul or Minneapolis. Anderson fills a spot vacant since former Sen. Steven Morse resigned to become a deputy commissioner with the DNR.

Sen. Allen Spear (DFL-Mpls.) offered S.F. 1386, appropriating \$4 million to the DNR for a grant to the Minneapolis Park and Recreation Board to mitigate flooding at Lake of the Isles. Spear said the lake is part of the city's Chain of Lakes System, and that the area around the lake suffered heavy flood damage in the summer of 1997. He said the lake is an artificial lake created earlier this century out of marsh land, and that flooding occurs because the natural tendency of the lake is to revert back to marsh land. Vivian Mason, member of the Minneapolis Park and Recreation Board, said Lake of the Isles is not only a city park, but a regional park that attracts over 2 million visitors a year. Mason said the total cost of recovery and restoration efforts are estimated to be \$9 million and that the Legislative Commission on Natural Resources (LCMR) has recommended a \$450,000 grant to the board contingent upon other funding being contributed toward the project. Spear said the bill's appropriation will be used for the flood mitigation aspects of the project.

S.F. 1608, authored by Sen. Dallas Sams (DFL-Staples), appropriates \$455,000 over the biennium to the Board of Soil and Water Resources for an annual allocation of general services funding for each organized soil and water conservation district in the state. Sams said currently the state allocates a total of \$1.82 million or approximately \$20,000 per district. He said with the increase, each district will receive around \$22,500

per year which is needed because the state continues to delegate more responsibility to the districts without increasing their funding. "This allows them to keep their heads above water," Sams said. Marilyn Bernhardson, from the Redwood Soil and Water Conservation District, said the increase in funding will be used differently by each district to meet their individual needs. She said although the soil and water conservation programs are almost always state implemented, the districts have no taxing authority to raise revenues to meet the project requirements.

S.F. 1895, sponsored by Sen. Janet Johnson (DFL-North Branch), makes changes to in lieu of tax payments for natural resource lands. Gregory Knopff, a Senate Legislative analyst, said currently the DNR makes an annual payment to each county having public hunting areas and game refuges. Knopff said the calculation of the payment is based upon the amount that is the greatest among the following criteria: 35 percent of the gross receipts from all special use permits and leases of land acquired for public hunting and game refuges; 50 cents per acre on land purchased actually used for public hunting or game refuges; or three-fourths of one percent of the appraised value of purchased land actually used for public hunting and game refuges. He said the bill allows counties to elect to exclude the acreage of lands for which payment is currently received. Sen. Bob Lessard (DFL-Int'l. Falls), chair of the Environment and Natural Resources Committee, and Sen. Jim Vickerman (DFL-Tracy), chair of the Local and Metropolitan Government Committee, said because the bill makes major policy changes, it should be heard by both of those committees.

S.F. 1428, authored by Sen. Sandra Pappas (DFL-St. Paul), appropriates \$500,000 over the biennium to the Dept. of Administration for a grant to the Minnesota Children's Museum to fund the museum's Project GreenStart program. Pappas said Project GreenStart sows the seeds of environmental awareness and sensitivity in young children. Pat Hvidston, director of the Children's Museum, said the program provides early childhood education in environment and science.

Sen. Douglas Johnson (DFL-Tower), offered two bills. S.F. 17 amends provi-

sions in the snowmobile grants-in-aid program to include maintenance of trails on lands and waters of Voyageurs National Park. Johnson said the bill was part of last year's Senate omnibus game and fish bill but was not included in the bill that came out of the conference committee. S.F. 1049 allows the DNR to deposit the in-lieu of tax payment that is imposed on the gross receipts from the sale of lottery tickets and any penalty and interest derived from the sale of lottery tickets, into the game and fish fund. Johnson said currently the revenue from the in-lieu of tax payment is deposited into the general fund. "The bill addresses serious problems in the game and fish fund," Johnson said, "Hunting and fishing are huge revenue raisers in Minnesota. They provide huge economic benefits to the state."

S.F. 1696, offered by Vickerman, appropriates \$995,000 in FY 2000 and \$1.1 million in FY 2001, to the Dept. of Agriculture to establish an agricultural water quality and quantity management, research, demonstration, and education program. Vickerman said the bill establishes research and education centers at the University of Minnesota for research and education and to demonstrate the environmental benefits from a variety of water management methods, practices, and systems that minimize downstream impacts on water quality while also reducing flooding potential. Sen. Steve Dille (R-Dassel), said he strongly supports the bill. "One of the best things farmers can do to get more production from their fields is to have better drainage," Dille said. "This is a very important bill. The public generally thinks that farm drainage is bad. I don't think they're right. We need to better communicate and educate the benefits of drainage on farms."

S.F. 1332, authored by Sen. James Metzen (DFL-South St. Paul), appropriates \$800,000 over the biennium to the Minnesota Zoological Board for the operating costs of the children's farm to be constructed at the Minnesota Zoo. "The zoo is a great asset to the state. It is one of the greatest zoos in the country. This will enhance what they are doing," Metzen said. Lars Erdahl, from the Minnesota Zoo, said the children's farm creates a place for zoo visitors to become part of a community of people, plants and animals striving to maintain balance with

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nature. He said the zoo gets over 1.2 million visitors a year and that the children's farm will introduce visitors to the sustainable ways to cultivate and manage natural resources to promote long term solutions for local and global environmental problems.

Sen. LeRoy Stumpf (DFL-Thief River Falls), said S.F. 1542 represents a compromise reached between environmentalists and timber industry representatives to keep the Forest Resources Council going. The bill extends the sunset date of the council from June 30, 1999 to June 30, 2001. The bill also appropriates \$750,000 for each of the next two years to the DNR to continue to fund the council's activities. Stumpf said the bill allows the governor to appoint all new members to the council, and expands the council membership to include one more member representing industry interests, and one more member representing environmental interests.

Dille offered S.F. 316, appropriating \$276,880 to the Dept. of Agriculture in FY 2000 for a grant to the University of Minnesota extension service for the farm safety and health program.

The division also discussed three additional provisions for possible inclusion in the omnibus bill. Sen. Dean Johnson (R-Willmar), proposed amending restrictions in the Public Facility Authority's (PFA) wastewater infrastructure fund to permit the funding of a \$31 million Green Lake sewer and water project. Johnson said currently the fund has a \$4 million cap on projects. He said the Green Lake project is unique, however, because it involves six jurisdictions in Kandiyohi County. If the six jurisdictions had applied for funds separately, they would have been eligible for \$24 million from the wastewater infrastructure fund, Johnson said. Ed Cain, from Kandiyohi County, said the jurisdictions are asking for an additional \$9 million from the PFA. He said the Green Lake project ranked first on the PFA needs list in 1998 and was approved for funding. He said construction will begin this summer and continue for four years. Johnson said the proposed change does not require additional funds in the 1999 budget, and encourages communities to follow the state's policy encouraging municipalities to work together to solve environmental problems. Sen. Gary Laidig (R-Stillwater), said the

proposal does not change policy for the wastewater infrastructure fund. He said currently, the Legislature has the authority to exercise an option to meet the needs of a special project.

Dille offered another point for discussion, a \$200,000 appropriation to the PFA for a grant to the city of Howard Lake for well construction costs associated with the development of a municipal drinking water system. He said in the late 1980's, the Dept. of Health began testing public water supplies for radium and the city's two wells were found to have an excess amount of radium. The city drilled a new well and then had to build a new water treatment plant to remove iron and manganese from the new well, Dille said, only to later discover that the arsenic level of the well was in excess of federal standards. He said that although the standards of radium had again changed, the city had already sealed the first two wells and the decision was made to drill yet another well. Because of a variety of problems, that well had to be abandoned, he said. He said the appropriation is needed to help the city study available alternatives. "If they hadn't done what the state and the federal government told them to do, they wouldn't have incurred all these additional expenses," Dille said.

The division also discussed the idea of raising the DNR's license fees. Krentz said the House's proposal includes a one to one match between the amount fees are increased with an increase in general fund dollars. She said the division's budget targets do not allow a similar match in the Senate's omnibus bill. Lessard said the proposed fee increases are a "band aid" for funding problems and that long term solutions still need to be found. Gary Botzek, from the Fish and Wildlife Legislative Alliance, agreed with Lessard and said long term funding of the DNR still needs to be addressed. "We need to begin looking at game and fish as infrastructure rather than something we hang on our walls," Botzek said. Harvey Nelson, from the Minnesota Waterfalls Association, said that because additional funding is needed, the association supports the proposal to increase fees. "We have to get out of the every two to four year crisis in funding," he said, "We need a strong DNR in the state."

Morse said the DNR supports the House proposal because it meets a \$10

million department target. He said the governor supports the increase in fees only if they are also supported by sporting groups. Vickerman said that he would have a hard time explaining to his constituents the need to increase fees when the state has a \$4 billion surplus. He said that he would only support an increase in license fees would if there is a lot of publicity on the issue and thus those who would pay the higher fees would be well aware of the increase. Sen. Leonard Price (DFL-Woodbury), said that before he could vote for an increase in license fees, the governor had to make it clear that he supports matching the fee increase with an appropriation from the general fund. "This deal is half made," he said, "We have to know where everybody is before we make our decision."

Omnibus bill heard

The Environment and Agriculture Budget Division met Tues., Apr. 13 to discuss the division's omnibus budget proposal. Sen. Jane Krentz (DFL-May Township), the division chair, said several difficult decisions had to be made in order to meet the division's targets and that several important items including ethanol production and parks and trails maintenance, were underfunded. Sen. Bob Lessard (DFL-Int'l. Falls) said there were "serious problems" with the budget and that members should continue to express the need for more funding.

Krentz said the bill appropriates \$1.077 billion over the biennium, \$5.4 million more than the governor has recommended. The appropriations include funds from the general fund, the petro tank release fund, the state government special revenue fund, the special revenue fund, the environmental fund, the metro landfill contingency fund, the solid waste fund, the natural resources fund, the game and fish fund, the Iron Range resources and rehabilitation fund, the Minnesota future resources fund, the environmental trust fund, the Great Lakes protection account, and oil overcharge money.

The proposal provides funding of \$5.8 million for agriculture related bills and \$7.2 million for environment related bills, Krentz said. She said the Senate proposal provides more of a balance than the companion House bill which favors funding more environment related projects than agriculture related projects.

She said another difference between the Senate's proposal and the House proposal is the Senate bill recommends funding all of the Legislative Commission on Natural Resource (LCMR) recommendations, which total over \$42 million over the biennium, while the House bill cuts funding for several of the LCMR projects. "I feel very strongly that we should respect the LCMR process and all the effort that went into a very public process and would feel very disappointed if we do not follow the recommendations," she said, "If we start cherry picking things out the whole process falls apart."

Thomas Bottern, Senate counsel, and Gregory Knopff, Senate analyst, went through the proposed bill and a summary spreadsheet with division members. The proposal follows the governor's recommendation of a one time \$1 million deficiency appropriation to the Minnesota Zoo, but does not follow the governor's recommendation for repealing the \$50 surcharge on personal water craft. Krentz said repeal of the surcharge would mean that \$900,000 of funding for other programs would have to be cut.

The bill calls for a \$15 dollar fee for snowmobile stud stickers. During hearings on that issue, members had discussed either a \$10 sticker or a \$15 sticker. Sen. Janet Johnson (DFL-North Branch), chair of the Transportation Budget Division, said that division's omnibus bill includes a provision that raises from three quarters of one percent to one percent the percentage of gas tax that goes toward the snowmobile trails program. She said that increase was agreed to by members of the Transportation Budget Division with the understanding that a \$15 sticker on studded snowmobiles will raise an additional \$2.5 million over the biennium.

Sen. Steve Dille (R-Dassel), questioned funding the Minnesota Pollution Control Agency's request for twelve additional staff for feedlot inspections and an increase of fees for permitted facilities with less than 1,000 animal units. "Minnesota has the largest feedlot regulatory agency in the country," Dille said, "I don't think that during a farm crisis we should increase fees on livestock producers."

The division took no action on the bill and Krentz said the division would hear any amendment from members at its next hearing.

Bill includes feedlot changes

The Environment and Agriculture Budget Division hearing, Weds. Apr. 14, on the division's proposed omnibus budget bill ended abruptly when members adopted an amendment making changes to the state's feedlot regulations. Sen. Jane Krentz (DFL-May Township), the division chair, said she was disappointed by the adoption of the amendment which she said makes major policy changes to the regulations. Although the division was expected to complete the bill at the hearing, Krentz adjourned the meeting without the division acting on the bill.

After discussing 33 other amendments to the bill, Sen. Steve Dille (R-Dassel) offered an amendment prohibiting the Minnesota Pollution Control Agency (MPCA) from approving any additional fees on animal feedlot operations until July 1, 2001, and setting the maximum penalty for all violations identified during an inspection or other compliance review of a feedlot at \$5,000. Dille said the amendment provides that if corrections are made to the violation or steps are taken to correct the action, the penalty is forgiven. The amendment also sets the maximum penalty for repeated violations at \$10,000, an amount that can be reduced by up to 90 percent if the money is spent on environmental improvement to the farms, and exempts animal feedlots from provisions of environmental review rules regarding connected actions.

Dille offered his amendment twenty five minutes before midnight, the deadline for adjournment of committee meetings under Senate rules. He said that there were two farmers from Kimball among others that were ready to testify in support of the amendment. Krentz said because the amendment made major policy changes and given the late hour, it should be discussed on the Senate floor and not in the budget division. Dille renewed his motion for a vote on the amendment and the amendment was adopted.

Prior to the Dille amendment, the division adopted several amendments to the omnibus bill including raising the costs for fees on hunting and fishing licenses. That amendment, offered by Sen. Dennis Frederickson (R-New Ulm), generates an additional \$6 million for the game and fish fund. The omnibus bill provides for a three to one match of the

fee increase with general fund money. Several division members said that although they supported the amendment, they would only vote for it with the understanding that the governor would support the match from the general fund. Steven Morse, deputy commissioner from the DNR, said that the case had been made for the need for the additional revenue, and that the governor would support a balanced bill that did not raise any "red flags." Sen. Janet Johnson (DFL-North Branch) said the governor needed to take a stronger position on the proposed increase in fees. Price said the amendment provided needed funding, and criticized the governor for not addressing the issue. "This proposal essentially bails out the governor," Price said, "We have not had a lot of engagement by the executive branch on the issue." Sen. Jim Vickerman (DFL-Tracy) said with the continued talk about the \$4 billion surplus it would be difficult to explain the need to increase fees to his constituents. He said he would vote for the amendment but would only continue to support the fee increase if a general fund match is included. Krentz said that the Senate was put in a difficult position in proposing fee increases with the budget surplus, but because of funding cuts revenue needed to be raised in order to continue to fund necessary programs. "It feels like we are bailing out goofy ideas put forth by other bodies," she said. Originally the division voted to not adopt the amendment, but Johnson revived the measure because she said she had received further assurances from the DNR that the governor would support a general fund match. The amendment was then adopted.

The division also adopted an amendment, offered by Sen. Gary Laidig (R-Stillwater) permitting the development of an industrial hemp industry in the state. Laidig said the amendment is identical to a measure discussed on the floor earlier in the session, allowing the growing and maintenance of experimental and demonstration plots of industrial hemp by persons registered with the Dept. of Agriculture.

Another amendment adopted was offered by Sen. Bob Lessard (DFL-Int'l. Falls). The amendment allows deposit of the in-lieu of tax payment that is imposed on the gross receipts from the sale of lottery tickets and any penalty and

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interest derived from the sale of lottery tickets, into the game and fish and environment and natural resources trust funds. Lessard said the amendment does not take effect until June 30, 2001 and, thus, would put the issue of before the public. Anderson said she was concerned with the \$24 million hole the redirection of funds leaves in the general fund. Krentz said that because of the funding tails the amendment creates, even if the division passed the amendment the provision would most likely be removed from the bill by the finance committee. Lessard said originally the lottery funds were meant to go to the game and fish fund and that it was important to get public input on the issue. "Hunting and fishing contributes about three and a half billion dollars to the state. It's time we stop waltzing around the issue and take on the tails," he said, "This date, 2001, gives us a year and a half to work on this and get this in front of the public. Let's put this in front of the public and sporting groups and maybe even the governor. Let's see if the governor would support the rededication of lottery funds."

Frederickson offered an amendment striking the repeal of the listed metal program and transferring \$150,000 for the solid waste fund to the listed metals account. Sen. Pat Pariseau (R-Farmington) spoke against the amendment saying that the measure was offered in a bill authored by Sen. Dan Stevens (R-Mora) and that the division should give Stevens the courtesy of being present before removing the repeal from the omnibus bill. Frederickson agreed to withdraw the amendment but said he would reintroduce it on the floor.

Family and Early Childhood Education Budget Division

Omnibus bill discussed

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Thurs., Apr. 8, to discuss the division's omnibus budget bill.

Carried by Piper, the bill appropriates a total of \$460.053 million for family and early childhood programs in the state. The total amount is the same as that appropriated in the governor's total family and early childhood budget proposal, but allocates funding differently

in several areas. First, under children and family support programs, the bill transfers a total of \$90.825 million over the biennium in Temporary Assistance for Needy Families (TANF) funds—\$88.98 million for Basic Sliding Fee child care assistance and \$1.845 million for child care development. The TANF transfer is \$30 million above what is recommended by the governor for child care assistance and supplements the more than \$210 million in non-TANF funds already allocated for child care programs in both of the bills. The measure also allocates \$6.284 million for transitional housing programs and \$2.556 million for food assistance to migrant workers, which are \$3 million and \$100,000 more, respectively, than what is allocated by the governor. The bill also allocates \$3.338 million for adolescent parenting grants, \$1 million for male responsibility programs, \$3 million for emergency services and \$750,000 for lead abatement, none of which are funded in the governor's budget.

The bill also funds certain areas less than in the governor's budget. The bill allocates \$3.1 million over the biennium for health and developmental screening and \$7.312 million for family service collaboratives, which are \$2.85 million and \$6.338 million less, respectively, than recommended by the governor. The bill also allocates \$9.52 million over the biennium for after school enrichment programs, which is \$2 million less than recommended by the governor. Sen. Roy Terwilliger (R-Edina) offered an amendment to provide a grant of \$250,000 in each year of the biennium to the Ramsey Action Program to dispense matching grants to fiduciary organizations for the family assets program under current law. The amendment was adopted.

The bill also makes many changes to current law. Among the changes relating to the Minnesota Family Investment Program (MFIP), the bill eliminates the requirement that transition year families must have received MFIP assistance for at least three of the previous six months before losing eligibility due to increased income or support, eliminates transition year families from the basic sliding fee priority list and consolidates the MFIP, transition year and basic sliding fee child care programs into one child care assistance program. Among changes relating to child care, the bill reduces the

twenty hour work requirement to ten hours for full time students to be eligible for child care, requires certain non-licensed providers to register with the county and offers an enhanced registration category with additional requirements for non-licensed providers. The bill also requires counties to pay licensed child care providers directly and requires the enforcement of child care assistance program fraud. Among other changes, the bill requires that school-age care programs have access to school facilities if the facilities are not in use and converts the adult basic education aid formula from 65 percent of the general education formula for each full time student to a fixed dollar amount multiplied by the number of full time equivalent students. The bill also converts the high school graduation aid formula from 65 percent of the general education formula to \$2,295 for fiscal year 2000 and \$2,338 for fiscal year 2001 multiplied by 1.3 times the average daily membership for pupils ages 21 or over.

Piper said she had several priorities when constructing the omnibus bill. She said she is concerned about the position of the youngest children in the state, and called child care a "huge" issue. She said the current waiting list in the state for basic sliding fee care is 7,500 families and requires a wait of between 18 and 24 months to receive assistance. During that time, she said, 25 percent of those waiting for assistance will either quit or lose their jobs because of the lack of child care. She wishes, she said, that those in the business community would contribute more solutions to the child care problems faced by their employees. Piper also said she believes the state has an obligation to provide homes for the homeless, help to reduce teen pregnancy and hold males responsible for their part in raising children. She also said lead in homes must be removed so the brain damage that lead can cause in young children will not be continued. Addressing the cuts in funding to family service collaboratives, Piper said it was not the intent of the original legislation to fund such programs forever. It was the intent, she said, to help the programs start and after a certain time allow them to be self-sufficient. She said some people are always disappointed when they see the budget bill but added that she focused on where she believes the greatest needs are.

Sen. Leo Foley (DFL-Coon Rapids) offered an amendment that appropriates a total of \$636.655 million for family and early childhood programs in the state. The total amount appropriated is \$176.6 million more than that appropriated by both the governor and the omnibus proposal. The amendment allocates a total of \$452.15 million to children and family support programs--\$127 million more than does the budget proposed by the governor and \$129.051 million more than allocated by the bill. It includes \$3 million for basic sliding fee at home infant care, \$121.502 million for basic sliding fee child care assistance, \$15.73 million for child care development and \$10 million for the child care food program. It also includes \$44.231 million for Early Childhood Family Education (ECFE), \$46.75 million for Head Start and \$25.79 million for learning readiness programs. In other areas of change, the amendment allocates \$36.832 million for community education, \$2 million for adolescent parenting, \$400,000 for family visitation centers, \$1.5 million for male responsibility programs, \$46.649 million for adult basic education and \$3.6 million for emergency services. The amendment also appropriates \$10 million for energy assistance, \$3 million for family assets accounts, \$10 million for family homeless prevention, \$500,000 for First Call for Help, \$1 million for lead abatement and \$4.6 million for transitional housing. Foley said he authored the amendment to address serious concerns where, after hearing various testimony throughout the session, he believes more funds are needed.

Responding to the amendment, Piper asked Foley where he plans to obtain the additional funds called for in the amendment. Foley said he has some regrets regarding not following the governor's spending limits, but added that more spending is needed in the areas he designates. The initial costs, he said, may be higher, but the long term results will be better. He said the amendment assists children more than the bill or the governor's proposal. Foley said that he can't in good conscience not look at the surplus to help fund his amendment. Although he said he expects arguments over using the surplus, he asked members to look at it and think about what can be accomplished with it.

Sen. John Marty (DFL-Roseville) said

over half of the money in the amendment is used for important child care related issues and should be enough to eliminate the waiting list--which is approximately 7,500 families--for child care in the state. He also said the surplus should be looked at to fund the amendment and said he hoped members respond favorably to the amendment. Foley also said there would be no hesitation in the Legislature if \$200 million was needed to build a new prison. He said to spend that much money on a prison but not on early childhood development is wrong, and added that children must be dealt with before they become involved in the correctional system. The amendment was laid on the table to be discussed further.

Omnibus amendments discussed

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Mon., Apr. 12, to discuss amendments to the division's omnibus bill. Carried by Piper, the bill appropriates a total of \$460.053 million for family and early childhood programs in the state. The total amount is the same as that appropriated in the governor's total family and early childhood budget proposal, but allocates funding differently in several areas.

Sen. Becky Lourey (DFL-Kerrick) offered an amendment that deletes the section of the bill that disqualifies families found guilty of child care assistance fraud from participating in child care assistance programs. The disqualifications listed in the bill can last from three to nine months. Lourey said disqualifying families from child care assistance is unnecessary because current law already provides criminal and civil penalties for child care fraud. She said children are innocent victims when their parents break the law, and she added that she doesn't want to eliminate their child care because of parental criminal activity.

Sen. Arlene Lesewski (R-Marshall), the author of the original bill calling for the child care fraud penalties, spoke against the amendment. She said that parents have a responsibility to their children to be honest and to correct their own mistakes. The sanctions should be kept, she said, because if penalties for parents are not administered the fraud

will continue. Lesewski also said that not punishing for fraud sends the wrong message to children.

Responding, Lourey said it is not her intention for parents to avoid responsibility for their actions. She added, however, that she still wants children to have the opportunity to receive child care so a continuity can remain in their lives. She also said that, as children of parents committing fraud, a child care situation may be a better environment than what they have at their home. Piper asked Sen. Donald Ziegler (R-Blue Earth), a former county commissioner, what a county's policy is regarding child care fraud. Ziegler said his county sought payments from parents who had enough money to pay and sought jail time those who couldn't pay. However, many times, he added, a fine could not be paid because the parents had nothing to pay. Ziegler said penalties for those committing child care assistance fraud should be severe. Piper said she would prefer that children were in a safe environment while their parents worked. The children, she said, must be protected. Lesewski said that parents should be responsible for their children, and not the state. The amendment was adopted.

Sen. Claire Robling (R-Prior Lake) presented an amendment that increases the fees paid by families under the at-home infant child care program. For example, Robling said the co-pay for a family of three with an income no greater than \$15,000 per year increases from \$22 to \$30 per month under the amendment. According to Robling, the amendment saves the Minnesota Department of Children, Families and Learning over \$12 million in the biennium. She said \$3 million is used to provide more funding for the at-home program and \$9 million is used to provide additional funding for basic sliding fee child care. The additional \$9 million, she said, allows over 1,200 more families to be served under the sliding fee program. Sen. John Marty (DFL-Roseville) expressed concern over raising the fee. To most people a monthly \$8 increase looks small, he said, but it may not be such a small increase to those paying the fee. The amendment was adopted.

Piper offered an amendment relating to the family asset program, which assists low income families in saving money. The amendment states that if any money

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is appropriated for the program in another bill, the appropriation in the omnibus bill must be reduced by the amount appropriated in the other act. The amendment then states that any subsequent reduction in the appropriation must be used for Minnesota economic opportunity grants. Piper said the amendment is necessary because she hopes to use a portion of the tobacco settlement money for the asset program. If the tobacco money is used, she said, the current appropriation must be allowed to be used for another program. The amendment was adopted.

Piper also offered several technical amendments to reorganize the child care service statutes, improve the definition of the adolescent parenting grants and to change the term "learning readiness" to "school readiness" wherever the term appears in Minnesota statutes and rules. The term learning readiness, Piper said, is redundant. "You're not getting ready to learn," she said. "You are learning." All the amendments were adopted.

Sen. Linda Higgins presented an amendment to provide \$200,000 in the 2000-01 biennium to First Call Minnesota. First Call Minnesota operates a state wide system of information and referral for community services. Since First Call is not funded in the proposed budget, Piper asked from where the money comes to fund the program. The budget, Piper said, is limited. Higgins said she has not located a funding source, but added that the program is needed. The amendment was not adopted. Higgins also offered an amendment to grant \$750,000 in each year of the 2000-01 biennium to a non-profit organization called CLEARCorps for a lead hazard reduction project. Piper offered an oral amendment to reduce the appropriation to \$375,000 each year, which was approved. The amendment was then adopted and the bill was laid on the table for further discussion.

Omnibus bill approved

Members of the Family and Early Childhood Education Budget Division, chaired by Sen. Pat Piper (DFL-Austin), met Tues., Apr. 13, to again discuss the division's omnibus bill.

Carried by Piper, the bill, S.F. 2222, appropriates a total of \$460.053 million for family and early childhood programs

in the state. The total amount is the same as that appropriated in the governor's total family and early childhood budget proposal, but allocates funding differently in several areas.

Sen. Leo Foley (DFL-Coon Rapids) again offered an amendment that appropriates a total of \$636.655 million for family and early childhood programs in the state. The total amount appropriated is \$176.6 million more than that appropriated by both the governor and the omnibus proposal. The amendment allocates a total of \$452.15 million to children and family support programs--\$127 million more than does the budget proposed by the governor and \$129.051 million more than allocated by the bill. It includes \$3 million for basic sliding fee at home infant care, \$121.502 million for basic sliding fee child care assistance, \$15.73 million for child care development and \$10 million for the child care food program. It also includes \$44.231 million for Early Childhood Family Education (ECFE), \$46.75 million for Head Start and \$25.79 million for learning readiness programs. In other areas of change, the amendment allocates \$36.832 million for community education, \$2 million for adolescent parenting, \$400,000 for family visitation centers, \$1.5 million for male responsibility programs, \$46.649 million for adult basic education and \$3.6 million for emergency services. The amendment also appropriates \$10 million for energy assistance, \$3 million for family assets accounts, \$10 million for family homeless prevention, \$500,000 for First Call for Help, \$1 million for lead abatement and \$4.6 million for transitional housing.

Foley said he realizes that his amendment greatly exceeds the target expenditures but added that the extra appropriations are necessary. He said the extra appropriations can help reduce crime, delinquency problems and truancy, will enhance the quality of life in the state and save money later.

Piper said she also believes the items in Foley's amendment should be part of the budget. However, she said, the division has been given a specific funding target. "We grieve as much as you do to see that this is \$176 million over the target we have," she said. She said many in the division have done a good job of trying to convince others that the budget needs more money, but were not successful.

Responding, Foley said with such a large surplus there should be enough money available to fund the programs in his amendment. "We have a large surplus, but we're in such a rush to return it without meeting the problems of today," he said. He said everyone is proposing tax rebates and cuts, but the money should not be returned until certain problems are addressed. The division is underfunded, he said, and he added that he wants to continue to fight for the increased amounts called for in the amendment.

Sen. John Marty (DFL-Roseville) said everyone in both parties say they want to move people from welfare to work. However, he said, child care is a key component of moving people to work, but it is not funded because it is too expensive. He cited the Hennepin County representatives who testified that people are obtaining jobs but are unable to accept them because the waiting list for child care contains approximately 7,500 families and is 18 to 24 months long. "It would be nice to take some action now to save some money in the future," he said. He also said by definition a surplus is that which is left after all needs are satisfied. Foley decided to lay the amendment on the table.

Marty then moved to reconsider the amendment offered during the previous meeting by Sen. Claire Robling (R-Prior Lake) to increase the co-pay for families receiving childcare assistance. The amendment allows 1,200 more families to receive basic sliding fee child care and provides more funding for the at-home infant care program. He said increasing the fee for low income families is not a good way to pay for a program. However, Robling said the fees, as an example, are only increased from \$22 to \$30 per month for a family of 3 making less than \$15,000. Parents must make caring for their children a priority, she said, and \$8 increase should not be that much. She said the best place for an infant is with their parents and hopes to help as many families as possible.

Marty said he has heard some estimates that the co-pay for a family of 3 making under \$15,000 may rise to as much as \$43. Even at \$30, he said, increasing the co-pay requires a family of 3 to pay \$360 per year for their child care. He said that is a backwards way of funding a low income program. Members voted to

reconsider the amendment.

Defending the amendment, Sen. Roy Terwilliger (R-Edina) said to expand the program the co-pay must be raised. He said the amendment is an attempt to live within certain budget constraints and maximize the limited money available. Marty then moved to replace the subdivision relating to basic sliding fee child care in the bill with the subdivision relating to basic sliding fee child care in Foley's amendment. He said it is a shame that children are not provided with child care and that parents sometimes need to go on welfare in order to obtain child care. The amendment allocates \$62.251 million in each year of the biennium for sliding fee care and \$1.5 million for at-home care. Piper suggested that Marty withdraw the amendment and find a funding source first. Marty's amendment was not adopted and Robling withdrew her amendment.

Sen. Linda Higgins (DFL-Mpls.) offered an amendment requiring that the total appropriations for family and early childhood programs equal to one-twelfth of the K-12 budget by the 2006-07 biennium. Higgins said members of the division have long discussed the need for more funding. The amendment was adopted and the bill was approved and sent to the Education Finance Committee.

Governmental Operations and Veterans

Telecommunications discussed

The Governmental Operations and Veterans Committee and the Governmental Operations Budget Division met jointly Mon., Apr. 12, to discuss three bills. The committees are chaired by Sen. James Metzen (DFL-South St. Paul) and Sen. Leonard Price (DFL-Woodbury), respectively.

Sen. Mark Ourada (R-Buffalo) sponsored S.F. 1784, providing for open competition for state telecommunications services and prohibiting state competition with the private sector. Ourada brought a proposed amendment, which was used for discussion purposes, but was never moved. Under the bill, the state and its departments and agencies are to seek ways to invest in and encourage the growth of the private sector in the area of telecommunications and not pursue

policies that restrict market opportunities for the private sector. The bill specifies that the state not purchase, own or lease any telecommunications network facilities or equipment unless bids have been sought or it has been determined that the private sector cannot provide the services in a cost-effective manner. The bill also specifies that a plan be developed by June 30, 2000, regarding the feasibility of phasing out ownership of telecommunications network equipment currently owned by the state.

Ourada said that the cost to the state, as outlined in the fiscal note, is incorrect and based on wrong assumptions. He said allowing the private sector to provide telecommunications services for the state would not drive up the cost.

Dept. of Administration Commissioner David Fisher told members that the state, by having its own telecommunications infrastructure, does not encroach on the private sector. He said that if telecommunications services were provided by a number of small telecommunications companies, the effort would be "piece meal" and hard to manage. Fisher said that a complicated issue such as this one requires more thoughtful consideration and work -- that it should not be rushed.

Sen. Lawrence Pogemiller (DFL-Mpls.) moved to lay the bill on the table. The motion was approved.

A bill, S.F. 851, removing the expiration of corporations created by political subdivision and establishing a task force to develop legislation relating to establishment of corporations by political subdivisions was offered by Sen. Jim Vickerman (DFL-Tracy). The purpose of the task force, which operates until June 30, 2000, is to determine whether existing public corporations established by a political subdivision should be authorized to continue as public corporations dissolved or restructured as private corporations and whether political subdivisions of the state should be authorized to create new corporations, and if so, under general law or special law, and for what purposes. The bill was recommended to pass and sent to the Senate floor.

Sen. Linda Higgins (DFL-Mpls.) sponsored S.F. 234, modifying certain provisions and extending the sunset date for the Metropolitan Radio Board. The bill extends until July 1, 2001, the existence of the board and it specifies

that the budget of the board include the cents per month from the 911 emergency telephone service account needed to generate revenues for costs eligible for region-wide public safety communication system funding from the 911 emergency telephone service account. Under the bill, the board is to report to the appropriate policy committees of the House and Senate on the progress made on the 800-MHz system. The bill was recommended to pass and sent to the Senate floor.

Governmental Operations Budget Division

Athletic facilities bills heard

The Governmental Operations Budget Division, chaired by Sen. Leonard Price (DFL-Woodbury), met Thurs., Apr. 8, to hear a number of bills. The bills were considered for inclusion in the division omnibus bill, with formal action being taken on only one of the bills.

Sen. Charles Wiger (DFL-North St. Paul) presented a bill providing for the Minnesota Access Facilities Development Act. The bill, S.F. 1612, specifies that the purpose of the act is to stimulate the acquisition and development of additional publicly owned and managed facilities primarily for soccer and other amateur athletic activities through the assistance of state financial aid and incentives. Additionally, the bill requires the Amateur Sports Commission to develop a facilities development grants plan, specifying plan content requirements and grant parameters, a grant limit and local government unit agreement requirements. The bill also authorizes counties and cities to issue general obligation bonds to finance the facilities. Wiger said the bill's emphasis is in providing facilities for soccer. He said soccer is the most popular sport in the world and the fastest growing sport in the U.S.

A bill authorizing grants for certain athletic facilities and programs was offered by Sen. James Metzen (DFL-South St. Paul). The bill provides for the continuation of the Mighty Ducks Ice Arena Grant program and the Mighty Kids Youth Sports & Recreation program, said Metzen. The bill specifies that the grants be dispersed equally among the state's congressional districts and that the

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grants be matched by recipient communities or institutions. The bill also expands on previous legislation by providing grant opportunities to recreational facilities other than ice arenas.

Sen. Gen Olson (R-Minnetrista) sponsored S.F. 1117, requiring bleacher safety and setting penalties for non-compliance. The bill specifies that in places of public accommodation using bleacher seating, all bleachers or bleacher open spaces over 30 inches above grade or the floor below conform to newly established safety requirements. In addition, the bill appropriates money for grants to places of public accommodation to assist in achieving compliance with the bleacher safety requirements. The bill was amended to provide that the highest priority be given to grant requests from political subdivisions for whom the cost of achieving compliance is the greatest financial hardship.

Several bills relating to planning and development were presented for consideration. Price offered S.F. 1462, a bill directing the Environmental Quality Board to establish the Urban Development Environmental Steering Committee and providing for a generic environmental impact statement (GEIS) on urban development. Under the bill, the GEIS is to examine the long-term effects of urban development, past, present and future, upon the economy, environment and way of life in Minnesota and its citizens. The bill appropriates \$240,000 for steering committee purposes.

Sen. Jim Vickerman (DFL-Tracy) sponsored S.F. 1756, a bill appropriating money to the Minnesota Planning Office for community-based planning. The bill provides grants for long-range planning and technology grants to counties and joint planning districts. The bill appropriates \$320,000 for FY 00 and FY 01.

Vickerman also presented S.F. 373, a bill appropriating \$150,000 for FY 00 and FY 01 for grants of \$50,000 to regional development commissions or to selected regional organizations to support planning work on behalf of local units of government. Under the bill, the planning work includes development of local zoning ordinances, land use plans, community or economic development plans, transportation and transit plans, solid waste management plans, wastewater management plans, workforce development plans, housing development

plans, rural health service plans, natural resources management plans or development of geographical information systems.

Sen. John Hottinger (DFL-Mankato) sponsored S.F. 716, providing a grant to the city of Mankato for the Mankato area growth management and planning study. The bill appropriates \$200,000 that is to be matched by an in-kind donation of \$200,000 in administrative, technical and higher educational internship support and supervision. Under the bill, the study is intended as an alternative to community-based planning and is intended to develop information and analysis to provide guidance on issues affecting the area.

A bill changing training procedures for local election officials was presented by Sen. Carol Flynn (DFL-Mpls.). Under the bill, the county auditor is to conduct training sessions at least once every two years for the municipal and school district clerks in the county. The bill specifies that no local election official may administer an election without receiving training from the county auditor. The bill appropriates \$40,000 in FY 00 for the administration of the training.

Vickerman also offered S.F. 851, removing the expiration of corporations created by political subdivisions and establishing a task force to develop legislation relating to the corporations established by political subdivisions. The bill specifies that the task force is to review and consider the findings and recommendations of the 1999 report of the state auditor on corporations created by public entities. The bill was recommended to pass and referred back to the Governmental Operations and Veterans Committee.

Legislative budgets considered

Members of the Governmental Operations Budget Division met Fri., Apr. 9, to consider the Senate budget and the budget for the Legislative Coordinating Commission. In addition, the panel heard the budget overview for the Office of Administrative Hearings and three bills with budgetary implications.

Secretary of the Senate Patrick Flahaven outlined the proposed budget for the Senate. He said that most items were either unchanged or reduced from the amounts appropriated last biennium.

The major exceptions, Flahaven said, were an increase for Senate staff salaries that parallel the major bargaining agreements and an increase to cover the anticipated rise in the employer paid portion of health care insurance. The panel, chaired by Sen. Leonard Price (DFL-Woodbury), adopted a motion to include the Senate budget as presented in the division's omnibus bill.

The Legislative Coordinating Commission's budget request was presented by Executive Director Greg Hubinger. Hubinger said that the commission's budget request contains recommendations for all the legislative commissions as well as the Legislative Reference Library, the Office of the Revisor of Statutes, the Office of the Legislative Auditor and the Legislative Audit Commission. Chief Administrative Law Judge Ken Nicholai and Assistant Chief Administrative Law Judge Bruce Johnson presented the budget request for the Office of Administrative Hearings. Johnson said that the OAH had been charged with child support enforcement hearings but that a recent Supreme Court decision held that having child support enforcement hearings conducted by the OAH violated the separation of powers provisions of the constitution. Consequently, Johnson said that a bill moving through the process will remove the child support enforcement duties from the OAH and establish a process through the judiciary for that function. The change means that three administrative law judges and 16 support staff positions are eliminated, Johnson said. He said, in addition, that in order to maintain fees at their current level, the OAH is requesting \$400,000 in funding.

Members also reviewed three bills. S.F. 2012, authored by Sen. Janet Johnson (DFL-North Branch), provides for an appropriation to fund the production and distribution of a videotape about the legislative process aimed at getting young people involved in the process. S.F. 234, sponsored by Sen. Linda Higgins (DFL-Mpls.), modifies provisions relating to the Metropolitan Radio Board and extend the sunset date. S.F. 1486, authored by Sen. Don Betzold (DFL-Fridley), directs the commissioner of administration to study the feasibility and potential benefits of establishing a state travel office. No formal action was taken on the bills.

Omnibus bill okayed

Members of the Governmental Operations Budget Division met Weds., Apr. 14, to review and act on the divisions omnibus budget proposal. The proposal, totaling \$649.8 million in direct appropriations for the biennium, funds operations of Legislature, the constitutional officers and a number of state agencies. The panel, chaired by Sen. Leonard Price (DFL-Woodbury), reviewed the measure, adopted several small amendments and advanced the bill to the State Government Finance Committee.

The bill, which draws the appropriations primarily from the general fund, is nearly \$10 million under the governor's recommendations. Specifically, the measure appropriates \$121 million for operations of the House of Representatives, the Senate, the legislative commissions, the Office of the Revisor of Statutes and the Legislative Reference Library. The appropriations for the constitutional officers include \$8.2 million for the governor, \$18.3 million for the State Auditor's Office, \$4.5 million for the State Treasurer, \$56 million for the Attorney General's Office and \$18 million for the Secretary of State.

The measure also provides \$13.9 million for the Office of Administrative Hearings. The proposal includes a one time appropriation of \$400,000 to offset the loss of revenue occasioned by the move of the child support enforcement function from the Office of Administrative Hearings to the judicial branch. Other appropriations include \$9.2 million to Strategic and Long Range Planning, \$64.9 million for the Dept. of Administration, \$5.2 million for the Office of Technology, and \$6.7 million for public broadcasting. The proposal also transfers the Office of Technology to the Dept. of Administration, a transfer that was requested by the governor. The bill appropriates \$40.3 million to the Dept. of Finance, \$31.7 million to the Dept. of Employee Relations, \$183 million to the Dept. of Revenue, \$21.9 million to the Dept. of Military Affairs, \$10.2 million to the Dept. of Veterans Affairs and \$8.7 million to the Amateur Sports Commission.

The appropriation for the Amateur Sports Commission contains further funding for the Mighty Ducks youth

hockey programs, funding for a new Mighty Kids program for youth amateur athletic facilities and funding for the development of a plan to stimulate the development of new facilities for soccer. The Dept. of Employee Relations appropriation contains \$310,000 to implement an optional, participant-paid long-term care insurance program to be available to state employees and \$14.9 million for transfer to the state employees insurance fund to establish the necessary contingency reserves and self-insure all medical coverage provided through the state employees group insurance program. In addition, the measure provides for a Year 2000 contingency fund of \$2.5 million.

Under the measure, appropriations are made to design and construct a memorial to Hubert H. Humphrey, to make a grant to the National World War II Memorial Fund, and to correct a historical inaccuracy on the Spanish-American War commemorative plaque in the Capitol Rotunda. In addition, the measure extends the deadline to apply for the Persian Gulf bonus to the end of the coming biennium.

The proposal also contains language incorporating a bill, authored by Sen. Gen Olson (R-Minnestrsta), imposing a new building code standards for bleachers. In addition, the measure establishes the procedure for the commissioner of finance to bill state agencies for the cost of statewide system services and implements an agreement between the Office of the Attorney General and the commissioner of finance on how state agencies should be billed for the costs of legal services provided by the Office of the Attorney General. The measure also transfers responsibility for the state Employee Assistance Program from the Dept. of Administration to the Dept. of Employee Relations. Several sections of the proposal incorporate a bill by Sen. Steve Kelley (DFL-Hopkins) relating to the requirements of digital signatures. Finally, the measure includes language directing the commissioner of administration to study the feasibility of establishing a state travel office and language providing an appropriation for a video tape about the Legislature designed to interest young people in the legislative process.

Amendments to the bill were primarily of a technical nature and did not change

any of the appropriations. One of the amendments, offered by Sen. Dennis Frederickson (R-New Ulm), sets a penalty of up to \$5,000 for violation of the new safety code for bleachers. An amendment, offered by Sen. John Marty (DFL-Roseville), requires that before distributing copies of the statutes and legislative journals the responsible entities must notify the recipients of the availability of the statutes and journals on the Internet. Both amendments were adopted.

HFS omnibus bill advanced

The Health and Family Security Budget Division met Tues., Apr. 13, to review and consider amendments to the division's omnibus budget proposal. The panel, chaired by Sen. Don Samuelson (DFL-Brainerd), considered more than 50 amendments to the \$5.368 billion proposal.

Members first heard a detailed summary of the appropriations included in the measure. The proposal matches the target dollar amount set for the division and the governor's proposal. Total general fund appropriations include \$5.239 billion for the Dept. of Human Services, \$127.49 million for the Dept. of Health, \$53.2 million for Veterans Homes, \$1.32 million for the Council on Disability, \$2.7 million for MR/RH Ombudsman, \$337,000 for the Ombudsperson for Families and \$1.27 million for the Emergency Medical Services Board. The proposal also includes allocations from state and federal TANF funds and MinnesotaCare allocations.

Samuelson said that a high priority, when developing the proposal, was funding salary increases for health care workers. The increases resulted in decreases for other initiatives that the panel had considered over the course of the session. Samuelson said that members may be disappointed in some of the specific appropriations but that an attempt was made to put forward a balanced proposal.

Many of the amendments that were offered, and adopted were of a technical nature. However, several substantive amendments were considered. Sen. Linda Berglin (DFL-Mpls.) offered several amendments. One amendment reduces the funds in the health care access account from \$150 million to \$80

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million. Berglin said the reduction is done to provide funds for rural hospital capital improvement, MinnesotaCare staff, MinnesotaCare program expansion and to keep the premium tax from blinking on. "I believe it is important to use the reserve for health care programs, rather than for something else," she said. Several amendments Berglin offered relate to the out-of-home placement of juveniles; one such provision provides better access to chemical dependency services for parents through MinnesotaCare. Another amendment provides that \$1.5 million in TANF funds be used to create a health and human services worker training program. Berglin also sponsored an amendment encouraging the voluntary establishment of paternity by providing that child support payments not be counted as income for MFIP purposes. Berglin also offered two amendments dealing with MFIP sanctions. Under one provision, a person would not be sanctioned if a mandatory MFIP meeting is scheduled during a time that conflicts with a judicial proceeding or a meeting related to a Juvenile Court matter or the participants work schedule. All of the amendments were adopted.

Sen. Sheila Kiscaden (R-Rochester) also offered a number of amendments. One amendment directs the department to apply for federal funds to conduct a study for persons with brain injuries and another amendment provides for mental health practitioner qualifications for working with immigrants. One of the more controversial amendments Kiscaden offered provides an increase in capitation of medical assistance rates in Greater Minnesota at 89 percent of the Metro Area rate and requires care management for rehabilitation services. Kiscaden said the funding for the capitation increase would come from saving under the care management for rehabilitation services. Another amendment providing that hospitals that operate special trauma units may bill the county of residence for indigent patients and providing for charity care definitions and information gathering also provided controversial. The amendment was amended to delete the provision relating to billing the county of residence. Kiscaden also offered an amendment requiring a report on the adequacy of nursing home beds and the location of beds around the state under

the nursing home moratorium. Another amendment specifies that minimum grant levels awarded by the commissioner of health to local public health boards or authorities under the Community Health Services Act and under the maternal and child health program must be at least the amount awarded by the commissioner in 1998. All of the above amendments were adopted.

Sen. Becky Lourey (DFL-Kerrick) also offered a series of amendments. One amendment provides for training and education for nursing facility providers. Another amendment allows participants with low skills in reading or mathematics to be allowed to include basic education activities in a job search support plan or an employment plan. A third amendment specifies that for each semester or quarter that a participant is enrolled in an education or training program and is maintaining a satisfactory grade point average, the number of months the participant maintained the satisfactory grade point must be added prospectively to the total number of months the participant has remaining on assistance. The total number of additional months, under the amendment, is limited to 36 months.

The panel rejected a number of amendments which, although members endorsed their content, could not be adequately funded under the division's target. The division approved the proposal and advance the measure to the Human Resources Finance Committee.

Human Resources Finance

Three bills heard

Members of the Human Resources Finance Committee, chaired by Sen. Linda Berglin (DFL-Mpls.), met Thurs., Apr. 8, to discuss three bills.

Sen. Richard Cohen (DFL-St. Paul) carried S.F. 1464, which makes deficiency appropriations totaling \$14.644 million to cover deficiencies in various state government agency budgets. The bill also transfers \$975,000 of unexpended funds to the Secretary of State's office to modify business systems to address the Year 2000 problem. Of the \$14.644 million appropriation, the bill allocates \$8.23 million to the Human Services Department for anticipated costs of the MinnesotaCare program, \$4.2

million to the Children, Families and Learning Department for costs associated with educational litigation and \$1 million to the Zoological Board for general zoo operations. Also, the bill allocates \$370,000 to the Economic Security Department for vocational rehabilitation and independent living services to blind Minnesotans, \$15,000 to the Campaign Finance and Public Disclosure Board for court ordered payments and \$829,000 to the Public Safety Department for additional costs relating to executive protection and for the production of motor vehicle license plates. The appropriations are funded with \$8.23 million from the Health Care Access fund, \$5.785 million from the general fund and \$629,000 from the Highway Users Tax Distribution fund. Sen. Allan Spear (DFL-Mpls.) offered an amendment that requires a review of state operated services for the blind to determine why a deficiency occurred and what steps should be taken to prevent a deficiency in the future. The amendment was adopted. The bill was approved and referred to the Education Finance Committee.

Sen. Linda Higgins (DFL-Mpls.) presented S.F. 171, which relates to mortgage flipping. The bill makes a violation of laws prohibiting mortgage flipping a gross misdemeanor and appropriates \$100,000 to develop a public awareness campaign to stop the practice of mortgage flipping. The bill also directs the Minnesota Department of Commerce to solicit appropriations to the campaign. The bill was approved and sent to the Senate floor.

Sen. Sandra Pappas (DFL-St. Paul) carried S.F. 383, a bill that clarifies and expands the licensure requirements for traditional midwifery. Among other things, the bill defines traditional midwifery services as the assessment and care of a woman and newborn during pregnancy, labor, birth and the postpartum period outside of a licensed hospital. The bill describes the scope of practice and professional conduct of a licensed traditional midwife and requires a midwife to provide an initial and ongoing screening for each client, prepare a written plan for each client, comply with all state public health regulations, renew their license every year and compile a summary report on each client. The bill also requires initial laboratory pregnancy

screening to be performed by a health care provider who is licensed to perform diagnostic laboratory work. The bill was approved and sent to the Senate floor.

K-12 Education Budget Division

Bills considered

The K-12 Education Budget Division met Thurs. evening, Apr. 8, to consider a number of bills for inclusion in the K-12 omnibus bill. The division is chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

Sen. Steve Dille (R-Dassel) presented S.F. 2004, a bill appropriating money to the Norwood School District for air quality and building improvement. The bill appropriates \$1.5 million in FY 00 for air quality and building improvement at Central Elementary School. The bill was recommended for inclusion in the omnibus bill.

The committee considered two similar bills relating to technology grants. S.F. 2122, authored by Sen. Dallas Sams (DFL-Staples), authorizes a technology grant for the Frazee School District and S.F. 2175, authored by Sen. Dick Day (R-Owatonna), authorizes a technology grant for the Kenyon-Wanamingo School District. The bills specify that the grant be used to purchase computer hardware and software, install cable and wiring, improve telecommunications access and other technology improvements designed to enhance student achievement. Both bills were recommended for inclusion in the K-12 omnibus bill.

Sen. Deanna Wiener (DFL-Eagan) presented S.F. 505, a bill providing for general obligation debt to repay special assessments. By prepaying the special assessments, the district will realize interest savings of \$369,943 through 2012, said Wiener. The bill was recommended for inclusion in the K-12 omnibus bill.

A bill authorizing special assessment costs to be included in debt service equalization revenue in the Princeton and Foley School Districts was offered by Sen. Dan Stevens (R-Mora). Stevens said the special assessments costs are related to street and utility improvements necessary within a six block area of newly built schools. The bill, S.F. 2070, was recommended for inclusion in the K-12 omnibus bill.

Five bills were presented by Sen. Jim Vickerman (DFL-Tracy). S.F. 2069 is a bill providing levy authority to the Tracy School District to reduce its operating debt. Under the bill, the district may levy an amount for taxes payable in each of the years 2000 to 2004. The bill specifies that the proceeds of the levy be used only for cash flow requirements and not be used to supplement district revenues or income for the purposes of increasing the district's expenditures or budgets. S.F. 2068 provides a grant to the Tracy School District to reduce the impact of declining enrollment. Vickerman said the student enrollment in the district declined because in 1997 the migrant worker population left Tracy, Minnesota to work in another Midwestern state. S.F. 2105 provides for a grant to the Jackson County Central School District for costs related to facilities and consolidation. The bill specifies the appropriation of \$448,454 be used for unanticipated costs related to consolidating the Jackson and Lakefield School Districts. S.F. 1943 appropriates money to the Fulda School District to supplement the district operating capital fund. The bill appropriates \$140,000 in FY 00. The final bill presented by Vickerman, S.F. 1944, makes permanent the telecommunications access grant program and provides funding for additional telecommunications access grants. The bill appropriates \$13 million in FY 00 and \$10 million in FY 01 and specifies that the amount be included as part of the budget base in FY 02 and FY 03. All five bills were recommended for inclusion in the K-12 omnibus bill.

Sen. Jerry Janeczak (DFL-Chisholm) sponsored S.F. 1149, a bill providing additional funds for facility and operating expenditures for residential academies. Of the amount appropriated for the academies, \$3.1 million is for the Minnesota Valley Academy for facility expenditures and \$300,000 is for the Synergy Residential Academy for operating costs. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Arlene Lesewski (R-Marshall) presented four bills for consideration. S.F. 1755 finances a new school powered by gasification. The bill appropriates \$12 million in FY 00 to the Lakeview School District to construct a K-12 school. Under the bill, \$8 million is to be used to

construct the school facility and \$4 million is to be used to construct a gasification plant to provide electrical power and heat to the school. The bill specifies that the grant be matched by \$4 million in local levy. No formal action was taken on the bill. S.F. 1669 appropriates money for the Lake Benton School District. The bill appropriates \$25,879 to the district to reimburse the district for a fund balance penalty paid by the district for the 1991-1992 and 1992-1993 school years due to incorrect pupil unit calculations. The bill was recommended for inclusion in the K-12 omnibus bill. S.F. 1931 provides for a grant for the co-location of the program and services of the Minnesota River Valley Education District and Southwest Minnesota Workforce Development Center. Southwest Minnesota is experiencing significant decline in its population and the co-location of the education facilities is another way of economizing and providing cost effective and efficient programs and services, said Lesewski. The bill appropriates \$50,000 in FY 00 for a matching grant to the Minnesota River Valley Education District to develop a plan for the co-location of the education district, including its area learning center and Southwest Minnesota Workforce Development Center facilities, including the collaboration of the delivery of services. The bill was recommended for inclusion in the K-12 omnibus bill. S.F. 1418 provides a grant and administrative expenses to facilitate planning for a cooperative secondary facility. The bill appropriates \$100,000 in FY 00 to facilitate planning for secondary facilities in the Balaton, Ivanhoe, Lake Benton, Russell, Ruthton and Tyler School Districts. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Becky Lourey (DFL-Kerrick) sponsored S.F. 1960, a bill permitting the Proctor School District to include safety improvements to an ice arena in its health and safety program. The bill appropriates the amounts necessary, not to exceed \$150,00, to make the improvements. Lourey also presented S.F. 1318, a bill providing a grant to the McGregor School District and permitting the district to levy for energy improvements. The bill appropriates \$32,000 in FY 00 for the grant and specifies that beginning with taxes payable in FY 00, the district

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may levy \$32,000 each year for eight years for the energy improvements. The bill was recommended for inclusion in the K-12 omnibus bill.

A bill authorizing \$350,000 in FY 00 for a planning grant to create an urban agricultural high school was presented by Sen. Linda Scheid (DFL-Brooklyn Park). The bill, 1923, establishes a working group, in collaboration with the Minnesota Agriculture Education Leadership Council, to develop a proposal for an urban agricultural high school. The bill specifies the grants may be used for the planning and establishment of elementary and secondary agriculture education programs, new instructional and communication technologies, and curriculum updates. Scheid also offered S.F. 2135, a bill modifying the dates for payment of school district state aids and authorizing an additional appeal. The bill specifies that a process and criteria for districts to appeal the payment dates and percentages be established. Both bills were recommended for inclusion in the K-12 omnibus bill.

Sen. Dennis Frederickson (R-New Ulm) sponsored S.F. 1845, a bill appropriating \$100,000 to the Glencoe-Silver Lake School District for a long-range facility study. The bill specifies that the study must include a plan to address the district's compliance with the Americans with Disabilities Act, the best use of the Henry Hill building, completion of phase II physical education facilities, facility requirements to better address the cultural diversity needs of the district, and space needs for other programs in the district. The bill was recommended for inclusion in the K-12 omnibus bill.

A bill extending a special operating levy for the Lac Qui Parle Valley School District was sponsored by Sen. Charles Berg (IND.-Chokio). The bill specifies that for taxes payable in 2000 to 2004, the district may levy an amount up to \$80,000 for costs associated with operating the cooperative secondary high school. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Kenric Scheevel (R-Preston) presented S.F. 2066, a bill providing for a fund transfer for the Grand Meadow School District. The bill specifies that the district may permanently transfer up to \$300,000 from its disabled access account in the general fund to its capital fund, contingent upon the school

district's successful construction of a new K-12 school. The bill was recommended for inclusion in the K-12 omnibus bill.

Janezich sponsored S.F. 571, a bill providing for supplemental revenue reduction. The bill provides a ratio formula for purposes of computing the district's supplemental revenue. The bill was recommended for inclusion in the K-12 omnibus bill. Janezich also presented S.F. 2107, a bill consolidating supplemental revenue and transition revenue. The bill, authored by Sen. Douglas Johnson (DFL-Tower), also provides that integration aid be recognized in the same fiscal year as the integration levy.

Bills considered

The K-12 Education Budget Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met Fri., Apr. 9, to consider bills for inclusion in the K-12 omnibus bill.

The bills recommended for inclusion in the K-12 omnibus bill include a bill offered by Sen. Kenric Scheevel (R-Preston). S.F. 1891, authorizes a grant to fund the second year of a special education base adjustment. The bill appropriates \$150,000 in FY 00 and \$15,000 in FY 01 for the Rochester School District for a special education revenue.

A bill providing for an environmental learning grant for the Waseca School District and the Janesville-Waldorf-Pemberton School District, was presented by Sen. Dick Day (R-Owatonna). The goal of the grant program is to design and implement a comprehensive study of the Lake Elysian ecosystem. The bill, S.F. 784, appropriates \$800,000 for the study in FY 00.

Sen. Steve Novak (DFL-New Brighton) presented S.F. 848, modifying the school enrichment partnership program. The purpose of the program is to encourage districts to expand the involvement of the community and the private sector by establishing academic booster clubs to support the delivery of academic programs.

S.F. 1765, a bill increasing the maximum referendum revenue allowance and increasing state aid for voter-approved referenda was sponsored by Sen. James Metzen (DFL-South St. Paul). Voters in the district would like to be able to raise extra money to fund additional education programs, said Metzen.

A bill increasing the distance factor for

sparsity revenue was presented by Sen. Keith Langseth (DFL-Glyndon). The bill, S.F. 1965, changes the definition of "isolation index" for a high school from the square root of 55 percent to the square root of 95 percent of the attendance area plus the distance in miles, according to the usually traveled routes, between the high school and the nearest high school.

A bill appropriating money for partners for quality school improvement was presented by Sen. Paula Hanson (DFL-Ham Lake). The bill, S.F. 719, authored by Sen. Dave Johnson (DFL-Bloomington), appropriates \$2 million in FY 00 to be used by the Minnesota Academic Excellence Foundation to deliver training, coaching, technical assistance and other services to selected districts.

Three bills adjusting referendum revenue amounts for school districts were considered by members. The first bill, S.F. 2176, authored by Sen. David Knutson (R-Burnsville), changes one of the amount criterion that a district's referendum allowance must not exceed. The bill changes from 25 to 47 percent of the formula allowance minus \$300 for FY 00 and later that a district's referendum allowance must not exceed. The second bill, S.F. 2009, sponsored by Sen. Gen Olson (R-Minnetrista), relates to the same statute, but changes the percent from 25 to 33 percent of the formula allowance minus \$300 for FY 00 and later that a district's allowance must not exceed. The third bill, S.F. 2008, also presented by Olson, adjusts the referendum revenue amount for the Westonka School District. The bill specifies that the referendum revenue allowance for the school district for fiscal years 1998 and later is the amount actually approved by the district's voters. In addition, the bill provides that any levy authority authorized for years 1998, 1999 and 2000 may be added to the levy limits for the district for taxes payable in years 2000 or 2001.

Sen. Randy Kelly (DFL-St. Paul) sponsored S.F. 1872, appropriating money for a stability demonstration project. Under the bill, the demonstration project involving high mobility schools is established to improve student achievement and to provide a model to other districts with high mobility schools. The bill appropriates \$860,000 in FY 00 for a transportation system, for contract-

ing with a community-based human services agency and for expanding the district's existing Title I homeless project.

Sen. Pat Piper (DFL-Austin) presented S.F. 2011, establishing a pilot grant program to provide comprehensive educational programming for children ages birth to eight. The program is established to improve academic and social outcomes for young children ages birth to eight so that they will be prepared to reach their highest academic potential, increase learning opportunities for young children, encourage the use of different and innovative teaching methods designed to maximize learning, and require the measurement of learning outcomes.

Several bills increasing the general education basic formula allowance generated much discussion among members. Metropolitan Area district superintendents testified in support of increasing the formula, saying that with no increase, staff and programs face significant cuts. Sen. Jerry Janezich (DFL-Chisholm) reminded witnesses and members that school districts in Greater Minnesota, most of which are facing declining enrollment, are not helped by increasing the general education basic formula. Pogemiller said that the cross subsidy problem that exists between the general education and special education budgets in the funding formulas must be corrected so that the basic formula increases will truly help each district.

The bills increasing the general education basic formula allowance include a bill offered by Olson. S.F. 315, provides an inflationary increase in the general education basic formula allowance. Sen. Linda Scheid (DFL-Brooklyn Park) offered S.F. 1224, increasing the general education basic formula allowance, increasing the pupil unit weightings and expanding learning and development revenue. Scheid also offered S.F. 177, increasing the general education basic formula allowance. Sen. Don Betzold (DFL-Fridley) offered S.F. 1549, increasing the general education basic formula allowance and restoring training and experience revenue. Sen. Leo Foley (DFL-Coon Rapids) offered S.F. 530, providing an inflationary increase in the general education basic formula allowance.

Division members heard five bills

relating to increasing equity in school financing. S.F. 445, authored by Krentz; S.F. 1142, authored by Sen. Deanna Wiener (DFL-Eagan); S.F. 1197, authored by Sen. Janet Johnson (DFL-North Branch); and S.F. 811, authored by Metzen, are all bills providing that a school district qualifies for equity revenue if the school district's per pupil unit amount of basic revenue, supplemental revenue, transition revenue and referendum revenue is less than the ninety-fifth percentile of school districts in those revenue categories. The bills also define the statewide equity gap, the district equity gap and the district equity index. Sen. Dave Kleis (R-St. Cloud) sponsored S.F. 793, another bill increasing equity in school financing. The bill includes the same provisions as the other equity bills presented to the division, with the addition of a change in the section dealing with referendum equalization revenue.

Bills heard by members but not recommended for inclusion in the omnibus bill include S.F. 1915, authored by Sen. Michelle Fischbach (R-Paynesville), amending the process by which State Board of Teaching members are confirmed. The bill removes from statute the requirement that board members be confirmed by the Senate. S.F. 1787, authored by Sen. Pat Piper (DFL-Austin), provides funding to promote student success in kindergarten through grade 12. The bill appropriates \$300,000 in FY 00 for a program grant to the Albert Lea School District. The purpose of the program is to give at-risk children differentiated learning opportunities for developing learning readiness and language skills through a program that provides a 17 to 1 student teacher ratio, para-educator assistance and an accommodation plan for each child. S.F. 2019, authored Olson, prohibits a district from billing special education tuition to a resident district if the child open enrolls in another district and reimburses the Westonka School District for tuition payments. S.F. 2112, also authored by Olson, provides that the board ensures that all school-age children residing within the school district, whether they attend a public, nonpublic or home school located in the district or another school district, are eligible to participate on an equal basis in the extracurricular activities controlled by the board and the

extracurricular activities that are self-sustaining. S.F. 1303, sponsored by Olson, recognizes cost of living differences among school districts, creates an index and adjusts the general education allowance.

Virtual school district considered

The K-12 Education Budget Division met Sat., Apr. 10, to continue hearing bills for possible inclusion in the K-12 omnibus bill. The division is chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

Three bills creating a virtual school district were offered for consideration. Sen. Linda Scheid (DFL-Brooklyn Park) offered S.F. 631 and S.F. 831, and Sen. Ember Reichgott Junge (DFL-New Hope) offered S.F. 1162. All three bills establish a virtual school district; define the policy, purpose and boundaries of the district; and establish revenue qualifications and uses. Scheid said that school buildings in the Anoka-Hennepin, Osseo, Robbinsdale and Brooklyn Center School Districts have the greatest concentrations of "at risk" students in the state except for the cities of Minneapolis and St. Paul. The virtual school district helps address the issue of students moving between districts, which complicates a school's ability to provide a stable learning continuum.

Sen. Charles Wiger (DFL-North St. Paul) presented three bills for consideration. S.F. 1196, establishes a school guidance counselor to student ratio. Under the bill, a school board must employ the number of school guidance counselors needed so that the school guidance counselor to student ratio does not exceed one to 200. A counselor and student from the Mahtomedi School District testified that when students need to talk with a counselor the need is very often urgent, but with such high counselor to student ratios, sometimes a student must wait many days to talk with the counselor. Wiger also offered S.F. 2023, authorizing a grant for support of the National Association of Student Councils' 1999 National Convention. The bill appropriates \$100,000 in FY 99 for a grant to supplement the funding for the National Association of Student Councils' 1999 National Convention to be held June 26 through June 30, at the Roseville Area High School. Both bills were recommended for inclusion in the K-12 omnibus bill.

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Two bills authorizing additional compensatory revenue for a school district with a substantial enrollment of students eligible for free or reduced price meals were discussed by members. S.F. 656, authored by Sen. Paula Hanson (DFL-Ham Lake), and S.F. 635, authored by Sen. Jane Krentz (DFL-May Township), add qualification criteria for compensatory education revenue for each school building in the districts. The bills were recommended for inclusion in the K-12 omnibus bill.

Three bills relating to special education were presented by Sen. Martha Robertson (R-Minnetonka). S.F. 1147 increases state support for special education funding, creates a state revenue source for court-placed unreimbursed tuition and requires special education reciprocity agreements. S.F. 1291 modifies special education revenue and excess cost revenue and increases the pupil weighting for pre-kindergarten special education pupils. S.F. 2110 provides for a grant for alternative educational experiences for children with a disability. Robertson also offered S.F. 1458, a bill providing for a student-based system of education finance, changing resident pupil units to adjusted pupil units in various revenue, levy and aid formulas and modifying the calculation of adjusted pupil units. The bill also establishes a formula for limited English proficiency programs aid and modifies the adjustment of integration aid for alternative attendance programs. The bills were recommended for inclusion in the K-12 omnibus bill.

Pogemiller offered several bills that were recommended for inclusion in the K-12 omnibus bill, including S.F. 2109, revising the procedural requirements for employment or re-employment of school board members. S.F. 2056, promotes professional teaching standards and appropriates \$2.1 million in FY 00 for grants to promote and reward high professional teaching standards. S.F. 868 amends the definition of district for homeless students, clarifies the date for the homeless student count, and provides for grants for education programs serving homeless students. The bill appropriates \$1.1 million in FY 00 for matching grants for education programs serving homeless children and \$500,000 in FY 00 for a grant to implement the graduation standards in alternative programs and

alternative learning centers. S.F. 2077 provides funding for a teacher licensure program to educate teachers of students with emotional and behavioral disorders. S.F. 2116 assists with education and job training for newly arrived immigrants ages 12 to 24. The training program is established to enable immigrant youth and young adults residing in urban areas to acquire an education and develop sufficient job skills to successfully participate in meaningful work and community affairs.

Krentz offered S.F. 1413, a bill implementing the recommendations of the Task Force on Transitional Issues relating to the transfer of powers and duties from the abolished State Board of Education to the commissioner of Children, Families and Learning. The bill removes references in the statute to the State Board of Education and repeals provisions providing for membership, powers and duties of the board. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Sandra Pappas (DFL-St. Paul) offered a proposal based on recommendations by the Children, Families and Learning Subcommittee on Teacher Preparation. The proposal provides for teacher recruitment and retention. The proposal addresses teacher preparation issues including reading strategies, licensure reciprocity, retired teachers, changing districts, the Minnesota New Teacher Project, a survey of districts to address shortages, reallocation of higher education resources, and provides appropriations for various programs. The proposal was recommended for inclusion in the K-12 omnibus bill.

Bills not recommended for inclusion in the K-12 omnibus bill include S.F. 1032, authored by Pappas, providing for continuing flexibility in the allocation of compensatory revenue; S.F. 1643, authored by Krentz, providing for a formal hearing to resolve issues related to teacher preparation programs; and S.F. 549, authored by Wiger, restoring training and experience revenue as a categorical aid to school districts.

Bills considered

The K-12 Education Budget Division met Tues., Apr. 13, to consider a number of bills for inclusion in the K-12 omnibus bill. The division is chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

Sen. James Metzen (DFL-South St.

Paul) sponsored S.F. 1054, authorizing a grant to the South St. Paul School District for a full day kindergarten program. The bill appropriates \$140,000 in FY 00 and \$140,000 in FY 01 for the operation of the program. The bill was recommended for inclusion in the omnibus bill.

A bill appropriating money to the board of trustees of the Minnesota State Colleges and Universities for Vermilion Community College to conduct a study in conjunction with the Ely School District to determine the feasibility of establishing a joint secondary and higher education environmental studies magnet school was presented by Sen. Douglas Johnson (DFL-Tower). The bill, S.F. 1068, appropriates \$200,000 in FY 00 for the study. The bill was recommended for inclusion in the omnibus bill.

Sen. Ellen Anderson (DFL-St. Paul) offered S.F. 847, modifying compensatory revenue to reflect changes in enrollment. Under the bill, the compensatory education revenue for each building in the district equals the formula allowance times the ratio of the current year's enrollment to the enrollment for the previous year times the compensation revenue pupil units computed according to statute. The change is effective for revenue for FY 99 and thereafter for schools with growth of compensatory education students of 25 percent or more and effective for revenue for FY 00 and thereafter for all other schools. Anderson said the proposal is intended to help schools that have experienced tremendous and rapid growth. The bill was recommended for inclusion in the K-12 omnibus bill.

A bill authorizing a grant to the Heron Lake-Okabena School District was offered by Sen. Jim Vickerman (DFL-Tracy). The bill, S.F. 590, appropriates money for a grant to continue to develop the Southwest Star Concept School. Under the bill, the grant may be used to expand the school's technology department, music and fine arts program, theater program, arts program and health and physical education program. The bill was recommended for inclusion in the K-12 omnibus bill.

Two bills relating to school buses were considered by members. Sen. Dennis Frederickson (R-New Ulm) offered S.F. 1351, redefining types of school buses to increase by two persons their maximum

manufacturer's rated seating capacity. The bill was recommended for inclusion in the omnibus bill. Sen. Mark Ourada (R-Buffalo) presented a bill authorizing lap and shoulder belts on school buses, requiring training on appropriate use of lap and shoulder belts and authorizing a levy. The bill specifies that a school board that adopts a policy requiring the use of seat belts on school buses notify each student's parent or guardian of the district's seat belt policy and of its student seat belt training procedures. Sections of the bill were recommended for inclusion in the K-12 omnibus bill.

Frederickson sponsored a bill increasing the pupil weight for kindergarten students who are enrolled in all day kindergarten. Under the bill, a kindergarten pupil who is enrolled at a school that offers all day kindergarten is counted as .75 of a pupil unit for FY 00, .85 of a pupil unit for FY 01 and 1.0 pupil unit for FY 02 and thereafter. The bill was recommended for inclusion in the K-12 omnibus bill.

A bill enhancing basic skill revenue and extending funding for English language learners was offered by Sen. Sandra Pappas (DFL-St. Paul). The bill appropriates money for best practices grants and requires the Dept. of Children, Families and Learning to study the differences in eligibility rates for free or reduced price meals between elementary and secondary students. Sections of the bill were recommended for inclusion in the omnibus bill.

Three bills exempting agricultural land from school taxes were discussed by members. Sen. Arlene Lesewski (R-Marshall) presented S.F. 586 and S.F. 1240. Under S.F. 586, class 2a agricultural homestead land and class 2b agricultural non-homestead land and timber would be exempt from school equalized levies. In addition, the excluded classes would not be considered in calculating school general education levy tax rates. The bill was recommended for inclusion in the omnibus bill if funding is available. S.F. 1240 eliminates certain agricultural property from the property tax base for new debt service levies for the Pipestone-Jasper School District. Pogemiller said it would not be constitutional to create the exemption for just one district. Members recommended that the bill not be included in the omnibus bill. Sen. Kenric Scheevel

(R-Preston) offered S.F. 605, providing a property tax credit for debt service and referendum levies on agricultural property and extending the carry back period for net operating losses from farms. Scheevel said the bill enhances the ability for local districts to pass referenda. He said agricultural land would be taxed on the house, the garage and the surrounding one acre of land.

Pappas offered S.F. 1732, a bill requiring all kindergarten through grade 12 teachers renewing their five-year teaching license to obtain 15 continuing education credits in behavioral intervention and related areas. The bill specifies that the continuing education units are to be in accommodating, modifying and adapting curricula, materials and strategies to appropriately meet the needs of individual students in mainstream classrooms. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Charles Wiger (DFL-North St. Paul) sponsored S.F. 462, defining state expectations for schools. The bill extends from the 1999-2000 school year to the 2000-2001 school year the requirement that school districts must work with the schools to adopt a plan to raise student achievement levels to meet state expectations. The bill was recommended for inclusion in the omnibus bill.

Sen. Paula Hanson (DFL-Ham Lake) presented S.F. 2127, a bill relating to a school district levy referendum and bond requirements for the Pillager School District. Under the bill, if an election approving the issuance of bonds by a school district is contested, the contestant must file a bond of at least \$5,000 in district court to provide security for costs of the contest to the school district, including any additional costs that may be incurred by the school district if the bond issue is delayed. The bill appropriates grant money for the Pillager School District. The bill was recommended for inclusion in the K-12 omnibus bill.

Members continued discussing S.F. 1187, authored by Pogemiller. The bill repeals, modifies and expands certain provisions of the kindergarten through grade 12 education code. Several education groups and concerned citizens, including representatives from Minneapolis Public Schools, the Dept. of Children, Families and Learning, Minnesota School Boards Association, Education Minnesota, and the Urban Coalition

testified on various sections of the bill.

Pogemiller sponsored S.F. 1133, the Dept. of Children, Families and Learning policy bill. The bill represents the governor's proposals for K-12 education funding and programs. Members discussed the bill by section and made recommendations for inclusion in the K-12 omnibus bill.

Capital loans discussed

The K-12 Education Budget Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.) met Weds., Apr. 14, to discuss three bills for possible inclusion in the K-12 omnibus bill.

Members were greeted by a room full of students from the Caledonia School District as Sen. David Ten Eyck (DFL-East Gull Lake) presented S.F. 701. The bill approves maximum effort capital loans for the Red Lake, Cass Lake, Caledonia and Laporte School Districts.

Superintendents from the school districts spoke about the need for new buildings in their districts and in support of the bill. Don Wilke, superintendent, Caledonia School District, told members that debt service equalization was considered as a finance option, but that type of financing was determined to be cost prohibitive. The maximum effort capital loan is the best option for the district, said Wilke. The loan, in addition to the local 20-year bond, provides the funding to build a new middle school/high school for grades 6-12, renovate and remodel the high school to become a Pre-K-5 elementary school and construct new outdoor playing fields for soccer, football and baseball, Wilke said. The bill appropriates \$14,134 million to the Caledonia School District for a maximum effort capital loan.

The bill also appropriates \$11,166 million to the Red Lake School District, \$7.5 million to the Cass Lake School District and \$7 million for the Laporte School District for maximum effort capital loans. The bill was recommended for inclusion in the K-12 omnibus bill.

Sen. Roy Terwilliger (R-Edina) offered S.F. 1990, authorizing funding for voluntary integration programs. Under the bill, a school district that is participating in an inter-district magnet school program may add to its health and safety revenue and deferred maintenance revenue amounts its proportionate share of any health and safety costs and

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deferred maintenance costs attributable to its participation in an inter-district magnet program. The bill creates an additional provision under which a district may qualify to receive integration revenue and provides a grant for start-up costs for an inter-district magnet school. Portions of the bill were recommended for inclusion in the K-12 omnibus bill with funding levels to be determined.

Terwilliger also sponsored S.F. 2192, authorizing a lease levy for the Eden Prairie School District. Under the bill, each year, the district may levy the amount necessary to rent or lease administrative space so that space previously used for administrative purposes may be used for instructional purposes. The provision is effective for taxes payable in 2000 and later. The bill was recommended for inclusion in the K-12 omnibus bill.

Representatives of the Walker Art Center showed members the internationally acclaimed web site of the museum. Although no bill has been introduced, the museum seeks a continuation of funding appropriated by the Legislature two years ago, said David Galligan, executive director. Galligan said the availability of the museum online assists students in fulfilling the graduation standards for art. Members recommended some level of funding in the omnibus bill.

Rules and Administration

Late bills considered

The Rules and Administration Committee met Fri., Apr. 9, to determine the disposition of several bills caught by Joint Rule 2.03, relating to late bills and to act on two measures referred directly to the committee.

The disposition of late bills is up to the Rules and Administration Committee because for various reasons the measures did not meet one of the two committee deadlines. The panel determined that S.F. 1636, authored by Sen. LeRoy Stumpf (DFL-Thief River Falls), providing regulatory relief for local units of government should be sent to the Senate floor; S.F. 2013, authored by Sen. Janet Johnson (DFL-North Branch), providing for a state development strategy, should be sent to the Transportation Committee; S.F. 884, sponsored by Sen. Steve Dille (R-Dassel), providing a reduced marriage license fee for couples who

obtain premarital education, should be sent to the Senate floor; S.F. 1784, authored by Sen. Mark Ourada (R-Buffalo), providing for telecommunications infrastructure development, should be sent to the Governmental Operations and Veterans Committee; and H.F. 92, carried by Sen. Don Betzold (DFL-Fridley), providing for a modification of DWI judicial procedures, should be sent to the Senate floor.

The committee, chaired by Sen. Roger D. Moe (DFL-Erskine), also considered two bills referred directly to the panel. S.F. 2012, sponsored by Janet Johnson, appropriates money for the production of a video tape about the legislative process aimed at young people more interested in government. The measure also provides for the establishment of a world wide web site geared for young people. S.F. 63, sponsored by Sen. Charles Wiger (DFL-North St. Paul), is a resolution memorializing the United States Government to urge the Ethiopian government to respect the human rights of Eritreans in Ethiopia.

Members also approved the operating budget of the Senate for the coming biennium. The budget proposal was referred to the Governmental Operations and Veterans Committee.

Wolf bill to agriculture panel

The Rules and Administration Committee, chaired by Sen. Roger D. Moe (DFL-Erskine), met Mon., Apr. 12, to consider the disposition of two bills.

The first measure, S.F. 1058, authored by Sen. Keith Langseth (DFL-Glyndon), was in the committee because of Joint Rule 2.03, the rule that deals with late bills. The measure appropriates money for capital improvements at Moorhead State University. The committee determined that the bill should be referred to the Education Finance Committee.

The second measure, providing for gray wolf management, was before the committee because of a Rule 40 motion to withdraw the bill from the Environment and Natural Resources Committee. The bill, H.F. 1415, carried by Sen. Jane Krentz (DFL-May Township), reflects the work of the Minnesota Wolf Management Roundtable. Krentz said that she agreed that the bill should be re-referred to the Agriculture and Rural Development Committee, but said that she wanted assurances that the committee

would only consider those parts of the bill under the panel's jurisdiction. Members debated the propriety of committees making amendments on portions of bills not under their jurisdiction and agreed that the ultimate verdict on a bill occurred upon action by the full Senate. The bill was re-referred to the Agriculture and Rural Development Committee.

Tax Conference Committee

Rebate discussion resumes

The Tax Conference Committee met briefly Weds., Apr. 14, to continue its discussion on rebating the state's budget surplus. Sen. Douglas Johnson (DFL-Tower), co-chair of the committee along with Rep. Ron Abrams (R-Minnetonka), said the conference committee had not met since Mar. 10 because little movement had been made by either side since the last meeting. "Until we get leadership on board from both the Senate and the House, we couldn't really settle this issue," Johnson said. He said the Senate leadership is now proposing to separate the farm relief agreed upon in both the Senate sales tax rebate proposal and the House income tax rebate proposal, and attach it to another bill so that farmers can get the necessary aid. "Why hold the farmers of Minnesota hostage? Our issue is how big a tax cut six percent of the wealthiest Minnesotans get," Johnson said.

The committee met the day after the House amended a bill, H.F. 878, appropriating deficiency funding to the Minnesota Zoo to include a combined tax cut and tax rebate. Abrams said that although he did not agree with the process used by the House to address the tax rebate and permanent tax cut issues in H.F. 878, the end result was a bill that effectively addresses the issues. "The only thing standing between Minnesotans and their money on April 15, is if the Senate defeats the bill," he said.

Johnson said the method House members used to pass the sales rebate/permanent tax cut was "political gamesmanship," and made major budgetary policy decisions without the proper public input. "That is not the way to legislate, to bypass the public without adequate hearings," he said. "We'd like to make sure that in the final product the middle class isn't hurt at the expense of

the wealthy.” He said he could guarantee to all the committee members that the Senate would provide permanent tax cuts for all Minnesotans in its omnibus tax bill.

Abrams said the Senate too, was guilty of trying to manipulate the process by amending a bill prior to the Easter break that originally dealt with property tax issues in Goodhue County, to incorporate the Senate’s rebate proposal. “The people of Goodhue County have already felt the impact of the gamesmanship,” he said.

Sen. Jim Vickerman (DFL-Tracy) said it was time to stop playing games and to separate the farm money out of the tax rebate bill and get relief to farmers. Rep. William Kuisle (R-Rochester) said H.F. 878 includes farm relief and the quickest way for farmers to receive relief is for the Senate to pass the House bill. Sen. William Belanger (R-Bloomington) asked Dept. of Revenue Commissioner Matt Smith if the governor would sign off on a bill dealing strictly with a farm rebate. Smith said the governor would make his decision based upon how well the bill targets aid to the people who most need it, how well the bill addresses long term farm issues, and if the bill uses an investment approach to make the state better in the following years. Rep. Tom Osthoff (DFL-St. Paul) said H.F. 878 meets all three of those standards and is an attempt to move the stalled process forward. Abrams said it is time to solve all the pieces of the tax issue. “We take seriously your proposal and hope you take our proposal serious as well. We have to reach a compromise and get real with the issues that divide us,” he said.

Committee on Taxes

Sales tax exemptions heard

The Tax Subcommittee on Income and Sales Tax met Weds., Apr. 14, to continue reviewing bills for possible inclusion in the panel’s omnibus proposal.

A number of the bills authorize various sales tax exemptions on construction materials for specific projects. Two measures were authored by Sen. Dennis Frederickson (R-New Ulm). S.F. 2202 exempts materials used in constructing a community center in the city of Redwood Falls. S.F. 2195 exempts the purchase of construction materials used in the

construction of the Springfield Community Center. Sen. Sheila Kiscaden (R-Rochester) authored a similar bill. S.F. 2201 exempts the purchase of construction materials used in construction or expansion of the Mayo Civic Center. S.F. 2186, carried by Sen. Becky Lourey (DFL-Kerrick), exempts the purchase of construction materials used in building an indoor sports and physical education complex in the city of Hermantown and a community activity center in the city of Proctor. S.F. 2095, sponsored by Sen. Bob Lessard (DFL-Int’l. Falls), exempts purchases of materials and equipment used in constructing a biomass electrical generating facility in Koochiching County. S.F. 2117, sponsored by Sen. James Metzen (DFL-South St. Paul), exempts construction materials used in library constructions and improvements in Dakota County.

Members also considered several additional bills. S.F. 1511, sponsored by Sen. LeRoy Stumpf (DFL-Thief River Falls), sets the maximum registration tax for agricultural aircraft at \$500. S.F. 2156, authored by Sen. David Knutson (R-Burnsville), allows an income tax credit for child support payments made by low-income noncustodial parents. S.F. 123, carried by Sen. John Hottinger (DFL-Mankato), appropriates money for grants to nonprofit organizations to facilitate delivery of volunteer assistance to low-income taxpayers in filing their taxes. S.F. 1813, authored by Sen. Sandra Pappas (DFL-St. Paul), exempts motor vehicles and replacement parts purchased by transit systems and transit providers from the sales tax. S.F. 2170, carried by Sen. Douglas Johnson (DFL-Tower), authorizes the commissioner of revenue to enter into agreements with Indian tribes regarding petroleum tank cleanup fees and inspection fees.

The panel also began discussion on a major workforce development initiative. S.F. 2010, sponsored by Sen. Ember Reichgott Junge (DFL-New Hope) and Sen. Dave Johnson (DFL-Bloomington), creates the Minnesota workforce development fund to be administered by the Job Skills Partnership, provides for grants for training dislocated workers, farmers, health care workers, displaced homemakers, welfare-to-work candidates and the unemployed. The measure also eliminates current language that reduces the rate of the tax paid by employers on the

wages paid to their employees when the balance of the special assessment fund under the workforce investment fund reaches \$30 million. In addition, the measure provides that the workforce training programs administered by the state be consolidated and given an economic development focus. Further, the workforce investment dedicated fund is transferred to the new Minnesota workforce development account as of July 1 of this year. Another major portion of the bill provides a job training program credit against income taxes equal to 25 percent of the cost incurred by an employer for a qualified job training program. The bill requires that the training program be certified by the Jobs Skills Partnership Board and that the employer must apply to the board in order to receive the credit. The measure also provides a credit for employees of 25 percent of tuition expenses subject to an income limitation. The credit for employees is similar to the federal Hope and Lifetime Learning tax credit.

Junge said the bill is in response to one of the biggest needs cited by Minnesota businesses, that of a trained workforce. Junge said that in the coming century, one of the key issues facing Minnesota is a workforce shortage due to the slow growth in the workforce and a mismatch of skills on the part of employers and employees. “Workforce development is crucial to keeping Minnesota competitive in the global market place,” Junge said.

Junge outlined the employer and employee tax credit provisions in the bill. Sen. Dave Johnson spoke about the creation of the workforce fund. He brought forth an amendment that eliminates the dislocated worker fund and transfers the monies in the fund to the new account. The amendment also details the special assessment on employers, provides definitions, and sets forth the requirements of the new program. Sen. Don Betzold (DFL-Fridley) questioned the propriety of the panel acting on the amendment. Betzold argued that the amendment was of a policy nature and therefore not under the tax panel’s jurisdiction. Dave Johnson responded that the policy committee had agreed to the language in the amendment but because of time constraints had not been able to formally act on it. Sen. Linda Runbeck (R-Circle Pines) and Sen. Gen Olson (R-Minnetrista) raised concerns

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about the elimination of the dislocated worker fund. Runbeck made a motion to lay the bill on the table. However, Murphy, citing a lack of a quorum adjourned the meeting.

Transportation

Appointment approved

The Transportation Committee, chaired by Sen. Carol Flynn (DFL-Mpls.), met Thurs., Apr. 8, to consider the appointment of Elwyn Tinklenberg as commissioner of transportation. Tinklenberg gave a brief statement about his commitment to transportation and outlined his vision for the department. He pledged cooperation with the Legislature and expressed his support for transit in the Metro Area. Members recommended that the Senate confirm Tinklenberg's appointment.

Transportation Budget Division

Snowmobile gas bill heard

A bill specifying that, for refund purposes, one percent of gasoline is used for snowmobiles was heard at the Thurs., Apr. 8, meeting of the Transportation Budget Division. The bill, S.F. 1275, sponsored by Sen. Douglas Johnson (DFL-Tower), alters current language which specifies that three quarters of one percent is used for gasoline. According to Johnson, passage of the bill would mean an additional \$1.1 million per year for the snowmobile trail program. According to Douglas Johnson, the trails program provides for snowmobile trail maintenance and for enforcement of snowmobile laws.

The division, chaired by Sen. Janet Johnson (DFL-North Branch) took no formal action on the measure. The panel also heard two additional bills. S.F. 1824, sponsored by Sen. Roger D. Moe (DFL-Erskine), appropriates \$10 million for local bridge replacement and rehabilitation. The funds are to be used to match federal funds.

S.F. 1460, sponsored by Sen. Randy Kelly (DFL-St. Paul), appropriates funds to remodel the drivers' license examining stations in Eagan and New Brighton and to build a commercial drivers' examining state at the St Croix scale on I-94. Kelly said that the examining stations are in

serious need of remodeling. "For many people new to the state, the drivers' license examining stations are their first exposure to state government and frankly, I was embarrassed at the shoddy appearance of station I visited during the interim," Kelly said.

All three measures will be considered for the omnibus bill.

Omnibus bill reviewed

Members of the Transportation Budget Division met Mon., Apr. 12, to review the division's omnibus budget proposal. The panel, chaired by Sen. Janet Johnson (DFL-North Branch), went through a spreadsheet summarizing the appropriations contained in the \$3.3 billion bill. Johnson said the proposal is about \$18 million under the governor's recommendation and about \$2.1 million under the division's targets. The appropriations include funds from the general fund, the highway user fund, the county state aid highway fund, the municipal state aid highway fund, the special revenue fund and the trunk highway fund.

The proposal follows the governor's recommendation of appropriating \$60 million for the Hiawatha Avenue light rail project. The corresponding bill in the other body does not fund the light rail initiative. In addition, the division's proposal appropriates \$1.027 billion for state road construction, \$137 million for central engineering services, \$161 million for design and construction engineering and \$428 million for state road operations. Most of the appropriations for state roads are made from the trunk highway fund. The bill also provides \$1.6 million for the 800 megahertz radio system. Total appropriations from all funds for the Department of Transportation amount to \$2.99 billion.

The measure also appropriates \$113.6 million for Metropolitan Council Transit, about \$26 million for Dept. of Public Safety administration and related services, about \$115.3 million for the State Patrol and about \$78 million for Driver and Vehicle Services.

There wasn't a great deal of discussion about the proposal. Members did question the funding source for executive protection in the State Patrol portion of the measure. The governor has requested addition funding for security purposes. Currently, executive protection is funded from State Patrol funds that come from

the trunk highway fund; the governor requested that the funding be from the general fund for increased Capitol Security. Johnson, Sen. Keith Langseth (DFL-Glyndon) and Sen. Carol Flynn (DFL-Mpls.), all questioned whether the funding shouldn't be from the general fund. Langseth said, "There are two issues—how much protection and how it is paid for." In addition, Johnson said the division should also consider increasing security for Legislators, as well as for the chief executive and the lieutenant governor.

No action was taken on the measure in order to allow time for members to draft amendments to the proposal.

Budget bill approved

The Transportation Budget Division, chaired by Sen. Janet Johnson (DFL-North Branch), completed work on its 1999 omnibus appropriations bill Tues., Apr. 13.

Johnson began the meeting by offering an amendment that sets \$300,000 as the limit on state grants for noise barriers, allows local school zone speed limits slower than 25 miles per hour already in effect to remain, and keeps the maximum local contribution for operating a transit system in a large urbanized area at 55 percent of the operating cost. Bonnie Berezovsky, Senate Counsel, said the provision was approved by the policy committee and passed on the Senate floor. The Johnson amendment was adopted.

Senator Dallas Sams (DFL-Staples) offered an amendment providing \$150,000 in Greater Minnesota and \$350,000 in the Metro Area for welfare-to-work transit and appropriating \$459,000 for additional security personnel in the Capitol. Sen. Dean Johnson (R-Willmar) said the extra personnel are to protect not only elected officials, but the public and Legislative staff. However, Sen. Dick Day (R-Owatonna) criticized the provision, saying his home county has no state troopers in it from 2 a.m. to 6 a.m. each day. Panel members voted to adopt the provision.

Sen. Carol Flynn (DFL-Mpls.) offered four amendments to the bill. One creates a mobility fund to finance public transit projects and proposes a constitutional amendment dedicating at least 5 percent of the motor vehicle sales tax for transit capital. The second amendment prohib-

its the state or any local government from applying for federal light rail transit (LRT) assistance until construction begins in either the Riverview corridor in St. Paul or the central corridor between the two Metro Area downtowns, but exempts those two corridors and the Hiawatha corridor. Flynn's third amendment extends the life of the Metropolitan Radio Board for 3 years, and her final amendment authorizes the Dept. of Transportation (MnDOT) to use the design-build method for light rail projects. All four amendments were adopted with little discussion.

Sen. Paula Hanson (DFL-Ham Lake) proposed transferring \$50,000 of the appropriation for the Metropolitan 800 MHz Radio system for two studies. The studies will examine the feasibility of extending a proposed commuter rail line beyond St. Cloud to Little Falls and the feasibility of restoring Amtrak service to Duluth. Sen. Mark Ourada (R-Buffalo) criticized the proposal. He said the appropriation amounts were insufficient for the studies and it is shortsighted to cut the radio system appropriation. However, the Hanson motion was adopted.

Day offered an amendment raising the fees paid to deputy registrars for vehicle registration from \$3.50 to \$4.50 beginning August 1, 1999 and to \$5 beginning next year. Flynn spoke against the amendment saying that for those who pay the minimum registration fee of \$35, the total registration cost will rise to \$40 even though the state has a surplus. However, the amendment was adopted.

Sen. Dave Johnson (DFL-Bloomington) offered an amendment making state regulations on highway directional signs conform with federal guidelines. Flynn said that tribal casinos may fit the definition, but Sen. Dave Johnson said that is not the intent of the amendment. He added that he asked MnDOT to provide him with a definition for entities that qualify for directional signs, but the department failed to get it to him. Johnson said that the definition in the amendment is one he crafted himself in lieu of the departments proposal. Bill Schreiber, MnDOT, said the department will get their definition to him for a floor amendment. Johnson's amendment was adopted by the division.

In concluding remarks, Sen. Dean Johnson said he supports the LRT

funding in the bill and hopes it will bring about a positive change in the Metro Area. He added that he hopes that funding for rural highways doesn't suffer in the future because of continued LRT funding. Flynn replied that if the state doesn't spend money now for LRT, rural areas won't get much funding in the future because of necessary highway construction in the Metro Area. Sen. Janet Johnson said that the division's bill is much more balanced between road and transit construction spending than the other body's bill. However, Day was critical of the package. He called the LRT project "a half billion dollar train to nowhere" and said that people won't get out of their cars to ride busses and won't ride a train either.

Overall, the package appropriates \$3.336 billion for transportation and public safety needs, an amount that is \$10.135 million below the governor's recommendations. The division approved the package and sent it to the Committee on State Government Finance.

Friday, April 9

Tobacco settlement bill discussed

A bill relating to the uses of the \$1.3 billion one time tobacco settlement payment was discussed during the floor session held Fri., Mar. 9.

Carried by Sen. Roger Moe (DFL-Erskine), S.F. 1269 establishes the Minnesota Families Foundation and establishes two endowment funds--the medical education and research endowment fund and the tobacco prevention endowment fund--with the \$1.3 billion one time tobacco settlement. Of the one time settlement monies credited to the state in Jan. 2000 through 2003, the bill credits 50 percent to the tobacco prevention endowment fund, 27 percent to the medical education and research endowment fund and 23 percent to the Minnesota Families Foundation. The bill also creates a health care fund, which is credited with \$38 million of each yearly tobacco settlement payment of \$204 million beginning Dec. 2003.

The tobacco prevention endowment, said Moe, is designed to support a sustained effort to prevent children in Minnesota from smoking. Interest from the endowment will provide approximately \$30 million to the Minnesota

Partnership for Action Against Tobacco (MPAAT), a non-profit organization directed to lead the prevention effort. "If the [tobacco] funds are used for anything," said Moe, "they should be used for tobacco prevention." The medical education and research endowment, said Moe, provides funds to pay for clinical training of health care providers, to boost medical research activities in the state and to provide a stable source of revenue for costs at public health centers similar to that at the University of Minnesota. Moe also said the Minnesota Families Foundation is designed to support self-sufficiency and reduce long term dependency on government. According to the language of the bill, it is also designed to foster a partnership between public and private entities to provide improved services to clients, a more efficient coordination of services and a more effective allocation of resources. Moe said the bill represents a proposal to set aside the tobacco settlement funds and invest them to improve the state of public health in Minnesota.

Although agreeing with the policy behind the bill, Sen. Sheila Kiscaden (R-Rochester) asked why it creates the Minnesota Families Foundation when many similar organizations--such as the McKnight and the Minneapolis/St. Paul Foundations--exist. Such organizations, she said, are already equipped to deal with the issues addressed by the Families Foundation. She said funding such agencies eliminates many of the start up and administration costs associated with launching a new initiative.

Moe said the idea of the Minnesota Families Foundation was advanced by the administration and he believes it is worth trying. He said the foundation represents an avenue outside of the Legislature to develop innovative and creative ideas. The Legislature, he said, is not the only place where good ideas are conceived. Moe also said the foundation is structured to leverage outside resources and could possibly generate enough revenue to spin off on its own.

Kiscaden also asked why the foundation is sunset in ten years if it is possible to continue on its own. She also said it is a waste of money to fund start up costs and then eliminate the program in ten years. Raising other concerns, she said the foundation lacks performance expectations and is not set up to receive

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any outside inspection. Kiscaden also asked what the use of the health care fund in the bill.

Responding to Kiscaden, Sen. Linda Berglin (DFL-Mpls.) said the health care fund is designed to be spent on any health care needs in the state. The author of the amendment that added the fund to the bill, Berglin said the Legislature decides how the money is spent and can be used for a myriad of requests and problems. "The list goes on and on," she said.

Sen. Edward Oliver (R-Deephaven) offered an amendment to eliminate the health care fund portion of the bill. He said the annual settlement payments of \$204 million can be used to pay for the MinnesotaCare program and eliminate the provider tax. Although his bill does not designate the yearly payments for MinnesotaCare, he said, other bills yet to be passed do. Speaking against the amendment, Berglin said she is concerned that if no money is set aside for the health care fund none will be available to supplement various health care needs. The needs, she said, include lessening or eliminating the provider tax. She added that if the purpose of the amendment is to provide provider tax relief, the health care fund should not be eliminated. Sen. Don Samuelson (DFL-Brainerd) also spoke against the amendment. He said it is important that the \$38 million called for be set aside to cover a variety of purposes.

Oliver again stated that the \$204 million yearly payment can be used to eliminate the provider tax. He said if eliminating the tax is an important issue the amendment is an opportunity to take back the money that deducts from that purpose. Berglin said there is no guarantee that the yearly payments will be used for provider tax relief. She stated concern that the money could instead be used to fund other areas unrelated to health care. The health care fund, she said, is necessary if it is important to members that part of the yearly payments be used for health care issues, including provider tax relief. Sen. Becky Lourey (DFL-Kerrick) added that the health care fund also shows the federal government that the payments are being set aside for health care purposes. It is important, she said, for the federal government to see the state's intentions. The amendment failed by a vote of 28 to 34.

Sen. Linda Runbeck (R-Circle Pines) offered an amendment to eliminate the tobacco prevention fund and replace it with a tax reform account. The amendment, she said, takes the funds originally designated for tobacco prevention and places it into the tax reform account for tax reduction programs to provide tax relief. Runbeck said she disapproved of the idea of creating a private organization with the narrow focus of tobacco use prevention. She said it is not a good use of taxpayers money and circumvents the legislative process. Citizens, she said, are not represented through a tobacco prevention endowment.

Sen. Ember Reichgott Junge (DFL-New Hope) said if no money is spent to reduce youth tobacco use more adolescents will become addicted to smoking. The amendment, she said, helps tobacco companies, who do not want any money spent to prevent youth from smoking. Also, she said, because the money is not used for any health care needs, the amendment ensures the federal government will take a portion of it. She said the state could lose up to 40 percent of the one time settlement if the amendment is approved. Also speaking against the amendment, Sen. Dave Johnson (DFL-Bloomington) said the state spends over \$1 billion each year on tobacco related healthcare costs. He said funding tobacco prevention efforts reduces the cost in the long term. Funding tobacco prevention, he said, is fiscally prudent. However, Sen. Thomas Neville (R-Northfield) said he is not convinced that spending \$30 million on tobacco prevention will help prevent youth from smoking. "If we think that spending all of this money will make a difference we are fooling ourselves," he said. The amendment was not adopted.

Sen. Dave Kleis (R-St. Cloud) presented an amendment that takes half of the tobacco prevention money to fund the senior prescription drug program. The amendment also expands eligibility for the program. Kleis called the high cost of prescription drugs the biggest healthcare problem in the state today.

Moe asked to divide the amendment between the sections taking half the prevention money and the sections expanding eligibility. Neville, however, said that the key to the amendment is in funding the program with the settlement money. Disputing Neville's statement,

Berglin said the money in the tobacco prevention endowment is not enough to continually fund the drug program. The program, she said, should be funded out of the general fund. The funding half of the amendment was not adopted and the second half was withdrawn.

Sen. Claire Robling (R-Prior Lake) presented an amendment replacing the tobacco prevention endowment with the local public health endowment fund. The amendment uses \$10 million of the estimated \$30 million in endowment interest for a statewide tobacco prevention campaign and distributes the remaining \$20 million to local public health boards. By appropriating funds to local health boards, she said, the amendment allows communities to determine and act on their own public health needs.

Junge voiced concerns that \$10 million is not enough money for tobacco prevention. She said the U.S. Center for Disease Control estimates that \$30 million is needed to effectively prevent youth from smoking. "If we don't do the job right, we shouldn't do it at all," she said. Kiscaden said the amendment is close to the original idea proposed by the governor. She said funding local agencies rather than MPAAT will have a stronger impact on smoking prevention. Kiscaden also expressed concern that MPAAT has no accountability measures relating to how the appropriated funds are used. Responding, Moe said that MPAAT must submit annual reports to the Legislature regarding the funding. He also said the bill does not preclude the use of local health boards, adding that MPAAT would be "remiss" if the boards were not utilized. However, he said, it makes more sense to adopt the larger, more coordinated effort under the auspices of MPAAT called for in the bill. The amendment was not adopted.

Sen. Dennis Frederickson (R-New Ulm) offered an amendment requiring the transfer on June 30, 2009, of all Minnesota Family Foundation assets to the general fund. The amendment calls for the transferred funds to be liquidated or invested as appropriate by the state Board of Investment. Moe supported the amendment and it was adopted.

Sen. Steve Dille (R-Dassel) offered an amendment changing the sunset of the tobacco prevention endowment from 2015 to 2005. Dille said he hopes Moe is correct that spending \$30 million will

prevent youth smoking but added that a 15 year program is too long. "We should try hard [to prevent youth smoking] but we should try for 5 years, not 15," he said. "[The tobacco endowment] is a sort of experiment and a 15 year experiment is a little long." Dille said if spending the money is not seen to be working it should be allowed to be spent on something else. Moe agreed that 15 years may be too long but added that 5 years may not be long enough. He suggested the sunset of the program be 2010, to which Dille agreed.

Sen. Pat Pariseau (R-Farmington) offered an amendment specifying that the Minnesota Partnership for Action Against Tobacco may not award any grants from annual appropriations to any project where a partnership board member or staff has an affiliation.

Moe said he does not want the Mayo Clinic, Hennepin County or the Cancer Society ineligible to apply for grants, and he urged members to vote against the amendment. The amendment failed by a 26-30 roll call vote.

A similar amendment was offered by Sen. Deanna Wiener (DFL-Eagan). The amendment specified no grants be awarded by the Minnesota Partnership for Action Against Tobacco to any project where a partnership board member or staff has a substantial financial interest. The amendment was approved.

Sen. Ember Reichgott Junge (DFL-New Hope) offered an amendment that provides funding to the senior citizen drug program. Under the amendment, \$31.104 million is taken from research and appropriated to the Senior Prescription Drug Endowment Fund. Moe spoke against the amendment, saying he realizes the senior citizen drug program is good, but he does not want to draw funding from research to support it.

"Many people want to solve serious drug cost problems for seniors who have to choose between eating and buying drugs to stay well," Wiener said. Junge said a vote for the amendment gets the Senior Endowment started. The amendment was approved by a 37 to 22 roll call vote. The bill was passed on a roll call vote of 46 to 14.

Many other bills were also given final passage on Special Orders. H.F. 1968, carried by Oliver, modifies Medicare supplemental insurance regulations provisions, H.F. 346, presented by Sen. John Hottinger (DFL-Mankato), prohib-

its certain contracting agreements for freelance court reporting services and S.F. 841, carried by Sen. Linda Scheid (DFL-Brooklyn Park), relates to a small employer alternative benefit plan pilot project. Sen. Allan Spear (DFL-Mpls.) carried H.F. 1125, which imposes local correctional fees for offenders under the supervision and control of the local agency and S.F. 1382, which expands the gross misdemeanor DWI crime, probationary period and mandatory sentencing requirements. H.F. 67, offered by Sen. Dave Johnson (DFL-Bloomington), relates to penalties for killing or injuring a search and rescue dog, H.F. 868, presented by Sen. Paula Hanson (DFL-Ham Lake), amends theft law to apply to rental property or equipment and H.F./793, carried by Kleis, relates to rental motor vehicle lien and right of detainer.

Three bills were granted concurrence and repassage. S.F. 98, authored by Sen. David Knutson (R-Burnsville), grants prosecutor's discretion not to disclose a victim's or witness's date of birth. An amendment, by the other body, adds a victim's phone number to the information that need not be disclosed.

Sen. William Belanger (R-Bloomington) authored S.F. 829, a bill that authorizes the Department of Human Services (DHS) to sell certain surplus state land to the Bloomington Housing and Redevelopment Authority.

S.F. 972, authored by Sen. Dennis Fredrickson (R-New Ulm), modifies migratory waterfowl refuge provisions and designates a migratory waterfowl refuge. The House amendment specifies that upon a request from a private landowner within a migratory waterfowl refuge, an annual permit must be issued to provide access to the property during the waterfowl season. The permit includes conditions that allow no activity which would disturb waterfowl using the refuge during the waterfowl season.

Monday, April 12

Bills passed on Special Orders

The Senate convened for a lengthy floor session Mon., Apr. 12, and passed a total of nine bills while on Special Orders. Senate members also confirmed the executive appointments to the Board of Campaign Finance and Public Disclosure and repassed a bill after concurring with amendments made by the other body.

Most of the Special Orders discussion revolved around S.F. 841, sponsored by Sen. Linda Scheid (DFL-Brooklyn Park). Scheid said the bill addresses a critical problem faced by small employers in that they are not able to offer any level of health care coverage to their employees because of "a glaring lack of competition" in that market. She said the bill allows some health insurers to offer a benefit plan that doesn't meet state minimum coverage requirements. Under the bill, health insurance companies that have less than a three percent share of the market are authorized to offer coverage to small employers for a three year pilot project that will be supervised by the Dept. of Commerce. The Senate adopted two amendments offered by Scheid. The first prohibits health insurance providers from offering coverage to a specific employee of a qualifying company, and the other prohibits an insurance provider from selecting out the healthy employees for coverage or requiring some employees to seek coverage elsewhere.

Sen. Linda Berglin (DFL-Mpls.) said she was concerned that the bill allows insurers to dump hard to insure employees on the Minnesota Comprehensive Health Association (MCHA). She offered an amendment prohibiting insurers from offering benefits packages that exclude coverage for conditions such as AIDS. She said that MCHA is underfunded and the bill will lead to the dumping of hard-to-insure employees into MCHA. Support for the amendment was voiced by Sen. Becky Lourey (DFL-Kerrick). She said the bill offers employees of small employers fewer benefits and higher co-pays and deductibles. She said that the quality of health care coverage offered to the employees could go down.

Several members opposed the amendment. Sen. Sheila Kiscaden (R-Rochester) said the amendment undermines the bill's attempt to find alternatives to coverage. Health and Family Security Committee Chair John Hottinger (DFL-Mankato) also spoke in opposition to the amendment. He said he doesn't want to see employees placed into MCHA, but the bill is a pilot project for people to choose the level of coverage they want. He added that the Dept. of Commerce supervision will protect hard-to-insure employees and urged members to give the experiment a try. Scheid also opposed

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the amendment. She said that at the conclusion of the pilot project, the Commerce Department will issue a comprehensive report that will show if people are being shifted over to MCHA. She added that outside of government, 60 percent of people aren't covered under the state mandated benefits. Berglin withdrew the amendment but said she was going to monitor the effect of the program on MCHA. The bill passed on a 60-2 roll call vote.

The Senate granted final passage to H.F. 1553, a Dept. of Corrections technical bill, carried by Sen. Dave Kleis (R-St. Cloud). Kleis said the bill allows offenders performing community service on conditional release to file claims for injuries sustained during that service, among other provisions. Most of the discussion concerned an amendment offered by Sen. Arlene Lesewski (R-Marshall). She said her amendment exempts prisons from the requirement that one percent of the construction contract costs be dedicated to art. Sen. Don Betzold (DFL-Fridley) spoke against the amendment. He said it precludes the placement of art in visitation waiting rooms. Sen. Allan Spear (DFL-Mpls.) also opposed the amendment. He said that current law states that the art must be in areas that are accessible to the general public, which does not include cell blocks. Spear said the amendment was also defeated in committee because panel members thought it might interfere with attempts to beautify areas where the prison interfaces with the surrounding community. However, the amendment was adopted on a 52-11 roll call vote, and the bill was passed.

The Senate granted final passage to three bills sponsored by Sen. Linda Higgins (DFL-Mpls.). Higgins said the first bill, S.F. 1821, is a Housing Finance Agency (HFA) housekeeping bill. She said the bill provides for more housing stock in the Metro Area and Greater Minnesota, makes technical changes to comply with the Minnesota Family Investment Plan (MFIP) law, specifies that community rehabilitation funds may be used for construction financing, and authorizes an agency program to help people with disabilities own their own home. Sen. Sandra Pappas (DFL-St. Paul) offered an amendment that she said addresses conflicts for the process of amending zoning ordinances between

state law and local charters. She said the amendment gives precedence to the local charter process. The Pappas amendment was adopted.

Another Higgins bill, S.F. 171, addresses the practice of "mortgage flipping," that she said is a scheme to defraud people through real estate transactions. Higgins said the practice has a fraudulent house appraisal as a common element, but appraisers aren't covered under criminal statutes for fraud. She said the bill imposes a penalty and authorizes an educational campaign funded by the real estate recovery fund to stop it. Sen. Carol Flynn (DFL-Mpls.) asked why mortgage lenders aren't contributing to the fund. Higgins replied that the Commerce Department will ask for contributions from that trade group among others. Sen. Deanna Wiener (DFL-Eagan) added that mortgage lenders don't have a recovery fund, but they have agreed to participate in the campaign.

Higgins said her final bill, S.F. 1976, allows the Minneapolis Park Board to get into the energy business with a 4 Megawatt power plant below St. Anthony Falls.

The Senate passed H.F. 92, sponsored by Sen. Don Betzold (DFL-Fridley). He said the bill revises a law passed 2 years ago concerning limited discovery at implied consent hearings. Betzold said the hearings are done in conjunction with DWI hearings because a person is entitled to a civil hearing to have their driver's license reinstated. At the hearing, Betzold said, a person must state facts surrounding the implied consent violation, but those facts can be used against the person later in the criminal DWI case. Because of that, a judge ruled the law unconstitutional, Betzold said. He said the bill limits the process of discovery but gives the court authority to enter other evidence if warranted.

Sen. Paula Hanson presented S.F. 1021. She said the bill updates the warehouse law, which has not changed since 1915. Hanson said the bill differentiates between warehouses that deal with other businesses and those that deal with household goods and the general public. In addition, she said, it gives warehouse operators the option of choosing between bonding or liability insurance.

S.F. 1605, carried by Sen. Steve Kelley

(DFL-Hopkins), requires an arbitrator to select between the final offers at impasse for firefighter contracts and has a sunset so it can lapse if it doesn't work. Kelley said the firefighters support the bill but added that cities "are not enthusiastic about it."

One other bill passed by the Senate, S.F. 1825, sponsored by Lourey, creates a citizens advisory council on food. Lourey said the bill deals with issue of child hunger. Under the bill, the advisory council must report to the Legislature recommendations of what can be done about child hunger. Several members criticized the measure, saying that it lacked direction as to what the council should investigate. The Senate adopted an amendment, offered by Sen. Dennis Frederickson (R-New Ulm), removing "small scale" from the description of the farmers to be appointed to the council because he said the term can't be defined. Sen. LeRoy Stumpf (DFL-Thief River Falls) voiced support for the bill. He said nobody is making any money in farming and many institutional organizations can contribute to the discussions. The measure passed on a 43-20 roll call vote.

The Senate also voted to confirm the executive appointments to the Board of Campaign Finance and Public Disclosure. Sen. John Marty (DFL-Roseville) said Wilbur Fluegel is the appointee to the Democrat seat and Thomas Hefflefinger is the appointee to the Republican seat. The appointments were confirmed on a voice vote.

Earlier the Senate voted to concur with the amendment made by the House to S.F. 1188, carried by Sen. Steve Kelley (DFL-Hopkins). The bill raises the limit dollar limit of the Uniform Municipal Contracting Law and provides an exemption for cooperative agreements. Kelley said the amendment changes the effective date to day following final enactment. The bill was repassed on a 51-0 roll call vote.

Tuesday, April 13

Building code changes addressed

Members of the Senate discussed a bill relating to state building and energy code modifications during the floor session held Tues., Apr. 13.

Carried by Sen. Deanna Wiener (DFL-Eagan), H.F. 1568 adds design and construction standards relating to heat

loss control, illumination and climate control to the state building code. The bill also transfers the adoption of the energy portion of the building code from the commissioner of public service to the commissioner of administration and sets the effective date for adoption of the new energy code as July 20, 2000. Wiener also offered an amendment that, while making technical changes, changes the effective date for the adoption of the new energy code to Feb. 7, 2000.

Speaking against the amendment, Sen. Warren Limmer (R-Maple Grove) questioned whether decreasing the effective date leaves enough time for the entire building industry to adjust to the new codes. Also, he said, because the new codes include a more strict insulation requirement there are too many questions regarding air circulation that have yet to be answered. He said not only could a lack of circulation cause homes to turn moldy and rotten, but may have a health impact as well. Limmer also stated the increased insulation requirements have a financial impact. He said the average home price rises between \$7,000 and \$9,000 due to the new energy requirements, which has a great impact on low income families. The changes, he said, affect low income families and affordable housing the most.

Wiener said that although the Minnesota Health Department has not performed a health assessment on the new code clean air was considered when drafting them. She said the new insulation will "absolutely not negatively affect air quality." Also, Wiener said that consumers are ready for more energy efficient homes.

Sen. Bob Lessard (DFL-Int'l. Falls) offered to amend the amendment by changing the effective date to Aug. 7, 2000. He said more time must be given for those in the building industry to adjust to the changes, especially in Greater Minnesota. There is no harm, he said, in holding the modifications another six months. However, Sen. Linda Berglin (DFL-Mpls.) said a number of building contractors in her district have contacted her with concerns about more delays. She said they have already been preparing for the changes, adding that delaying the effective date further will not help. Sen. John Marty (DFL-Roseville) said Wiener's amendment includes a reasonable time line to

implement changes. Putting off the date, he said, will not make the problem go away. Marty also said that a system must be put in place that deals with both insulation and ventilation simultaneously which, he said, the amendment allows. The amendment, he said, makes good sense.

Sen. Don Samuelson (DFL-Brainerd) spoke in support of Lessard's amendment. He said many builders are nervous about the new regulations. He also said that many Senators need more information about the new codes and extending the effective date to Aug. 7 allows the Legislature to discuss the issue again next session. Also favoring Lessard's amendment, Limmer said the public deserves an extension of another six months. He said he supports the tighter insulation requirements, but the consequences of the insulation must be known. Extending the date, he said, does not hinder the process. The Lessard amendment failed by a vote of 30 to 31 and Wiener's amendment was adopted.

Limmer presented an amendment that states a builder is not civilly liable for structural failure and mold problems resulting from the satisfactory compliance with the state energy code. Limmer said the amendment is designed to protect a builder if the builder follows the code, but problems with the building are later discovered.

Sen. Jane Ranum (DFL-Mpls.) said the amendment has benefits but must be thought through more properly due to financial considerations for the state. She urged Limmer to withdraw the amendment. Responding, Limmer said if the state is telling the builder how to build, then the state must be willing to pay for potential problems. He said the state should be held liable if the builder follows the code but problems with the building still arise. However, Limmer withdrew the amendment. The bill was then given final passage on Special Orders.

Many other bills were also granted final passage through Special Orders. S.F. 2038, carried by Sen. Linda Runbeck (R-Circle Pines), modifies workers compensation self-insurance group provisions. S.F. 845, authored by Sen. Steve Dille (R-Dassel), authorizes the Board of Animal Health to implement a federal voluntary Johnne's Disease program. H.F. 426, presented by Sen. Douglas Johnson

(DFL-Tower), deals with Boundary Waters Canoe Area management facilitation. Sen. David Knutson (R-Burnsville) presented H.F. 142, which expands the definition of subsequent controlled substance conviction for controlled substance crime purposes, S.F. 496, which extends the time period allowed for financial institution search warrants and S.F. 985, which expands the business discrimination prohibition. Sen. Pat Pariseau (R-Farmington) authored H.F. 70, which allows law enforcement agencies to sell forfeited weapons. Sen. Steven Novak (DFL-New Brighton) presented H.F. 359, which expands the powers of the Public Utilities Commission; S.F. 1848, which modifies workers compensation provisions; and H.F. 621, which expands arson provisions. Novak also authored H.F. 872, which deals with the enforcement of building and construction contracts environmental liability indemnification. Wiener offered H.F. 1003, which clarifies provisions relating to the Legislative Audit Commission and the Legislative Auditor.

Other bills passed on Special Orders include S.F. 1279, authored by Sen. Dan Stevens (R-Mora), imposing certain conditions on state acquisition of lands in counties having 50 percent or more of acreage in public or nonprofit ownership; H.F. 528, authored by Sen. Steve Murphy (DFL-Red Wing), requiring Dept. of Transportation specifications for underground storage tanks to include certain types of fiberglass and steel tanks; S.F. 1471, authored by Murphy, requiring certain limitations on tenant screening fees; S.F. 63, authored by Sen. Charles Wiger (DFL-North St. Paul), a resolution memorializing the U.S. government to urge the Ethiopian government to respect the human rights of Eritreans in Ethiopia; and H.F. 627, authored by Sen. Leonard Price (DFL-Woodbury), changing the length of the terms of housing and redevelopment authority commissioners.

Also considered for passage on special orders was H.F. 270, prohibiting a maximum lifetime benefit limit on certain policies of the Minnesota Comprehensive Health Insurance Plan (MCHA). Sen. Sheila Kiscaden (R-Rochester) urged members to vote against the bill, saying that as a matter of policy, a bill shouldn't be passed in order to aid one constituent. Murphy, chief author of the bill, said that prohibiting a

Committee update

lifetime maximum, ensures that families won't have to spend down assets in order to qualify for other insurance coverage. Kiscaden reminded members that MCHA operates in deficit most of the time and if more high need people are added to the risk pool, MCHA will continue to operate in deficit. The bill passed on a 46-13 vote.

S.F. 1831, authored by Sen. Ellen Anderson (DFL-St. Paul), makes changes to certain forfeiture provisions. Kiscaden offered an amendment to the bill and Sen. Jane Ranum (DFL-Mpls.) requested division of the amendment. The first part of the amendment specifies that law enforcement officials are not liable for loan amounts owed on a seized vehicle when the proceeds of the sale of the vehicle do not equal or exceed the loan balance. The motion was adopted. The second part of the amendment allows the cost of seizure or storage of seized vehicles to be collected from the owner, claimant or secured party. Ranum said that the proposed policy is not fair to innocent owners of vehicles that are used for criminal activity. The amendment was not adopted. The bill was then granted final passage.

Wednesday, April 14

Emissions bill passes

A bill repealing emissions testing on automobiles was given final passage by the Senate during a Weds., Apr. 14 floor session. The bill was passed along with nine other pieces of legislation on Special Orders, and two bills passed after concurrence with amendments made by the other body.

Sen. James Metzen (DFL-South St. Paul) the Senate sponsor of H.F. 7 said the bill repeals the requirement for emissions testing on automobiles in the Twin Cities Metro Area as of July 1, 2000. "This saves a lot of aggravation particularly for senior citizens," Metzen said, "It is less government and will save taxpayers over \$8 million a year." He said the Minnesota Pollution Control Agency (MPCA) supports the elimination of testing because cleaner fuels and better built and maintained cars have reduced the amount of carbon monoxide in the air.

Sen. Jane Ranum (DFL-Mpls.) asked Metzen if the elimination of emissions testing will affect the Twin Cities

designation of an attainment zone for carbon monoxide levels by the Federal Environmental Protection Agency (EPA). Metzen said that the PCA is confident Minnesota will achieve the designation by the end of the year. He said that if the state fails to do so, the Legislature will meet before the July 1, 2000 repeal date in the bill and thus could take necessary action.

Sen. Leo Foley (DFL-Coon Rapids) asked Metzen why, if the repeal is a good idea, it doesn't take effect immediately. Metzen said that his original bill did end testing immediately but as part of the process it was amended by members of the Environment and Natural Resources Committee to address concerns with the attainment issue. "This program probably had good intentions years ago but it is time to end it," he said. The bill was passed by a 55-9 vote.

The other bills passed on Special Orders generated little discussion. Four of the bills were authored by Sen. Dave Johnson (DFL-Bloomington). S.F. 1404, provides criminal penalties for possessing and disseminating pornographic work depicting a minor. S.F. 411 provides criminal penalties for manufacturing, distributing, selling, or possessing with intent to sell or distribute counterfeited intellectual property. S.F. 2120 classifies Gamma Hydroxybutyrate, a drug used in treating narcolepsy, as a controlled substance. S.F. 1204 clarifies that under the direction of the Dept. of Public Safety, the state fire marshal must enforce the Minnesota Fire Code. Sen. Ellen Anderson (DFL-St. Paul), offered an amendment to S.F. 1204 allowing the alteration of a stairway chair lift that is not hard-wired to the building's electrical system, but rather is plugged into an electrical outlet, to be installed in a private residence. She said the amendment allows a narrow exception to the fire and building codes for disabled people. "This is an example of regulations being a little too big and a little too broad," she said. The amendment was adopted.

Two other bills passed on Special Orders were sponsored by Sen. Michelle Fischbach (R-Paynesville). H.F. 371 removes the limit on the amount a local government may contribute for historical work and permits local governments to make contributions to public or private, nonprofit senior citizen centers. H.F. 174

authorizes the Paynesville area hospital district to annex the city of Richmond to the district. The remaining bills passed on Special Orders were S.F. 1541, offered by Sen. Leonard Price (DFL-Woodbury), making permanent the environmental improvement pilot program; S.F. 1746, authored by Sen. Deanna Wiener (DFL-Eagan), requiring proponents of new or expanded professional licensing regulation to provide information in writing to the chairs of the standing committees; and S.F. 1715, authored by Sen. Edward Oliver (R-Deephaven), the Dept. of Commerce's enforcement bill, making changes to service of process as well as residential building contractors' and remodelers' regulations.

The two bills given final passage after being returned by the House with amendments were S.F. 1470, authored by Sen. Donald Samuelson (DFL-Brainerd), and S.F. 854, authored by Sen. Keith Langseth (DFL-Glyndon). S.F. 1470 modifies the route of Paul Bunyan State Trail. Samuelson said the House amended the bill to allow motorized wheelchairs, or other motorized vehicles operated by a disabled person on a trail designated for nonmotorized use. The Senate adopted Samuelson's motion to concur with the change and repassed the bill. S.F. 854 prohibits the termination of lawful land uses by amortization. Langseth said the House amended the bill to exempt ordinances that are the subject of an action commenced on or before January 1, 1999. Langseth's motion to concur with the amendment was adopted and the bill repassed.

Sen. Dallas Sams (DFL-Staples) moved that the Senate concur with House amendments on S.F. 778 and repass the bill. He said the bill, which requires release of a security interest in a vehicle to be acted on within seven days if satisfied by a dealer, was amended by the House to include a provision prohibiting television screens from being installed or used in any motor vehicle where it is visible to the driver while operating the motor vehicle. The Senate bill prohibited installation of television screens at any point forward of the back of the driver's seat or where it is visible to the driver. Sen. Donald Betzold (DFL-Fridley), said because the change is effective when the bill is enacted, it could affect vehicles equipped with television screens that are already in use

in the state. Sams withdrew his motion and moved that the bill be sent to conference committee. The motion was adopted. Sen. John Hottinger (DFL-Mankato), the author of two bills returned by the House with amendments, moved that the Senate not concur with the amendments and send the bills to conference committees. H.F. 346 prohibits certain contracting arrangements for freelance court reporting services. S.F. 510 expands the number of members on the board of dentistry. The Senate adopted Hottinger's motions for both bills and sent them to conference committees.

Thursday, April 15

Childcare, settlements bills passed

The Senate devoted the Thurs., Apr. 15, floor session to the consideration of bills on Special Orders. Two of the bills sparked considerable discussion. One of those measures, S.F. 807, authored by Sen. Dan Stevens (R-Mora), relates to unlicensed childcare. The bill requires counties to extend unlicensed child care to certain providers and offer an enhanced registration category to child care providers. Under the bill, non-licensed providers are required to register, and be provided with health and safety information by the county. Non-licensed providers are required to obtain immunization records on children they care for, and have these records available to the county upon request. The bill, which provides nonresident childcare and licensing provisions, has a sunset of June 30, 2001.

Sen. Linda Berglin (DFL-Mpls.) spoke

against the bill, citing instances of the deaths of two children who had been under the care of an unlicensed provider. "We need to tell providers that they need to be licensed," she said. She said that deaths or injuries are much less likely to happen when children are in licensed daycare.

Speaking on behalf of the bill, Sen. Sheila Kiscaden (R-Rochester) said that licensing does not substitute for good judgment. She said that currently, low income parents have no choice in the matter and are required to use licensed daycare. She said licensed providers do not provide weekend or evening childcare, and frequently parents are forced to leave their children at home alone and unattended. "There is room for registered, unlicensed daycare," she said. The bill passed on a roll call vote of 44 to 18.

The second bill to touch of debate, S.F. 148, relates to structured settlements. Chief author, Sen. Edward Oliver (R-Deephaven) presented the measure, which provides for the protection of structured settlements. Oliver explained that structured settlements are arrangements for periodic payment of damages for personal injuries established by settlement or judgment in resolution of a tort claim or for periodic payments in settlement of a workers' compensation claim. He said that factoring companies seek structured settlement payees and offer to buy their structured settlements for a lump sum, usually at a high discount. He said that if the payees change their minds and want the payments periodically made to them, the factoring company sues them. "The factoring

company is an unregulated business," he said. Sen. Dave Johnson (DFL-Bloomington), co-author of the bill, said the bill does not prohibit structured settlements but requires court approval for an agreement that exceeds \$5,000 or if the original structured settlement required court approval because the payee was a minor or incapacitated person.

Sen. Allan Spear (DFL-Mpls.) offered an amendment that states a worker's compensation payment can never be assigned and that court approval is required for a structured settlement that exceeds \$10,000. The amendment was divided, and the section pertaining to the worker's compensation payment was adopted. Sen. Warren Limmer (R-Maple Grove) spoke in favor of the amendment, saying citizens deserve the opportunity to make decisions for themselves. Berglin spoke against the amendment, expressing her concern that people use the payments for items they don't need rather than necessary medical care, and end up on medical assistance. The second part of the amendment failed. The bill passed 57 to 1 on a roll call vote.

The Senate also granted final passage to three additional bills. H.F. 837, sponsored by Sen. Deanna Wiener (DFL-Egan) is the Dept. of Commerce omnibus insurance bill. S.F. 383, authored by Sen. Sandra Pappas (DFL-St. Paul), provides for licensure for traditional midwives and clarifies the licensure requirements for midwifery. S.F. 1645, sponsored by Sen. Dean Johnson (R-Willmar), exempts vehicles carrying milk from seasonal weight restrictions under certain circumstances.

Floor action

Friday, April 9

Bills granted final passage on Special Orders

H.F. 1968-Oliver: Makes changes in Medicare supplemental insurance required by federal law. 58-0

H.F. 346-Hottinger: Prohibits certain contracting arrangements for freelance court reporting services. 59-0

H.F. 67-Johnson, D.H.: Imposes penalties for killing or injuring a search and rescue dog. 57-0

H.F. 1125-Spear: Authorizes local correctional agencies, rather than courts, to impose local correctional fees for offenders under the supervision and control of the local correctional agency. 56-0

H.F. 868-Hanson: Amends the theft law to specifically apply to certain situations involving the rental of personal property or equipment. 55-0

Floor action

S.F. 1382-Spear: Repeals provisions related to the enhanced gross misdemeanor DWI crime, expands the gross misdemeanor DWI crime, probationary period and mandatory sentencing provisions, and requires mandatory consecutive sentences for certain DWI-related offenses. 58-0

H.F. 793-Kleis: Provides for rental motor vehicle lien and right of detainer. 58-0

S.F. 1269-Moe, R.D.: Tobacco settlement bill. Creates a medical education and research endowment fund, the Minnesota Families Foundation, a tobacco prevention endowment fund and a health care fund. 46-14

Bills granted concurrence and repassage

S.F. 98-Knutson: Grants prosecutors discretion to not disclose a victim's or witness's date of birth. 58-0

S.F. 829-Belanger: Authorizes the commissioner of human services to sell surplus state land to the Bloomington Housing and Redevelopment Authority. 55-0

S.F. 972-Frederickson: Modifies migratory waterfowl refuge provisions. 58-0

Monday, April 12

Bills granted concurrence and repassage

S.F. 1188-Kelley, S.P.: Increases dollar limits in the Uniform Municipal Contracting Law and provides an exemption for certain cooperative purchasing. 51-0

Bills granted final passage on Special Orders

S.F. 1605-Kelley, S.P.: Provides arbitration procedures for firefighters. 61-0

H.F. 1553-Kleis: Department of Corrections housekeeping bill. 62-0

S.F. 841-Scheid: Provides an alternative benefit plan for small employers, authorizes a small employer alternative benefit plan pilot project; and modifies health plan company requirements. 60-2

S.F. 1821-Higgins: Housing Finance Agency housekeeping bill. 56-0

S.F. 1976-Higgins: Authorizes the Minneapolis Park and Recreation Board to engage in the local distribution and sale of hydroelectric power to protect the natural, historical, ecological and aesthetic value of the Mississippi River at the Falls of St. Anthony. 57-0

S.F. 171-Higgins: Providing an appropriation for an education campaign on mortgage flipping. 59-0

H.F. 92-Betzold: Modifies the required content of a petition for seeking judicial review of driver's license revocation for violating implied consent law and limits the scope of discovery in that proceeding under the implied consent law. 62-1

S.F. 1825-Lourey: Establishes a Citizens Advisory Council on Food and requiring a report. 43-20

S.F. 1041-Hanson: Changes and clarifies provisions of the warehouse law. 61-0

Tuesday, April 13

Bills granted final passage on Special Orders

S.F. 2038-Runbeck: Regulates workers' compensation self-insurance and provides reporting and financial requirements. 51-0

S.F. 845-Dille: Authorizes the Board of Animal Health to implement a federal voluntary Johne's disease program, changes the name of the executive secretary of the Board of Animal Health to the executive director and repeals limitations on the sale of cattle. 59-0

H.F. 426-Johnson, D.J.: Resolution memorializing the President and Congress to enact laws that will expedite the exchange of intermingled state and federal lands located within the exterior boundaries of the Superior National Forest to consolidate land ownership for the purpose of enabling each government to property discharge its respective management duties. 59-0

H.F. 142-Knutson: Expands the definition of "subsequent controlled substance conviction" to include convictions subsequent to a stay of adjudication for a controlled substance crime. 55-1

S.F. 496-Knutson: Allows courts to extend the time period for search warrants for financial records. 57-0

S.F. 985-Knutson: Prohibits business discrimination on the basis of national origin, creed, or religion. 61-0

H.F. 70-Pariseau: Authorizes law enforcement agencies to sell forfeited firearms, ammunition and firearm accessories to firearms dealers and allows certain agencies to retain forfeited money for crime prevention use. 50-11

H.F. 359-Novak: Authorizes the Public Utilities Commission to establish and delegate powers to subcommittees and to designate lead commissioners and allows petition to be deemed approved unless set aside for affirmative action by the commission. 60-1

S.F. 1848-Novak: Workers' compensation. Modifies third party liability provisions, requires attorneys to file statements of attorney fees, modifies special compensation fund procedures, increases the benefit for burial expenses and provides alternative cost allocation accounts. 61-0

H.F. 621-Novak: Adds various arson definitions relating to flammability, imposes penalties on students who use ignition devices inside education buildings. 61-0

H.F. 872-Novak: Regulates building and construction contracts, provides for the enforceability of certain agreements indemnifying against environmental liability. 58-0
H.F. 1003-Wiener: Prescribes the powers and duties of the Legislative Audit Commission and the Legislative Auditor. 58-0
H.F. 1568-Wiener: Transfers the authority to adopt energy portions of the building code from the commissioner of public service to the commissioner of administration, provides for conformity with a code for building conservation and requires implementation of locally adopted optional code provisions. 52-8
S.F. 1279-Stevens: Imposes conditions on state acquisition of lands in counties having 50 percent or more acreage in public or nonprofit ownership. 59-1
H.F. 528-Murphy: Requires Dept. of Transportation specifications for underground storage tanks to include certain types of fiberglass and steel tanks. 60-0
H.F. 270-Murphy: Extends the maximum lifetime benefit limit to \$2.5 million for certain policies of the Minnesota Comprehensive Health Insurance plan. 46-13
S.F. 1471-Murphy: Requires limitations on tenant screening fees. 57-0
S.F. 63-Wiger: Memorializes the United States government to urge the Ethiopian government to respect the human rights of Eritreans in Ethiopia. 56-0
H.F. 627-Price: Changes the length of the terms of the Washington County Housing and Redevelopment Authority commissioners. 59-0
S.F. 1831-Anderson: Makes miscellaneous changes to certain forfeiture provisions relating to crime prevention. 59-0

Wednesday, April 14

Bills granted concurrence and repassage

S.F. 1470-Samuelson: Modifies the route of Paul Bunyan state trail. 55-0
S.F. 854-Langseth: Precludes the prohibition of lawful land use by amortization. 45-19

Bills granted final passage on Special Orders

S.F. 1746-Wiener: Requires proponents of new or expanded regulation to provide certain information in writing to the chairs of the standing committees. 57-0
S.F. 1715-Oliver: Provides enforcement authority for the commissioner of commerce, regulates service of process, regulates residential building contractors and remodelers and provides criminal penalties. 61-0
H.F. 7-Metzen: Modifies the motor vehicle emissions inspection program and provides for termination of inspection by Jan. 1, 2000, or earlier if redesignated to attainment for carbon monoxide before Jan. 1, 2000. 55-9
S.F. 1404-Johnson, D.H.: Provides criminal penalties for possessing and disseminating pornographic work depicting a minor and includes computer-generated or computer-altered images within the definition of pornographic work. 62-0
S.F. 411-Johnson, D.H.: Imposes criminal penalties for manufacturing, distributing, selling or possessing with intent to sell or distribute counterfeit intellectual property and provides for forfeiture of the items. 62-0
S.F. 2120-Johnson, D.H.: Classifies Gamma Hydroxybutyrate (GHB) as a controlled substance. 61-0
S.F. 1521-Price: Modifies and makes permanent the environmental improvement pilot program. 60-0
H.F. 371-Fischbach: Removes the limit on the amount a local government may contribute for historical work and permits local governments to make contributions to public or private, nonprofit senior citizen centers or youth centers. 61-0
H.F. 174-Fischbach: Authorizes the Paynesville Area Hospital District to annex the city of Richmond to the district. 61-0
S.F. 1204-Johnson, D.H.: Clarifies the supervision of the state fire marshal by the commissioner of public safety. 61-0

Thursday, April 15

Bills granted final passage on Special Orders

H.F. 837-Wiener: Dept. of Commerce omnibus insurance bill. 56-0
S.F. 383-Pappas: Clarifies licensure requirements for the practice of midwifery. 61-1
S.F. 1645-Johnson, D.E.: Exempts vehicles carrying milk from seasonal weight restrictions under certain circumstances. 61-1
S.F. 807-Stevens: Requires counties to offer an enhanced registration category to child care providers, requires counties to pay licensed child care providers directly for child care expenses, and extends unlicensed child care to certain providers for one year. 44-18
S.F. 148-Oliver: Provides for the protection of structured settlements. 57-1

Preview

Monday, April 19

The Senate is in Session at 8 a.m.

State Government Finance Committee

Chair: Sen. Richard Cohen

4 p.m. Room 107 Capitol

Agenda: To be announced.

Tuesday, April 20

The Senate is in Session at 8 a.m.

Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

4 p.m. Room 112 Capitol

Agenda: Confirmation Hearings: Keith Langmo, Sidney Mason-MN Pollution Control Agency; Deanna Fairbanks-Minnesota Environmental Quality Board; Arlan H. Anderson, Greta Hesse Gauthier, Nancy Gibson-Environmental Trust Fund Citizens' Advisory Committee; Paul E. Toren-MN Environmental Quality Board; Daniel D. Foley, Bonita

Nelson-Minnesota Pollution Control Agency; Ann Glumac, Jeffrey Johnson-Environmental Trust Fund Citizens' Advisory Committee; Bruce Bomier-Minnesota Environmental Quality Board; Guy Glover, John Kvasnicka, Nancy Reynolds - Environmental Trust Fund Citizens' Advisory Committee; Jacqueline Duncanson, Minnesota Pollution Control Agency.

State Government Finance Committee

Chair: Sen. Richard Cohen

4 p.m. Room 107 Capitol

Agenda: To be announced.

Wednesday, April 21

The Senate is in Session at 8 a.m.

Legislative Audit Commission

Chair: Rep. Dan McElroy

4 p.m. Room 316 Capitol

Agenda: Program evaluation topic selection; review of program evaluation best practices report: Fire protection.

State Government Finance Committee

Chair: Sen. Richard Cohen

4 p.m. Room 107 Capitol

Agenda: To be announced.

Thursday, April 22

The Senate is in Session at 8 a.m.

State Government Finance Committee

Chair: Sen. Richard Cohen

4 p.m. Room 107 Capitol

Agenda: To be announced.

Friday, April 23

The Senate is in Session at 8 a.m.

Y2K Legislative Task Force

Chairs: Sen. Steve Kelley and Rep. Doug Reuter

2 p.m. Room 112 Capitol

Agenda: To be announced.

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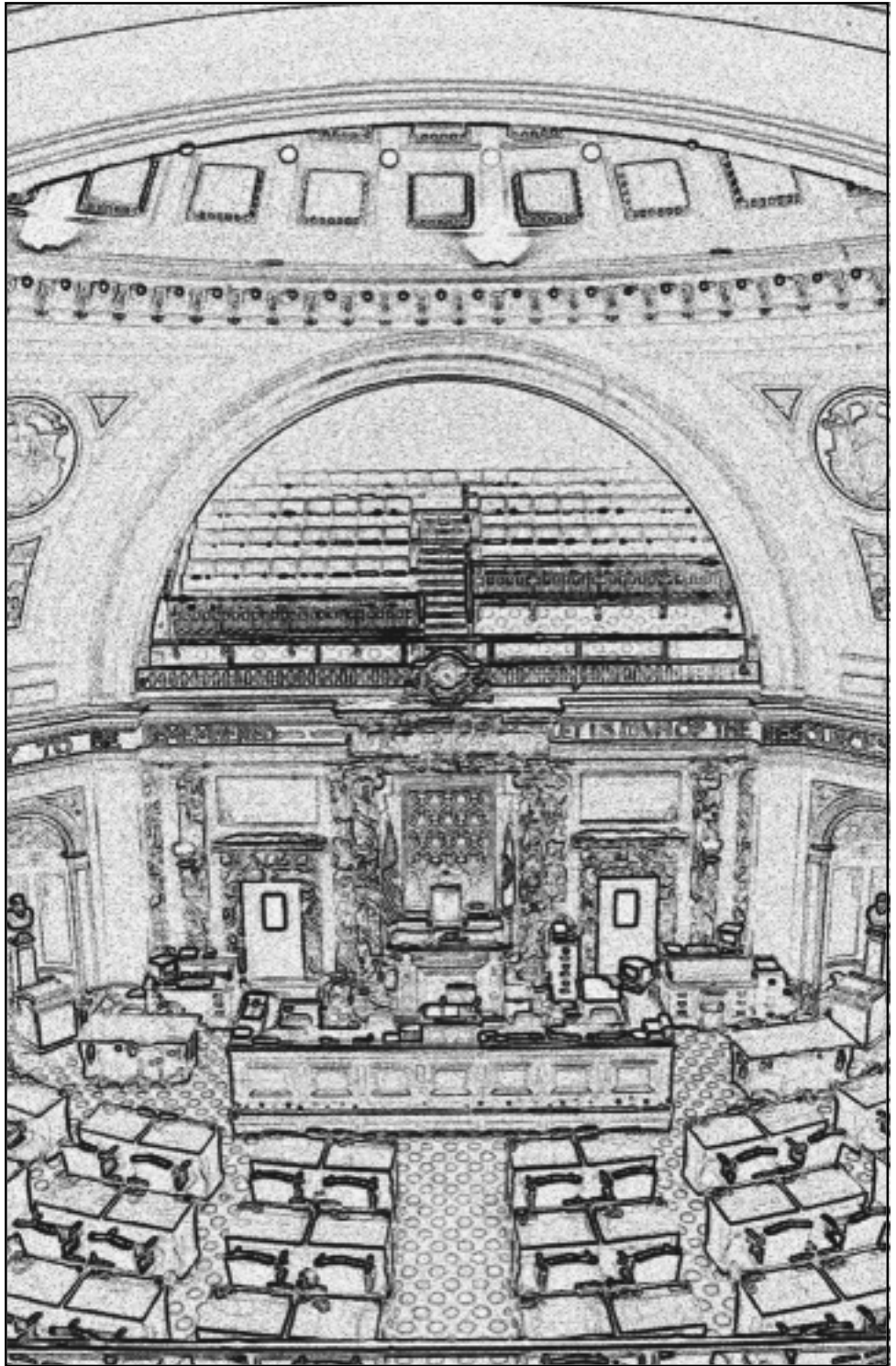
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The Senate Chamber as viewed from the East gallery is depicted in this graphically rendered photograph.

Photo illustration by David J. Oakes



April 23, 1999

Senate Highlights

New Senator; Standards debated

The Senate returned to full membership with the swearing in of Bob Kierlin (R-Winona) during the Weds., Apr. 21, floor session. The oath of office was administered by the Hon. Paul Anderson, Associate Justice of the Minnesota Supreme Court. Kierlin won the seat for District 32 in a special election held after Steve Morse resigned to take a position with the Dept. of Natural Resources.

Most of the balance of the floor session was devoted to debating a bill amending the state graduation requirements. Members took up H.F. 15, authored by Sen. Lawrence Pogemiller (DFL-Mpls.), after amending Senate language on to the bill. Pogemiller said the bill saves, but modifies the ten year effort to establish high standards in the state. He explained the provisions in the bill including the removal of performance-based assessments as the sole assessment method for measuring student performance. He said the bill reduces the amount of paperwork required by districts and designates a uniform method for reporting student performance on the profile of learning. The bill renames the learning areas within the profile of learning, requires that an annual report on the content

standards offered at each site be made available to the public, allows districts to phase in implementation of the profile of learning and establishes a high standards tool library that offers examples of assessment tools, lesson plans, best practices methods and examples of student work. In addition, the bill includes a waiver provision allowing districts, with a majority vote of licensed teachers and a majority vote of the school board, to reduce the number of content standards required for graduation.

An amendment, offered by Sen. Don Ziegler (R-Blue Earth), generated debate about what constitutes high standards and what, if any, education policies should and should not be mandated by the Legislature. The amendment deletes the Senate language and reinstates the original language of H.F. 15, eliminating the profile of learning and establishing rigorous academic standards. Ziegler said that when he campaigned, there were two issues that kept resurfacing among constituents he talked with and one of them was the profile of learning. He said that as it exists now, the structure is "top down" and sends a message that the Legislature doesn't care.

Pogemiller said the Ziegler amendment

creates more mandates, less flexibility and lowers standards. He provided members with a copy of the bill with the language that the other body wants included. He said that the House version of the bill requires that the learning area of health include abstinence-based sex education at all grade levels. Pogemiller said he didn't think sex education at all grade levels is a good idea and if members adopted the Ziegler amendment, the sex education provision would be the only issue to decide in a conference committee.

Sen. Martha Robertson (R-Minnetonka) said there have been problems with the implementation of the profile of learning, but the new language in the bill fixes the problems without throwing out the high standards. Sen. Linda Runbeck (R-Circle Pines) rose to tell members that implementing the profile of learning is implementing an education theory that hasn't been fully tested – that it is detrimental to the children.

Sen. Kenric Scheevel (R-Preston) said that it is not a black and white issue. "There are several roads that will get us to academic excellence. The discussion is on how and who will set the standards," said Scheevel.

Sen. Jane Ranum (DFL-Mpls.) said the frustration reflected by teachers has more to do with the implementation of the profile than with the high standards. She said that the changes to the profile eliminate the confusion and help make the implementation of the profile easier.

The Ziegler amendment failed on a 27-38 roll call vote.

Sen. Thomas Neuville (R-Northfield) offered an amendment allowing the profile of learning to stay in place but changing the waiver provision to allow districts to opt out of the profile. The amendment failed on a 31-34 roll call vote.

An amendment, providing a waiver of content standards for students participating in more rigorous courses, was offered by Sen. Gen. Olson (R-Minnetrista). Olson said the provision enables students enrolled in the advanced placement or international baccalaureate program to continue the rigorous course work without having to complete content standards. The motion was adopted.

Members adopted an amendment, offered by Scheevel, requiring that the eighth grade test, which is currently at the sixth grade level, be gradually upgraded to establish an eighth grade level

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of achievement. Another part of the amendment requires that students not be allowed to enter fourth grade until a passing score is received on the third grade reading test. The amendment was divided and the portion relating to third grade reading proficiency was not adopted.

Runbeck offered an amendment that delays the full implementation of the profile of learning until the 2000-2001 school year, when the districts are to fully implement the profile of learning for all students in kindergarten through ninth grade. The amendment also awards a grant to a specific corporation to evaluate Minnesota's graduation requirements. Neuville said that "If the implementation of the profile of learning is not delayed, then we are truly experimenting with our kids". Pogemiller opposed the amendment and said that having the standards evaluated by an outside group is good, but the bill should not prescribe one particular group to do the evaluation. The Runbeck amendment failed on a 25-37 roll call vote. The bill was given its final reading and passed on a bipartisan vote of 41-25.

Farm relief approved

The conference committee on H.F. 1, the 1999 budget surplus rebate bill, carried by Sen. Douglas Johnson (DFL-Tower), removed all provisions except those providing emergency agricultural relief, and sent the compromise agreement back to both bodies for repassage.

Rep. Ron Abrams (R-Minnetonka), chair of the conference committee, recognized Sen. Jim Vickerman (DFL-Tracy) to offer the proposal. Vickerman said the measure provides \$4 per acre up to a maximum of \$5600 to crop farmers who operate on at least 40 acres and doesn't have a needs test, even though he wanted to include it in the package, and moves the payment date up.

Other provisions in the agreement provide for a refund of the first half of property taxes payable in 1999 to livestock farmers who operate on less than 160 acres. Payments will be made to farm renters and owner-operators. Payments will also be made to farming partners pro-rated according to the risk faced by each partner. The bill specifies that the Dept. of Revenue make payment by June 30 to farmers who apply for the payment by May 31. Applications received after May 31 will be paid within

30 days of receipt of the application.

The bicameral panel adopted the provision unanimously, sent it back to both bodies for passage, and then permanently adjourned. Budget surplus rebate provisions will be included in the 1999 omnibus tax bill, which is still being formulated in both bodies.

Economic development bill passed

The Senate passed the omnibus economic development budget bill, H.F. 2390, carried by Sen. Jerry Janezich (DFL-Chisholm), during the Tues., Apr. 20, floor session. The bill appropriates a total of \$465 million from all sources for the biennium and contains the Senate's funding recommendations for housing, jobs and economic development programs.

Janezich said the bill met the budget target which is \$3.2 million below the governor's target. Among the appropriations in the bill described by Janezich are \$100,000 for the Duluth technology village, \$400,000 for a grant to Camp Heartland, and \$300,000 for a grant to the city of St. Peter to construct a community center to replace the one destroyed by a tornado last year. He said that for the Office of Tourism, the bill appropriated less than the governor recommended, but still gives the office a 7 percent increase over their base funding. Instead of funding the office at the recommended level, Janezich said, the bill spreads appropriations to other tourism related items in the bill. He said the State Services for the Blind gets an \$800,000 increase plus one-time grant of \$1.4 million with a match requirement to convert their facilities to digital technology.

Janezich said there were many requests for training money so the budget division created the workforce development fund. Because of the large needs, he said the bill appropriates a total of \$141 million for housing programs. Of that amount, \$34 million is appropriated to the challenge program with \$4 million going to the Metropolitan Council for the inclusionary housing program. He said the appropriation to the Dept. of Commerce was at the governor's recommendation except for a \$100,000 appropriation to combat mortgage flipping.

Appropriations to the Minnesota Historical Society, he said, include \$80,000 for the Northwest Fur Company Post, \$100,000 for restoration of the Bruentrup Farm in Maplewood, and

\$50,000 for a fishing museum in Little Falls. Janezich said the bill eliminates the Minnesota Municipal Board and transfers its functions to Minnesota Planning. Janezich said that the \$100,000 grant for the predesign of Asian-Pacific Community Center includes language requiring the center to reach out as a work force development center. He also said the bill removes the \$500,000 limit on grants from the Minnesota Investment Fund to provide more flexibility.

Most of the discussion of the bill revolved around an amendment offered by Sen. Linda Runbeck (R-Circle Pines). She said the amendment reduces the eligibility limit for home ownership challenge grants from 115 percent to 80 percent of the greater of either the state or area median household income. The result, she said, puts the cap on eligibility at an annual household income of about \$45,000.

Janezich opposed the amendment, and said the higher number gives more flexibility. He said the 115 percent limit is about \$58,000 in annual income and added that he didn't think that is a large enough income to save and buy a house.

However, Sen. Linda Berglin (DFL-Mpls.) supported the amendment. She said the state needs to create more housing opportunities for low income people and Runbeck's amendment targets the program so it can do the most good. Sen. Deanna Wiener (DFL-Eagan) also supported the amendment. She said people at \$60,000 in annual income can afford market rate housing. Lower income people are in a crisis and have nowhere to go, Wiener said, and this amendment helps them. Sen. Ellen Anderson (DFL-St. Paul) also supported the amendment. She said she purchased a house in the Como Park neighborhood of St. Paul on a \$30,000 income. She urged members to take care of people who need the help first. The amendment was adopted on a divided voice vote.

The Senate also adopted an amendment offered by Sen. James Metzen (DFL-South St. Paul). He said the amendment diverts \$300,000 from the Office of Tourism for a children's farm project at the Minnesota Zoo. Metzen said that there is a private donation of \$3.8 million that will be lost without the state appropriation. The bill was given its third reading and passed on a 61-3 roll call vote.

Committee update

Children, Families and Learning

Subcommittee proposal discussed

"My initial reaction is one of great pleasure," said Christine Jax, commissioner, Dept. of Children, Families and Learning, in response to the subcommittee's proposed changes in the profile of learning. "You've addressed every concern that has been voiced to me. It's nice to see that the public and the department have been heard," she said.

As Jax continued her testimony at the Thurs., Apr. 15, meeting of the Children, Families and Learning Subcommittee on High Standards Implementation, she told members that the proposed changes in the profile represent meaningful policy. She said she is pleased that the proposal provides for multiple assessments, that it keeps the ten learning areas and that a report on the content standards offered at each school site is to be made available to the public on an annual basis.

Subcommittee Chair, Sen. Lawrence Pogemiller (DFL-Mpls.), said the subcommittee proposal represents a lot of work done by members and staff in committee and independently. The proposal keeps the content of the profile of learning intact, renames the ten learning areas, removes performance-based assessments as the sole assessment method for measuring student performance against the state standards and allows districts to choose the assessment method used to assess student achievement of a standard.

The proposal also allows districts and teachers to decide how many content standards shall be required for graduation, requires the commissioner to make available a report on the content standards offered at each school site and the required standards for graduation for each district, requires the commissioner to establish a high standards tool library that provides examples of assessment tools, lesson plans, best practice methods and examples of exemplary work aligned to the content standards. Under the proposal, districts may incorporate more than one standard in a single course and districts may determine at what grade level a high school content standard can be completed. The proposal puts in statute the records that districts are required to keep.

Other changes include the creation of a panel of academic experts to examine and evaluate the rigor of the content standards and the establishment of grants for three-day staff development seminars over the summer of 1999.

Sen. David Knutson (R-Burnsville) offered an amendment that specifies third and fifth grade test results must be available to districts for diagnostic purposes affecting student learning and district instruction and curriculum and for establishing educational accountability. The motion was adopted.

Members discussed the provision in the subcommittee proposal that establishes an academic panel to examine, evaluate, and provide ongoing maintenance on the rigor of the content standards contained in the graduation rule. Sen. Thomas Neuville (R-Northfield) said that an outside, unbiased group should be included in the evaluation process. Representatives of the business community suggested that members from the business community be included on the panel, also. Pogemiller reminded members that the panel is academic in nature – therefore it is made up of teachers and deans of the colleges of education in the state.

Two profile of learning proposals, authored by Sen. Gen. Olson (R-Minnetrista) and Sen. Dave Kleis (R-St. Cloud) and heard previously in the subcommittee, were laid on the table. Members approved a motion to amend H.F. 15, which was before the subcommittee, by replacing the House language with the language in the subcommittee proposal. Sen. Linda Scheid (DFL-Brooklyn Park) moved that H.F. 15 be laid on the table. The motion was adopted.

High standards bill sent to floor

The high standards implementation subcommittee report from the K-12 Education Budget Division was considered by the Children, Families and Learning Committee Tues. morning, Apr. 20. The committee is co-chaired by Sen. Pat Piper (DFL-Austin), Sen. Larry Pogemiller (DFL-Mpls.) and Sen. LeRoy Stumpf (DFL-Thief River Falls).

Pogemiller presented S.F. 868, amending state graduation requirements, providing for staff development seminars and amending graduation rules. The bill incorporates the recommendations made by the Children, Families and Learning

Subcommittee on High Standards Implementation.

Pogemiller reviewed the proposal for members, highlighting changes to the graduation rule. He said the changes are a result of testimony, provided by education groups, that defined problems with the profile of learning. Proposed changes include removal of performance-based assessments as the sole assessment method for measuring student performance, designation of a uniform method for reporting student performance on the profile of learning, renaming the ten learning areas, and the removal of the requirement that the state board report to the Legislature on its progress in developing and implementing graduation requirements.

The proposal also requires that an annual report on the content standards offered at each school site and the required content standards for graduation for each school district be made available to the public, allows districts to phase-in the implementation of the profile of learning, and establishes a high standards tool library that offers teachers examples of assessment tools, lesson plans, best practices methods and examples of student work.

Pogemiller explained that the proposal requires a waiver be granted to school districts that, by a majority vote of licensed teachers and a majority vote of the school board, select fewer standards for graduation requirements than are required by the state. The district's request for a waiver must be approved annually by the teachers and the school board in the district. Pogemiller offered an amendment clarifying the waiver provision in the bill. Under the amendment, a district receiving a waiver must provide learning opportunities for all students in all preparatory content standards as required by rule and learning opportunities in high school content standards in all ten learning areas. Members approved the motion.

Pogemiller said the bill allows districts to incorporate more than one content standard in a single course, allows districts to develop a system that allows students to meet a content standard through different subject areas, and requires districts to determine at what grade levels a high school content standard may be completed. He said the bill provides that the assessments local

sites use, including the state model performance packages, are not to be mandated. In addition, the bill defines the type of records that districts are required to maintain at each site and establishes an academic panel to examine and evaluate the rigor of the standards. The bill provides for staff development for teachers and makes third and fifth grade test results available for diagnostic and accountability purposes. Also included in the bill is a provision that makes personal and family resource management a required content standard for high school graduation.

The bill repeals sections of the statute no longer needed, including optional lifework development plans, rules on district assessment requirements and the scoring process, district reporting requirements, and the rule requiring districts to annually report to the community the district's profile of learning implementation manual.

Members adopted technical amendments to S.F. 868, recommended that it pass and sent it to the Senate floor.

Crime Prevention

Wolf bill heard

A bill that establishes a gross misdemeanor penalty for a person who takes, harasses, destroys, buys, sells, possesses, transports, or ships a gray wolf in violation of game and fish laws was heard by the Crime Prevention Committee, Mon., Apr. 19. The committee, chaired by Sen. Allan Spear (DFL-Mpls.) heard the bill after Spear, under Rule 35, requested the bill come to the committee in order to address the penalty provision.

H.F. 1415, carried by Sen. Jane Krentz (DFL-May Township), also establishes the restitution value for a gray wolf at \$2,000. Michael Doncarlos, from the Dept. of Natural Resources (DNR), said the gross misdemeanor penalty and restitution amount was based upon a roundtable recommendation. He said while the current penalty for violations relating to wolves is a misdemeanor, the increased level of penalty is consistent with violations relating to other high profile animals such as the white tail deer.

Sen. Ellen Anderson (DFL-St. Paul) offered an amendment restoring language in the bill that was approved by the Environment and Natural Resources Committee, but amended by the Agricul-

ture and Rural Development Committee. The original language requires the DNR, in consultation with the Dept. of Agriculture to adopt a gray wolf management plan that includes goals to ensure the long-term survival of the gray wolf and to reduce conflicts between gray wolves and humans and to minimize depredation of livestock and domestic pets. The Agriculture and Rural Development Committee amended the provision to require that the management plan be consistent with the federal wolf recovery plan that establishes a population goal of around 1,250 to 1,400 wolves statewide including zero population in zone 5, which encompasses around 54,600 square miles of the southern and western most regions of the state. The amendment adopted by the Agriculture and Rural Development Committee also requires the DNR, if the wolf population exceeds 1,600, to establish procedures to manage the population to a level that minimizes conflicts between humans and gray wolves and the depredation of livestock and domestic pets. Anderson said that although the amendment deals with an issue that is not under the jurisdiction of the Crime Prevention Committee, that the amendment adopted by the Agriculture and Rural Development Committee was outside of that committee's jurisdiction and thus the amendment restores the bill to what was approved by the Environment and Natural Resources Committee. Sen. Ember Reichgott Junge (DFL-New Hope) said that the bill received a hearing by the Rules and Administration Committee before going to the Agriculture and Rural Development Committee that indicated what issues in the bill were to be discussed by that committee, but since the Agriculture and Rural Development Committee apparently amended a provision that fell outside its jurisdiction, then the Crime Prevention Committee could restore the bill to what the Environment and Natural Resources Committee approved. Anderson's amendment was adopted.

Sen. Gary Laidig (R-Stillwater), a co-sponsor of the bill, said another change made by the Agriculture and Rural Development Committee was to change the definition in the bill of "immediate threat." Laidig said the original definition, as approved by the roundtable, defined "immediate threat" as observing a gray wolf in the act of pursuing, attack-

ing, or killing livestock, a guard animal, or a domestic pet, and that the mere presence of a gray wolf feeding on an already dead animal whose death was not caused by gray wolves is not an immediate threat. Laidig said the Agriculture and Rural Development Committee amended the definition to include a wolf that returns to feed on the carcass of agricultural livestock or a domestic pet to fall under the definition of "immediate threat." Doncarlos said that the roundtable discussion on the definition focused on preventative action rather than retribution. He said to change the definition of immediate threat to include a wolf seen feeding on dead livestock could lead to a person baiting the wolf in order to kill it. He said the original version of the bill incorporating the roundtable's recommendations established immediate depredation assistance where a conservation officer investigates the site, and that if a wolf is seen feeding on dead livestock then trapping is allowed and the pack removed. Sen. Jane Ranum (DFL-Mpls.) said understanding the definition of "immediate threat" was necessary in determining the level of penalty that should be set. She offered an amendment to change the definition to what was in the bill as passed by the Environment and Natural Resources Committee. The amendment was adopted.

The bill was approved and sent to the Senate floor.

Economic Development Budget Division

Omnibus bill advanced

Members of the Economic Development Budget Division, chaired by Sen. Jerry Janezich (DFL-Chisholm), met Thurs., Apr. 15, to discuss the division's omnibus budget bill.

The bill appropriates a total of \$462.239 million over the 2000-01 biennium and is approximately \$100 million less than that allocated during the previous biennium. Major appropriations over the biennium include roughly \$72.6 million for trade and economic development, \$74 million for economic security purposes, \$15.5 million for the Minnesota Technology fund and \$124.5 million for the Housing Finance Agency. Of the housing funds, \$34 million is transferred to the housing development

Committee update

fund for economic support grants to individuals and developers to provide housing. Other major appropriations constitute \$36 million for commerce purposes, \$19 million to the Department of Public Service, nearly \$50 million to the Minnesota Historical Society and just over \$4 million to the Bureau of Mediation Services.

Sen. Cal Larson (R-Fergus Falls) offered an amendment to increase the amount spent on tourism in the state—almost \$9 million each year of the biennium—by \$2 million each year. To fund the increase, he offered to decrease the housing grants each year by the same amount. Larson said the tourism budget has not been increased since 1986, which he called a disservice to the tourism industry. He said tourism generates a great deal of money for the state and it makes sense to invest more in that area.

Speaking against the amendment, Kelly said more funding is needed to address the lack of affordable housing. He said he, along with many others, have lobbied for years for more housing funding and that the budget finally provides it. It isn't right, he said, to reduce the amount and stray from the housing focus before even leaving the committee. Novak also spoke against the amendment. He said to retreat on a housing initiative that would help many people in the state would be a tragic mistake. He said the budget already provides a small increase to tourism and to increase it at the expense of housing is wrong. He also said many of the \$100 million in cuts to the budget involve programs dealing with welfare reform, which the housing measure helps to make up for.

Larson said the tourism industry in Minnesota brings in \$9 billion to the state per year. He said \$1 billion is collected in taxes through tourism, adding that more money collected from tourists means less money is exacted from state citizens. Larson also said that tourism creates jobs, which helps people to afford good housing. He said the money created by tourism can also be used to build a lot of homes. Novak said most of the jobs tourism creates are not living wage jobs. However, he said, building homes creates construction jobs as well as others connected to home building and furnishing, all of which, he said, provide much higher incomes than most tourism related positions. Janezich

said budget initiatives must be prioritized and tourism is not as high a priority as affordable housing. He also said even if every tourism job created pays \$10 per hour the income for the employee is not even \$20,000 per year. He would rather, he said, make the statement that housing is important. The Larson amendment was not adopted. Sen. Linda Runbeck (R-Circle Pines) said the income limit for households to receive the housing grants is too high. The upper limit is designated as 115 percent of the greater of state or area median income, and Runbeck said that could reach an income as high as between \$60,000 and \$70,000 per year. She said it is not the job of the state to be taking care of people who are making that much money, and added that the program should be more focused on lower income families. She offered an amendment to reduce the percentage of the median income from 115 to 95.

Responding, Sen. Randy Kelly (DFL-St. Paul) said a higher income limit is needed because the program is state wide. Property values vary, he said, adding that lowering the income limit may exclude many communities that have housing needs. Sen. Steven Novak (DFL-New Brighton) also spoke against the amendment. He said real estate market values are much different between the Metropolitan Area and Greater Minnesota. He also said he represents some poor areas in the suburbs where houses routinely cost between \$75,000 and \$90,000. Sen. Arlene Lesewski (R-Marshall) spoke in favor of the amendment. She said she represents all or parts of eight counties where the average income is approximately \$15,000. She also said the average income in one of the counties is around \$7,000. Those people, she said, would all appreciate an opportunity to receive the aid of the housing grants. The amendment was not adopted.

Sen. Dave Johnson (DFL-Bloomington) presented an amendment establishing an airport impact zone in the city of Richfield and authorizing the establishment of the zones in the cities of Minneapolis, Eagan and Bloomington. An airport impact zone is defined as an area experiencing significant adverse environmental and socioeconomic effects associated with the operation of the Minneapolis-St. Paul International Airport. The amendment also obligates the Metropolitan Airport Commission to

establish, revise and collect concession, parking or rental fees at the airport to produce revenue for the cities of Minneapolis, Richfield, Bloomington and Eagan. Johnson said the amendment is a measure to lessen the airport created impacts and to raise some money. The amendment was adopted and the bill was approved and sent to the Human Resources Finance Committee.

Environment and Agriculture Budget Division

Omnibus bill forwarded

The Environment and Agriculture Budget Division, chaired by Sen. Jane Krentz (DFL-May Township), approved the division's omnibus budget bill, Thurs., Apr. 15.

At a previous hearing, the division adopted an amendment to the bill offered by Sen. Steve Dille (R-Dassel) making changes to the state's feedlot regulations. The five part amendment prohibits the Minnesota Pollution Control Agency (MPCA) from establishing any new fees on animal feedlot operations until July 1, 2001, sets a maximum penalty of \$5,000 for violations, and \$10,000 for repeat violations, exempts feedlots from environmental review rules regarding connected actions, extends the date that updated feedlot permit rules become effective from June 1, 1999 to Apr. 1, 2000, and repeals a law passed last year requiring the Environment Quality Board to revise and clarify their environmental review rules on the application of the connected actions rule on feedlots by June 1, 1999. Sen. Gary Laidig (R-Stillwater) made a motion to reconsider the amendment. Laidig said that the issues in the amendment warranted further discussion and that the division should look at the amendment's provisions separately to discuss fiscal impacts of the provisions and to determine the noncontroversial measures for inclusion in the omnibus bill. He said discussion on the more controversial issues was more appropriate for the Senate floor. The motion to reconsider the amendment was adopted.

Dille moved to re-adopt the provision prohibiting the MPCA from approving any additional fees on feedlot operations until July 1, 2000. He said the provision belongs in the omnibus bill because of

the fiscal implication and said the amendment addresses a concern that the agency's inspection program has gotten too big. He said that the omnibus bill includes funds for the agency to add twelve more inspection staff increasing it to the largest in the nation. "This is a 50 percent increase. We're paying for that increase with fees on farmers that are in a state of depression now," Dille said, "I think the MPCA should figure out how to do the work with the staff they have now." Lisa Thorvig, a deputy commissioner of the MPCA, said the additional inspectors are needed to address an issue raised in a Legislative Auditor's report recommending that the agency needs to improve its response time in reviewing permit applications and also needs to visit more proposed sites before issuing permits. Thorvig said without the additional staff, the agency would not be able to meet the Auditor's recommendation for another biennium. "The resources to do an adequate job are not there," she said. The amendment was not adopted by a vote of 4-6.

Dille then moved to re-adopt the provision of the amendment setting the maximum penalty for all violations identified during an inspection or other compliance review of a feedlot at \$5,000. The amendment also sets a \$10,000 maximum penalty for repeat violations and allows the MPCA to reduce the penalty by up to 90 percent if the money is spent on environmental improvements. Dille said the provision in the amendment is patterned after existing language in the statutes setting the maximum amounts on administrative penalty orders (APOs) the agency can issue. He said agency data shows that in FY 97, the average penalty amount on feedlots was \$2,575 per violation for APOs and \$2,697 for stipulations. In FY 98 the average penalty amount for APOs was \$3,543 and \$12,667 for stipulations, Dille said. He said the amendment thus would not make much of a change to current penalties but addresses a concern that the agency issues excessive penalties to small farmers who can't afford to pay the penalties. Thorvig said the agency determines penalty amounts based on the seriousness of the violation, whether or not the penalty is large enough amount to deter future noncompliance, whether or not the amount is larger than the economic benefit gained by the viola-

tion, whether or not the penalty is consistent with penalties issued on similar facilities, and whether or not the penalties can be reviewed and adjusted accordingly. She said the agency opposed the amendment because it doesn't feel a "one size fits all" approach is effective. Dille offered an amendment to the amendment setting maximum penalty amounts on APOs only. The amendment to the amendment was adopted. The amendment was adopted.

Thorvig said the MPCA could support the provision of the original amendment extending the date the agency must submit a copy of updated feedlot rules from March 1, 1999 to December 1, 1999 and the effective date of the rules from June 1, 1999 to April 1, 2000. Sen. Janet Johnson (DFL-North Branch), moved the amendment and the amendment was adopted. Johnson then moved that the omnibus bill be approved. The motion was approved and the bill forwarded to the State Government Finance Committee.

Bonding proposals reviewed

The Environment and Agriculture Budget Division met Weds., Apr. 21, in order to review a variety of proposals to be including in an emergency bonding bill. The proposals range from grants for flood prevention projects to providing for costs related to the opening of the Science Museum of Minnesota. Division Chair Jane Krentz (DFL-May Township) distributed a list of proposals that have been heard over the course of the session. In addition, Krentz said that the panel was going to review a few other measures, primarily relating to waste water treatment, to determine if the proposals rise to the level necessary for inclusion in the emergency bonding measure to be assembled in the State Government Finance Committee.

The proposals include \$24.55 million for grants to cities affected by the flood of 1997 for future flood prevention, \$27.5 million to the wastewater infrastructure fund grant program, \$12.2 million to the state revolving fund wastewater and drinking water loan programs, \$2.5 million for costs related to the opening of the Science Museum of Minnesota, \$6 million for the Lake of the Isles flood mitigation plan, \$1.5 million for the Lazarus Creek floodwater retention project and \$3 million for a solid waste

recovery center in the city of Perham.

The panel also heard several additional proposals. S.F. 1583, sponsored by Sen. LeRoy Stumpf (DFL-Thief River Falls), provides for \$856,000 for a wastewater infrastructure grant to the city of Williams. S.F. 1313, authored by Sen. Warren Limmer (R-Maple Grove), provides \$520,000 for a grant to the city of Dayton for a sanitary and storm sewer project. S.F. 1811, carried by Sen. Jim Vickerman (DFL-Tracy), provides \$125,000 for a grant to Martin County for a wastewater treatment project by the Fox Lake Improvement District. S.F. 1702, carried by Sen. Steve Dille (R-Dassel), provides for a grant to the city of Dassel for wastewater treatment. S.F. 895, sponsored by Sen. Sam Solon (DFL-Duluth), provides for a grant to the Western Lake Superior Sanitary District for water and sanitary sewer service to the Fond du Lac area of Duluth. S.F. 1476, sponsored by Sen. Don Samuelson (DFL-Brainerd), provides for a grant to the Garrison, Kathio, West Mille Lacs Lake Sanitary District wastewater treatment.

The panel considered the proposals in light of a priority list provided by the Pollution Control Agency. Representatives of the agency said that most of the projects contained in the proposal were on the priority list.

Sen. Dennis Frederickson (R-New Ulm) offered a proposal for a grants to governmental units to plant trees. Frederickson said the proposal is aimed at aiding the reforestation efforts made necessary by severe storms last year. The proposal provides \$1.5 million for year each of the biennium for planting trees in areas receiving a federal disaster designation in 1998. Members voted to remove the date 1998 in order to allow the grants to be used in any area that receives the disaster designation.

Members voted to forward the projects to the State Government Finance Committee for further consideration.

Higher Education Budget Division

Regent bills heard

Two bills were presented by Sen. Ember Reichgott Junge (DFL-New Hope) at the meeting of the Higher Education Budget Division Thurs., Apr. 15. The division is chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls).

Committee update

S.F. 1948 directs the Regent Candidate Advisory Council (RCAC) to change its recommendations process. Under the bill, incumbents seeking reelection must be included in the council's recommendation.

S.F. 1799 provides that an incumbent regent, who has previously been identified as a qualified candidate by the advisory council and who is a present candidate for reelection, is considered to be recommended by the advisory council.

Humphrey Doermann, chair of RCAC, expressed his concern about both bills. He said recruitment may be made more difficult if the bills pass. He said that at present, the playing field is level. He also expressed concern that at present, the Board of Regents is composed of nine males and three females. "The RCAC is not as diverse as I would like it, and I don't see why a bill should pass that solidifies the current status," he said.

Sen. Steve Kelley (DFL-Hopkins) said that if the service of a regent member is terminated, Legislators should face up to that, rather than delegating the matter to the RCAC. Doermann said the RCAC does not have an iron lock on the Legislators' choices, and the RCAC should not have one. He said the RCAC is set up to call five or ten people for references on a candidate. He said that the Legislature can do the reference checks if it has the time.

Sen. Cal Larson (R-Fergus Falls) said that sitting on the Board of Regents has become a political business. "I would trust the board to make the appointments," he said, "but I know we can't do that." He added that the Legislature, however, basically agrees with the board's recommendations.

Ann Huntrods, past president of the University of Minnesota Alumni Association (UMAA), said the issue of automatic pass-throughs by board incumbents is resoundingly opposed by the UMAA. She said the purpose of the RCAC is not to evaluate sitting regents, but to get the full picture. She said the RCAC has a good track record and has the ability to consider the experience of everybody.

Junge said her concern is with the philosophical role of the RCAC. She said the desire to have a nonpartisan group screen applicants and pass recommendations on to the Legislature has replaced a more informal process. Junge said

incumbent regents have been questioned about their past performance and, she feels, held to a higher level than other regent candidates. "If a person was good enough to become a regent six years ago, how can they not qualify after six years' experience?" she asked. She said there should be an evaluation of regents, but the RCAC is not the appropriate place for the evaluation.

Larson suggested that selection of regents be done by a committee consisting of three members of the Board of Regents, three members of the Alumni Board, the Senate Majority Leader and the Speaker of the House. "There has got to be a better way to select these people—it has gotten too political," he said.

The bills were laid over for consideration in the omnibus bill.

Omnibus draft debated

The Higher Education Budget Division discussed a draft of the omnibus bill at the meeting Tues., Apr. 20. The division is chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls).

The proposed bill appropriates \$338,542 million for the Higher Education Services Office (HESO) and \$1.098 billion for Minnesota State Colleges and Universities (MnSCU). The University of Minnesota is appropriated \$1.165 billion and Mayo Clinic, \$3.183 million. The total appropriation is \$2.605 billion, compared to the governor's request of \$2.976 billion.

Stumpf said the first part of the draft includes making state money available for a National Service Scholars Program until June 30, 2001, and providing child care grants to students who are income eligible but not eligible for child care assistance under the Minnesota Family Investment Program (MFIP). The bill repeals the Nurses of Color program and Ladders in Nursing program. Stumpf said the Nurses of Color program has some problems in being constitutional and the other program has difficulty obtaining matching grants. The bill extends the Higher Education Advisory Council, Student Advisory Council and Library Planning Task Force.

The bill changes student responsibility from 47 to 46 percent of the cost of attending an institution of higher learning in qualifying for a grant stipend. An amendment, offered by Sen. Dave Kleis (R-St. Cloud), retains a student's

responsibility at 47 percent. The amendment adds that the amount of a federal Pell grant award for which the grant applicant is eligible be calculated as if the maximum Pell grant were \$3,125. "What we need to do with financial aid is target it where the greatest need is," Kleis said. Stumpf said the dollar amount of students is set at a certain level. The amendment failed.

The bill allows Metropolitan State University to move from its site at 730 Hennepin Ave. S. to the Minneapolis Community and Technical College campus. Stumpf said full time enrollment has been changed from a minimum of 15 to 12 credits per quarter or semester to match with federal programs. He also said the administration of Bemidji State University and Northwest Technical College at Bemidji can merge into a single administration, under the bill. The bill provides for participation in a student advisory council to the Higher Education Services Council by representatives of the Minnesota State College Student Association. The bill includes provisions for additions to facilities at Itasca Community College.

The bill designates the University of Minnesota Board of Regents as the board responsible for governance and administration of the University Center-Rochester. Sen. Sheila Kiscaden (R-Rochester) offered language that provides for more of a cooperative role in the operation of the University Center-Rochester. Sen. Steve Kelley (DFL-Hopkins) said there has been a lack of accountability at Rochester, and the bill makes the University of Minnesota accountable. Kiscaden withdrew the alternative language.

The bill also authorizes construction of a virtual reality center at Pine Technical College. Under the bill, the Farmer-Lender Mediation program is transferred from the Humphrey Institute to the Minnesota Extension Service, and the sunset of the Farmer-Lender Mediation Act is extended until July 1, 2001. Kelley moved to adopt this portion of the bill, without dollar amounts. The motion was adopted.

Addressing the second portion of the omnibus draft, Stumpf said the bill allocates in FY 2000 the first \$250,000 of permanent university fund income from royalties for mining under state mineral leases to the Department of Landscape Architecture to develop a long range

plan for the reclamation of taconite mining lands.

The bill appropriates \$50,000 for a study of an inventory of state-owned lands located within the Boundary Waters Canoe Area. The bill requires all post-secondary institutions to provide information to first-time enrollees regarding the transmission, treatment and prevention of hepatitis A, B and C. The bill includes language defining long distance instruction, and requires a study by HESO of the licensure and regulation of private, for-profit education and training providers in Minnesota. Kelly moved that S.F. 922, a bill that clarifies and changes requirements for private career schools, be incorporated by reference in that section of the omnibus bill. The motion was adopted.

The bill provides that \$300,000 be appropriated for faculty and U of M curriculum development to enhance health care services in rural areas. The bill also provides that a technical college must offer students the option of pursuing diplomas and certificates in each technical education program, unless it is determined that a degree is the only acceptable credential for career entry in a specific field. Under the bill, all vocational and technical credits earned for a diploma or certificate are applicable toward any available degree in the same program. The bill provides that students may be assessed for skills necessary for competency in a technical or vocational field as part of their program.

The bill appropriates \$150,000 from the lottery prize fund for completion of a longitudinal treatment effectiveness follow-up study for compulsive gambling. The bill also appropriates \$100,000 to reimburse drug expenses associated with patients undergoing clinical trials for treatment of compulsive gambling at a Minnesota hospital. The bill also provides for a health care education grant program.

The bill specifies that no state appropriation may be used to fund financial settlements or contract buy-outs with individuals involved in the violation of NCAA rules. "We don't know yet if there has been a violation of NCAA rules at the U of M," Kelley said. "I think this language should stay out." Sen. Deanna Wiener (DFL-Eagan) said she would be very disappointed if the U of M spends dollars in a severance package if

NCAA rules have been violated. Stumpf said there must be some way to design a contract so that a violation is not rewarded. Sen. Sam Solon (DFL-Duluth) said he thinks the Legislature is jumping the gun on the situation involving possible violation of NCAA rules at the U of M. He moved the language referring to NCAA rule violations be stricken. The motion was adopted. The language of the second portion of the omnibus draft was accepted.

Sen. Ember Reichgott Junge (DFL-New Hope) offered an amendment that authorizes the U of M to place witnesses under oath in an investigation relating to university personnel, programs or property. "The amendment does not say the University has to place witnesses under oath, but the choice is theirs," Junge said. Donna Peterson, director of Institutional Relations at the University, said that the University's investigation has not been impeded by not placing witnesses under oath. Junge said she has received information that U of M representatives have said they have been precluded from investigating by the Legislature. "The University is using the Legislature as an excuse to not investigate," Junge said. She said the amendment provides that calling witnesses under oath is the University's decision, not the Legislature's. The amendment was laid on the table.

Kleis moved that \$10 million each be added to the base funding of the U of M and MnSCU. The amendment failed. An amendment, offered by Sen. David Ten Eyck (DFL-East Gull Lake), appropriates \$400,000 for the Center for Research and Innovation at Bemidji State University. The amendment prevailed. The budget sheet was incorporated in the omnibus draft.

Omnibus bill okayed

A draft of the higher education omnibus bill was presented by Sen. LeRoy Stumpf (DFL-Thief River Falls), chair, to the Higher Education Budget Division at its meeting Weds., Apr. 21.

"The bill has overall strength in student financial assistance," Stumpf said. "It has a technical component, covers inflation costs and keeps momentum in the area of technology."

Some of the bill appropriations include \$1.06 million for a database access program with the Minnesota Library

Information Network (MnLINK); \$28.48 million in grants for full-time students; \$2.5 million for technology infrastructure and Y2K; \$55 million for salary cost of living increases at Minnesota State Universities and Colleges (MnSCU); \$2.766 million for University of Minnesota libraries; and \$56.9 million for U of M faculty and staff cost of living increases.

An amendment, offered by Sen. David Ten Eyck (DFL-East Gull Lake), deletes language that consolidates the administration of Bemidji State University and Northwest Technical College at Bemidji into a single administration. Ten Eyck said the consolidation was not in accordance with the wishes of the two entities. The amendment was adopted.

Sen. Sheila Kiscaden (R-Rochester) said she is concerned that MnSCU and the U of M are receiving substantially lower appropriations than the governor recommends. The governor's recommendations are \$1.133 billion for MnSCU and \$1.554 billion for the U of M. The Senate appropriations are \$1.099 billion and \$1.165 billion, respectively.

Sen. Deanna Wiener (DFL-Eagan) said she supports the omnibus bill. "I know several people are wanting to move the funding around," she said. "We've put a lot of money into the Higher Education Services Office (HESO). I hope people know we are committed to higher education." The governor's recommendation for HESO is \$285.4 million. The bill appropriates \$338.542 million.

Stumpf said that the tobacco settlement endowment for education and research is part of another bill and will add funding to the University of Minnesota. He said the division has been able to hang onto a three percent per year inflation adjustment. "We've tried to focus on the students," he said. He said the bill tries to address an increasing concern that lower income and middle income students cannot afford higher education. He said the bill tries to maintain some of the programs that are important in technology. He said the bill also tries to fund systems that can cover inflationary costs. "It falls far short of what we would like to do," he said, "but we are dealing with less money."

The total appropriations for the omnibus bill is \$2.605 billion. The bill was recommended to pass and sent to the Education Finance Committee.

Committee update

Human Resources Finance

Omnibus bills heard

Members of the Human Resources Finance Committee, chaired by Sen. Linda Berglin (DFL-Mpls.), met Fri., Apr. 16, to discuss the omnibus bills of the Economic Development Budget Division and the Health and Family Security Budget Division.

Carried by Sen. Jerry Janezich (DFL-Chisholm), the Economic Development Budget Division bill appropriates a total of \$462.239 million over the 2000-01 biennium and is approximately \$100 million less than that allocated during the previous biennium. Major appropriations over the biennium include roughly \$72.6 million for trade and economic development, \$74 million for economic security purposes, \$15.5 million for the Minnesota Technology fund and \$124.5 million for the Housing Finance Agency. Of the housing funds, \$34 million is transferred to the housing development fund for economic support grants to individuals and developers to provide housing. Other major appropriations constitute \$36 million for commerce purposes, \$19 million to the Dept. of Public Service, nearly \$50 million to the Minnesota Historical Society and just over \$4 million to the Bureau of Mediation Services.

Berglin said the income limit for households to receive the housing grants is too high. The upper limit is designated as 115 percent of the greater of state or area median income, and Berglin said that could reach an income as high as \$70,000 per year. She said the upper income limit should be lower if the idea of the program is to create more affordable housing in the state.

Responding, Sen. Randy Kelly said he believes the income limit is set correctly. There are housing needs all across the state, he said, and because the housing program is state wide, the threshold must be flexible enough to meet the needs in all areas of the state. He said real estate market values are different in small rural towns, the suburbs and the inner city, and added that if the income limits are made lower the program won't serve the needs of the entire state. Berglin said that many people in her community have incomes far below the \$60,000 per year level. She questioned how the program can create more affordable housing opportunities if so many people can

qualify for the support grants. Kelly said the program is also designed to help people make improvements to their existing homes. He said 75 percent of the homes in St. Paul are over 50 years old and a main priority is also to keep the present house stock intact. Berglin, however, said the state should not be performing services for people who can be helped by the private sector. She said there are many people who can't even afford a house and the state should be helping them. No further action was taken on the issue.

Kelly offered an amendment to authorize a county or city to be certified as electronic-commerce-ready by the Minnesota Department of Trade and Economic Development if it has met certain conditions. Testifying for the amendment, Sen. Steve Kelley (DFL-Hopkins) said businesses that are talking about moving want to know about the electronic infrastructure of an area. He said the amendment is important to small communities who want to retain or add high technology related businesses. The amendment was adopted.

Berglin presented an amendment to create a home ownership program. The pilot program allows low income families to receive assistance with paying a home mortgage if they met certain requirements. The maximum duration of the assistance is 36 months and the maximum monetary assistance is \$250 per month. The amendment was adopted and the bill was approved and sent to the Senate floor.

Sen. Don Samuelson (DFL-Brainerd) presented S.F. 2225, the Health and Family Security Budget Division bill, which appropriates over \$5.8 billion over the 2000-01 biennium. The major appropriation in the bill comprises \$5.239 billion to the Minnesota Department of Human Services, which includes funding for such items as MinnesotaCare program expansion, community social service block grants, Medical Assistance (MA) long term care waivers and home care, developmental disabilities community support grants and group residential housing services. In other areas, the bill also appropriates approximately \$200 million to the Minnesota Department of Health, \$53 million for Veterans Homes, \$21 million to health related boards, \$1.32 million to the Council on Disability and \$2.7 million to the Ombudsman for

Mental Health and Mental Retardation.

Among many programs, the bill also modifies reimbursement and regulation of nursing facilities, makes a variety of modifications to MA and General Assistance Medical Care (GAMC), expands MA coverage for employed disabled persons and establishes coverage for several new MA services, including telemedicine and interpreter services. For assistance programs, the bill deletes the July 1, 1999 sunset on the food programs for non-citizens, ensures that a Minnesota Investment Program (MFIP) participant does not lose eligibility until the individual's income is at least 120 percent of poverty level, strikes language that would have counted \$100 of a rental subsidy as unearned income, exempts certain persons from the 60 month time limit on assistance and allows job counselors to approve employment plans that include the University of Minnesota student parent MFIP program. The bill also establishes four endowment funds—the medical education and research endowment fund, the tobacco prevention endowment fund, the health care fund and the senior drug endowment fund—as well as the Minnesota Families Foundation with payments from the \$1.3 billion one time tobacco settlement.

Sen. Sheila Kiscaden (R-Rochester) offered an amendment requiring the health related licensing boards to centralize their licensing functions within the administrative services unit. Berglin presented amendments requiring retroactive MinnesotaCare coverage to begin the first day of the month following termination from MA or GAMC, allowing collaboration between various public and private entities regarding sexually transmitted disease prevention and modifying the requirements to receive a rural hospital capital improvement grant. Samuelson offered amendments creating a spending tails cap and authorizing \$300,000 to the Westbrook Health Center for hospital and clinic improvements. All amendments were adopted.

Berglin also offered an amendment allowing expedited child support appropriations from the second year of the biennium to be used in the first year if the costs of the expedited child support hearing process exceed the base budget for the administrative process. The increase in the base budget must be due to an increase in the number of orders in

the process. Brent Gustafson, from the Minnesota Department of Finance, said the department has some concerns regarding allowing second year money to be used in the first year. He said the provision sets up the budget for a funding shortfall in the second year and could create a deficiency situation at the outset. Berglin, however, said the amendment is the only way to solve the problem of the rising number of orders. She said it is the best solution at this time to ensure no other problems occur this year. The amendment was adopted.

Former Minnesota First Lady Susan Carlson, representing the Fetal Alcohol Syndrome Board, testified in opposition to cuts made in the board. She said the cuts hurt the initiative, which, she added, is just getting started. Carlson said she is amazed that so much time, energy and money is being spent on tobacco prevention initiatives when alcohol causes much more damage than does tobacco. Samuelson said grants were not affected, but the majority of the cuts were made to the board. The bill was then approved and sent to the Senate floor.

Sen. Leo Foley (DFL-Coon Rapids) presented S.F. 23, which repeals the administrative process for child support and establishes a new expedited process in the judicial branch. The bill was approved and sent to the Senate floor.

Kelly carried S.F. 2052, a bill that relates to claims against the state. The bill awards monetary damages to an individual because of lost wages due to an erroneous background check, several individuals for injuries incurred while performing community service or sentencing to service work for correctional purposes, several individuals for injuries incurred while performing assigned duties in state correctional facilities and a family for the expenses related to unnecessary well drilling ordered by the Department of Health. The bill also appropriates money to three individuals for financial losses suffered as the result of jury duty. The bill was approved and sent to the Senate floor.

K-12 Education Budget Division

High standards bill discussed

The K-12 Education Budget Division met Fri., Apr. 16, to discuss the recommendations of the Children, Families and

Learning Subcommittee on High Standards Implementation. The division is chaired by Sen. Lawrence Pogemiller (DFL-Mpls.).

Members approved a delete everything amendment that replaced the language in S.F. 868, authored by Pogemiller, with the recommendations of the subcommittee. Dan Mueller, analyst, Senate Counsel & Research, reviewed the bill for the division. He explained that under the bill, the profiles of learning remain intact, the ten learning areas are re-named, the performance-based assessments as the sole assessment method for measuring student performance are removed, and districts and teachers are allowed to determine how many content standards are required for graduation for this year's and next year's ninth graders. In addition, the bill requires a high standards tool library to be established, puts in statute the records that districts will be required to keep, creates a panel of academic experts to examine and evaluate the rigor of the content standards, and establishes a grant to Education Minnesota for three-day staff development seminars over the summer of 1999. The bill also repeals rules in certain areas and clarifies provisions in the statute.

Members of several education groups presented responses to the subcommittee recommendations. Judy Schaubach and Sandra Peterson, co-presidents, Education Minnesota, said the group supports modifying the ten learning areas, delaying the implementation for certain students, the changes in the performance packages, and the establishment of an academic panel to study the content standards. Peterson said that additionally, Education Minnesota would like to see the changes include additional high quality staff development, consideration of standards for all levels, and the consideration of the needs of the population of special students. She said moving forward with standards right now is premature.

Lysa Olson Lindberg, Minnesota Initiative to Support Standards-based Learning and Education (MISSLE), said MISSLE supports most of the changes proposed in S.F. 868. She said the area of the proposed legislation that has far-reaching ramifications is the section providing for a waiver to districts that, by a majority vote of the licensed teachers

in the district, have selected fewer standards for graduation requirements than are required by the state. Lindberg said the provision has the potential of causing division and infighting at the district level. She asked members to close the loophole in the proposal because allowing districts to opt out of a number of required standards defeats the whole vision of the profile of learning as a uniform set of statewide standards.

Representatives of the Rosemount School Board, the Minnesota Alliance for Arts in Education, the Urban Coalition and the Minnesota School Boards Association all testified against including the content standard waiver provision in the bill.

After the division heard testimony from the education groups, discussion began on the bill. An amendment substituting the unmodified language of H.F. 15 for the language in S.F. 868 was defeated on 0-14 roll call vote. Sen. Gen Olson (R-Minnetrista) offered an amendment that removes the language that suggests which assessments may be used. The motion failed to win approval by division members.

Sen. Thomas Neuville (R-Northfield) offered a number of amendments including one that allows the profile of learning rules to be waived for districts that pass a resolution setting forth specific provisions in relation to the graduation standard. Other amendments, offered by Neuville, expand the membership of the academic panel to include representatives of several education and business associations; upgrades the 8th grade test, which is currently at a 6th grade level, to accurately reflect an 8th grade level; and delays the full implementation of the profile of learning for two years. None of the Neuville amendments were approved by the division.

An amendment addressing the content standard waiver was approved by members. The amendment changes the condition under which a waiver is granted to require a majority vote of the licensed teachers in the district and a majority vote of the school board in the district. The section of the bill appropriating funds was deleted from S.F. 868 and recommended for inclusion in the K-12 omnibus bill. S.F. 868, as amended, was recommended to pass and referred to the Children, Families and Learning Committee.

Committee update

In other committee business, Dan Bryan, Dept. of Children, Families and Learning presented a report on the financial conditions of Minnesota school districts. Bryan said that fund balances at the end of FY 98 improved over that of FY 97. He said the balance increases can be compared with several financial indicators including the fact that school districts and charter schools have had larger percentage increases in operating revenues than in salary and benefit costs, and the balance has gone to reducing pupil to teacher ratios.

Tom Melcher, Dept. of Children, Families and Learning presented the superintendents' annual report on projected expenditures and student passage rates. The 1998 Legislature enacted a law requiring school district superintendents to annually report projected costs associated with student passage of the basic standards tests required for high school graduation. Melcher explained that the report first identifies and estimates the annual expenditures required to attain the target passage rates by FY 01 and then the report provides long-term estimates and identifies the annual expenditure required to attain the target passage rates over a longer period of years.

Property Tax and Local Government Budget Division

Property tax provisions heard

The Property Tax and Local Government Budget Division met Weds., Apr. 21, to discuss provisions for inclusion in the tax omnibus bill. Sen. Sandra Pappas (DFL-St. Paul), the division chair, presented five articles relating to property taxes, court funding, water and sanitary sewer districts, tax delinquency and forfeiture procedures, and a taconite production tax.

The first article Pappas presented provides changes to the property tax system. She said the article includes a provision providing that the rate of the education homestead credit be increased from 64 percent to 82 percent, with a maximum credit of \$400 for taxes payable in 2000 and later years. Pappas said the article also incorporates modifications to homestead and agricultural credit aid (HACA) including allowing the Dept. of Revenue to use estimates of

the tax capacity changes used for calculating HACA for aid payable in 1999, and allowing the department to adjust the HACA payment in later years to reflect more accurate data that may subsequently become available. Another provision included in the article appropriates \$19.5 million to the Dept. of Children, Families, and Learning in F.Y. 2001 and \$21.7 million in F.Y. 2002 and thereafter to fund a reduction in the statewide general education property tax levy.

Pappas said the article provides increases in homeowner property tax refunds or "circuit breaker" by increasing the maximum refund for refunds payable in 2000 from \$500 to \$750, and lowering the amount of property taxes as a percent of household income that a household with \$40,670 or more of adjusted household income has to incur before receiving a refund, from 3.7 percent or 4 percent of adjusted household income, to 3.5 percent of household income. She said the article also transfers responsibility and funding for the payments in lieu of taxes program from the Dept. of Natural Resources to the Dept. of Revenue. Another provision increases local government aid in 2000 and subsequent years for cities with population of 5,000 or less if the cities are receiving aid before this adjustment of less than 58.5 percent of their pure formula aid, and the city's tax base per capita is less than or equal to the average for all cities. Pappas said the appropriation for the increase is \$5.06 million per year. She said the article also provides \$10 million per year for uncompensated care aid to be paid to counties to prevent or reduce the reliance on property taxes to meet the cost of providing medical care to indigent individuals who do not reside in the county where the medical care is provided.

Sen. Steven Novak (DFL-New Brighton), offered an amendment modifying a provision in the article relating to an exemption for customer owned property transferred to a utility. The amendment deletes a provision in the article limiting the amount of air pollution emissions from exempted facilities that use coal as a fuel to generate steam or electricity, either completely or in part to an amount not to exceed 0.15 pounds of nitrogen oxides per million BTU, and 0.3 pounds of

sulfur oxides per BTU. The amendment was adopted.

Sen. Douglas Johnson (DFL-Tower), offered an amendment providing that property classified as agricultural homestead or nonhomestead, residential homestead or nonhomestead, and noncommercial seasonal recreational property may not have a market value for property tax purposes of greater than the sum of its estimated market value for the previous assessment year or, if applicable, its limited market value for the previous year, plus an amount obtained by multiplying the market value by the greater of five percent or the percentage rate of increase in the Consumer Price Index for the 12 month period ending October of the preceding assessment year. The current law limits the amount of increase to the greater of ten percent of the value in the preceding assessment or one fourth of the difference between the current assessment and the preceding assessment. Johnson said property values of farms and lakeshore properties are being artificially raised by people buying the properties at inflated values. Pappas spoke against the amendment saying that it would increase the disparity between those who already own property and those buying property, and would also shift the burden on to commercial industrial property. She said the amendment damages school systems because they rely heavily on property taxes. Sen. Lawrence Pogemiller (DFL-Mpls.) also spoke against the amendment saying it was bad public policy, and would diminish the tax base used to fund services provided by local units of government. The amendment was not adopted by a 5-6 roll call vote.

Sen. Kenric Scheevel (R-Preston) offered an amendment to a provision in the article proposed by Sen. Keith Langseth (DFL-Glyndon) relating to the education agriculture credit. The current law establishes the class rate for property with value up to \$115,000 at 0.35 percent. Langseth's provision establishes that the class rate of 0.35 percent applies to property with value up to \$250,000. Scheevel said his amendment establishes that property classified as class 2A agricultural homestead or class 2B agricultural nonhomestead is eligible for education agricultural credit. The amendment establishes the credit is equal to 50 percent of the property's net tax

capacity times the sum of the levies by the school district in which the property is located, and that the net tax capacity of class 2A property attributable to the house, garage, and surrounding acre of land may not be eligible for the credit. Scheevel said the amendment leaves agriculture property on the tax rolls, provides relief to all farmers, minimizes the friction caused by the disparity of values and softens the blow caused by referendums. Sen. John Hottinger (DFL-Mankato) said Scheevel's amendment was well thought out and deserved further discussion by the full tax committee. He said he would re-introduce the amendment at the full tax committee hearing on the omnibus bill so that the committee could discuss the merits of the amendment with the merits of Langseth's proposal. Scheevel withdrew the amendment.

Pappas moved that the article as amended be adopted into S.F. 1015, the tax omnibus bill. The motion was approved. The remaining articles relating to court funding, water and sanitary sewer districts, tax delinquency and forfeiture procedures, and a taconite production tax were also adopted.

Rules and Administration

Wolf bill to another panel

The Rules and Administration Committee, chaired by Sen. Roger D. Moe (DFL-Erskine), met Mon., Apr. 19, to process two late bills and act on a Bill Referral Subcommittee Report on the gray wolf management bill, H.F. 1415.

The bill providing for gray wolf management was before the committee because Sen. Allan Spear (DFL-Mpls.), objected to the committee report on the bill, under Senate Rule 35, when it was reported out of the Agricultural and Rural Development Committee, Fri., Apr. 16. Rule 35 provides that any member may object to the reference of a bill or committee report and that the bill or committee report must then be referred to the Rules and Administration Committee. A subcommittee then determines the appropriate reference for the bill or committee report. Accordingly, the Bill Referral Subcommittee met Fri., Apr. 16, and determined the measure should be sent to the Crime Prevention Committee. The full committee discussed the recommendation of

the subcommittee. Spear said that his objection to the reference was because, traditionally, bills creating new crimes at the gross misdemeanor level and above are considered by the Crime Prevention Committee. The wolf management bill, sponsored by Sen. Jane Krentz (DFL-May Township), contains a gross misdemeanor penalty for taking a wolf. Sen. Gary Laidig (R-Stillwater), a co-sponsor of the measure, said that the bill did not need to go to the Crime Prevention Committee because not all bills creating a crime are referred there. The committee voted to adopt the subcommittee report and to send the measure to the Crime Prevention Committee.

The two bills captured by Joint Rule 2.03, the late bill rule, were both referred to the Senate floor. H.F. 585, authored by Sen. Dan Stevens (R-Mora), alters a match requirement for the Isle Community Center grant and reduces an appropriation. The bill was recommended for placement on the Senate Consent Calendar. S.F. 851, sponsored by Sen. Jim Vickerman (DFL-Tracy), eliminates the expiration date for local government unit corporations and establishes a task force. The bill was sent to the full Senate.

State Government Finance

State gov omnibus bill gains

The omnibus bill to fund state government was heard by the State Government Finance Committee Thurs., Apr. 15. The committee is chaired by Sen. Richard Cohen (DFL-St. Paul).

Sen. Leonard Price (DFL-Woodbury), chair of the Governmental Operations Budget Division, presented S.F. 2223, the omnibus budget proposal of the division. Price outlined the bill and said that the general fund appropriations in the bill are \$9.3 million less than recommended by the governor and because general fund revenues are \$1.2 million more, the net cost to the general fund is \$10.5 million less than recommended by the governor. Price said the state government appropriations bill appropriates \$702 million to fund the general legislative and administrative expenses of state government in FY 00 and FY 01.

The major increases in appropriations over the governor's recommendations include \$6.3 million to the Secretary of

State to fund technology upgrades, \$6 million to the Amateur Sports Commission for the Mighty Ducks and Mighty Kids programs, \$3.1 million to the Legislature, \$2 million to continue the Board of Government Innovation and Cooperation, \$1.3 million to retain staff in the State Auditor's Office, \$1.2 million to restore the base level of funding for public broadcasting, and \$1 million for the Motherhead/Fatheread literacy program of the Minnesota Humanities Commission.

Price said to pay for the budget increases, the bill provides for increases in billings to state agencies for statewide system services by \$7.3 million and makes reductions from increases recommended by the governor in appropriations to various state agencies. The bill includes the transfer of the Office of Technology into the Dept. of Administration as requested by the governor.

The state government omnibus package appropriates \$121 million for the Legislature, including the Senate, House of Representatives, Legislative Reference Library, Revisors Office, Mississippi River Parkway Commission, Pensions & Retirements, Great Lakes Commission, Office of Economic Status of Women, Legislative Audit Commission and the Legislative Auditor.

The package also includes the requested appropriation of \$8.2 million for the governor's office, \$18.2 million for the state auditor, \$4.5 million for the state treasurer, \$51.397 million for the attorney general, and \$18 million for the secretary of state.

The package appropriates \$52,988 million to the Dept. of Administration, including the Office of Technology and public broadcasting. The \$31,177 million appropriation for the Dept. of Employee Relations includes funding for implementing an optional long term care program and for self-insuring state employees medical coverage. An appropriation of \$1.95 million is provided for the demolition of the Capitol Square Building, for restructuring the site as a temporary parking lot, and for the pre-design of a new building on the site.

Included in the omnibus package is funding for new programs including a \$200,000 grant to Minnesota Planning for the preparation of a generic environmental impact statement on urban development. The bill also imposes new

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building code standards for bleachers and appropriates \$100,000 to assist with compliance. Under the bleacher safety provision in the bill, highest priority must be given to grant requests from political subdivisions for whom the cost of achieving compliance is the greatest financial hardship. Additional money to upgrade existing facilities to comply with the new bleacher safety requirements is available through grants from the Mighty Ducks program.

The \$1.194 million appropriation for the Capitol Area Architectural and Planning Board includes funding for Minnesota's contribution to a World War II Memorial in Washington, a Spanish-American War Corrective Plaque to be placed in the Capitol, and money to design and construct a memorial to Hubert H. Humphrey.

A number of amendments including technical and language changes and were approved by members. The bill was amended to incorporate the language from S.F. 2162, authored by Cohen, into the omnibus bill. The provision requires the Legislative Commission on Planning and Fiscal Policy to develop principles and standards relating to budgeting that simplify the process and minimize the number of state funds and special accounts. Under an amendment offered by Sen. James Metzen (DFL-South St. Paul), a contingency reserve is established within the employee insurance trust fund. The provision specifies that the reserve consist of appropriations from the general fund, receipts from billings to agencies and credited investment gains and losses attributable to balances in the account. The omnibus package was also amended to include \$200,000 to perform program evaluations of agencies in the executive branch.

The state government omnibus bill, S.F. 2223, was recommended to pass and sent to the Senate floor.

Cohen presented H.F. 726 for consideration. Members approved a motion inserting the language of S.F. 157, authored by Cohen, into H.F. 726. S.F. 157 provides standards for state assistance to capital improvement projects of cities and counties. Under the bill, a political subdivision that requests an appropriation of state general obligation bond proceeds for a local capital improvement project must submit the request in a timely manner and with supporting documenta-

tion. The bill specifies that the requests are to be evaluated with higher priority given to requests that meet prescribed criteria. The bill was recommended to pass and sent to the Senate floor.

Environment and ag bill approved

The omnibus environment and agriculture omnibus bill, S.F. 2226, carried by Sen. Jane Krentz (DFL-May Township), was reviewed by the State Government Finance Committee, Fri., Apr. 16. The committee, chaired by Sen. Richard Cohen (DFL-St. Paul), heard that the bill meets the division's budget target of \$524 million over the next biennium, \$3.5 million less than the governor's recommendations. Among the bill's general fund appropriations are \$273 million to the Dept. of Natural Resources (DNR), \$113 million to the Dept. of Agriculture, \$37.7 million to the Board of Water and Soil Resources, and \$32.9 million to the Minnesota Pollution Control Agency (MPCA). Krentz said that the division made an effort to keep all the Legislative Commission on Minnesota Resources (LCMR) recommendations for funding intact. She said it was important to respect the LCMR process, which included a thorough evaluation process of proposed projects with public participation. The bill appropriates \$42.2 million for LCMR projects.

Several amendments were offered to the bill. Sen. Janet Johnson (DFL-North Branch), offered an amendment establishing an advisory task force on snowmobile trail repair. Johnson said the task force would assess damage to snowmobile trails, establish criteria for repairs, and make recommendations to the DNR regarding prioritization of repairs. She said the amendment requires task force membership to include representatives from the DNR, the Dept. of Transportation, the Association of Minnesota Counties, the Minnesota United Snowmobile Association, the Minnesota Bicycle Trails Council, the Minnesota Bicycle Business Council, snowmobile manufacturers, and snowmobile stud manufacturers. The amendment was adopted.

Krentz offered amendment deleting a section in the bill allowing the deposit of the in-lieu of tax payment that is imposed on the gross receipts from the sale of lottery tickets and any penalty and

interest derived from the sale of lottery tickets, into the game and fish and environment and natural resources trust funds. She said the issue was not about the merits of the section but rather she was concerned with the \$24 million tail created by the section. She said the division included the provision to make a statement that funding issues for the game and fish fund need to be addressed but that the division did not support creating a \$24 million tail. Sen. Bob Lessard (DFL-Int'l. Falls) spoke against the amendment. Lessard said the original legislation establishing the lottery appropriated 50 percent of the funds to the environmental trust fund and 50 percent to the Greater Minnesota Corporation. He said a year later the 6.5 percent sales tax was imposed on the purchase of lottery tickets and the provision in the bill takes 60 percent of that revenue and credits its to the game and fish fund, and takes the remaining 40 percent and credits that amount to the environment and natural resources fund. The effective date of the provision is June 30, 2001. "This puts the issue in front of the public," he said. Sen. Gary Laidig (R-Stillwater) said the provision was not good public policy. "I think there is a better approach than playing a political shell game that says this is going to happen unless the public says it's not going to," Laidig said, "Let's build positive public response and support." Krentz's amendment deleting the provision was adopted.

Sen. Steve Dille (R-Dassel) offered an amendment prohibiting the MPCA from imposing any additional or increase in fees from stationary sources, stationary emission facilities, or stationary emission units before FY 2001 to offset the reduction in revenues from the elimination of the motor vehicle inspection program. Dille said the amendment was withdrawn from consideration when the budget division heard the bill dealing with the inspection program elimination because the MPCA raised concerns that the restriction may jeopardize federal funds. Dille said he worked with the MPCA to address the concern and that the agency supported the amendment. The amendment was adopted.

Lessard offered an amendment deleting a provision relating to the sale of state lands bordering public waters. The provision requires the DNR to evaluate

the lands and their public benefits and make recommendations to the legislative committees with jurisdiction over natural resources. The recommendations may include a public sale, sale to a private party, acquisition by the DNR for public purposes, on retention of a conservation easement for shoreland preservation. Lessard said the provision makes a major policy change and should be heard by the Environment and Natural Resources Committee because a public hearing was needed and that he had been contacted by county representatives concerned about the provision. Sen. Deanna Wiener (DFL-Eagan) who originally offered a bill from which the provision was based, said she would re-offer an amendment to address the issue when the bill is discussed on the floor. The amendment was adopted.

Johnson offered an amendment transferring \$150,000 over the biennium from the solid waste fund to the listed metals account. Krentz said the provision repealing the listed metals program was included in the omnibus bill because the bill eliminating the program, S.F. 1295, authored by Sen. Dan Stevens (R-Mora), passed the Environment and Natural Resources Committee. She said she did not personally support the repeal of the program. The amendment was adopted.

The bill was approved and forwarded to the Senate floor.

Disability parking discussed

The State Government Finance Committee met Weds., Apr. 21, to discuss proposed modifications to the disability parking law. The committee is chaired by Sen. Richard Cohen (DFL-St. Paul).

Sen. Sandra Pappas (DFL-St. Paul) offered S.F. 1145, a bill modifying provisions regulating disability parking. The bill appropriates money for computer programming and staffing for disabled parking records management and enforcement. The intention of the bill is to tighten up the handicapped parking laws and cut down on the abuse of the privilege, said Pappas. The bill specifies that a person may park a vehicle for a physically disabled person only when actually transporting the physically disabled person for the sole benefit of that person and when the parking space is within a reasonable distance from the drop-off point. The bill also prohibits

more than three replacement certificates from being issued within any six-year period without the approval of the Council on Disability.

Under the bill, if a holder of a disability certificate or disability plates allows a person who is not otherwise eligible to use the certificate or plates, then the holder becomes ineligible to be issued or to use a disability certificate or plates for 12 months after the date of violation.

Don Dame, a handicapped resident of Woodbury, presented his recommendations for eliminating the abuse of handicapped parking certificates. He said stopping the abuse does not require a lot of money or an increase in government bureaucracy. "The blue handicapped parking certificates should have the name and approximate age of the owner printed on the certificate," said Dame. He said there are not enough police to solve the problem of misuse of handicapped certificates. Pappas said that isn't the best solution because there are many handicapped people who feel vulnerable and printing an age on the certificate would increase the feeling of vulnerability.

The bill was recommended to pass and sent to the Senate floor.

A bill providing funding for public radio and television was offered by Sen. Leonard Price (DFL-Woodbury). The bill, S.F. 2125, appropriates \$6,773 million for FY 00 and FY 01 to public television for equipment needs, grants to noncommercial television stations to assist with conversion to a digital broadcast signal, grants for public information television transmission of Legislative activities and grants to the Twin Cities Regional Cable Channel.

A portion of the funding goes to public educational radio stations, WTIP-FM in Grand Marais and for equipment grants to public radio stations. The bill specifies that the grants be allocated after considering the recommendations of the Association of Minnesota Public Educational Radio Stations and Minnesota Public Radio, Inc.

The bill was recommended to pass and sent to the Senate floor.

Sen. Linda Berglin (DFL-Mpls.) offered S.F. 1219, establishing a uniform complaint resolution process for health plan companies. The bill also establishes an external appeal process. Under the bill, any enrollee, or anyone acting on behalf

of an enrollee, who has received an adverse determination may submit a written request for an external review of the adverse determination to the commissioner of health. The bill requires the commissioner of administration, in consultation with the commissioners of health and commerce, to contract with an organization or business entity to provide independent external reviews of all adverse determinations submitted for external review. Berglin said she received a letter of support from the Ventura administration. Members adopted technical amendments and recommended that the bill be recommended to pass and sent to the Senate floor.

The transportation "housekeeping" bill, S.F. 1762, was offered by Sen. Carol Flynn (DFL-Mpls.). The bill makes several modifications to transportation statutes, none of which are controversial, said Flynn.

Members adopted an amendment that provides for the design and planning of a commuter rail system and facilities and provides funding for the plan. Under the amendment, the commissioner of transportation, in cooperation with appropriate metropolitan planning organizations, may apply for funding from federal, state, regional, local and private sources for commuter rail facility construction, operation, implementation, maintenance and improvement. The amendment also requires that a master plan for transit be developed by the Metropolitan Council, that the plan be completed by Feb. 1, 2000, that the plan include bus and rail development and that the plan be balanced.

Sen. Gary Laidig (R-Stillwater) offered an amendment relating to traditional cultural property preservation. The amendment specifies that the state recognizes Coldwater Springs, in Hennepin County, as a traditional cultural property which is entitled to preservation and protection by the state historic preservation officer, the Minnesota Indian Affairs Council, the Dept. of Transportation and other agencies. The amendment also requires that any construction project which impacts the flow of Coldwater Springs must comply with Presidential Executive Order 13007.

Laidig said the establishment of Coldwater Springs as a traditional cultural property is a priority to the

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Indian community. He said that groups representing Coldwater Springs have been left out of the planning process. Members discussed whether the amendment, which deals with policy, should be offered in a finance committee. Laidig agreed with members and withdrew the amendment. S.F. 1762 was recommended to pass and sent to the Senate floor.

Friday, April 16

Early childhood bill passed

Minnesota's role in serving the state's children was discussed at the Senate floor session Fri., April 16. Sen. Pat Piper (DFL-Austin) presented S.F. 2222, the Family and Early Childhood Education Budget Division omnibus bill. "Minnesota children are our greatest resource," Piper said. She said the bill appropriates \$400.224 million for children and family support programs, which include child care assistance and development, Head Start and learning readiness. The amount appropriated for community/systems change is \$34.19 million. Piper said the budget for prevention and intervention is important, with appropriations for after school enrichment programs that are especially helpful for single parent families. The total appropriation for prevention and intervention is \$19.498 million. Under the self-sufficiency and lifelong learning portion of the bill, \$96.817 million is appropriated for adult education programs, food banks, lead abatement and transitional housing.

Emphasizing that Minnesota has to do a better job of providing for its homeless citizens, Piper said that 48 percent of the homeless in the state are children. She said there has been an 881 percent increase in homelessness since 1985. She said that one-third of the homeless are working, but do not earn a sufficient salary to have a place to live. "The funding provides for the homeless to stabilize their lives," she noted, adding that homeless shelters turn away 187 people per night because of lack of space. Additional funding from special revenue funds and transfer/spending brings the total appropriation for the omnibus bill to \$582.737 million.

An amendment, offered by Piper, transfers the responsibility of drug policy and violence prevention from the Department of Children, Families and Learning to the Department of Public

Safety. The amendment prevailed. An amendment, offered by Sen. Steve Kelley (DFL-Hopkins), authorizes \$25,000 for the biennium for a grant to Perspective, Inc., to provide transitional housing services. The amendment requires one or more nonprofit organizations to provide an equal amount of matching funds. The amendment was adopted.

Sen. Dan Stevens (R-Mora) offered an amendment that removes the requirement of registration for nonlicensed child care providers. The amendment also removes the option of enhanced registration for nonlicensed providers, which gives the county authority to conduct background checks. The amendment also removes restrictions on nonlicensed providers regarding the number of children and ages of children that can be cared for.

Piper spoke against the amendment, saying children are the most vulnerable members of society and require quality care. Sen. Linda Berglin (DFL-Mpls.) also spoke against the amendment. She said there has been a 113 percent increase in unlicensed providers participating in government programs.

Speaking for the amendment, Sen. Charles Berg (IND-Cholio) said that child care is difficult to find in his district, the western part of the state, and he believes fewer restrictions make it more available. The amendment was adopted by a 41 to 19 roll call vote.

"We are doing a serious injustice to the children in Minnesota," said Sen. Leo Foley (DFL-Coon Rapids). He said the bill is grossly inadequate as far as funding is concerned. He said the state is forced to spend more on crime prevention because programs that affect children at an early age are not adequately funded.

Sen. Linda Runbeck (R-Circle Pines) said the appropriations for family and early childhood education have increased by 400 percent since four years ago. Sen. Dean Johnson (R-Willmar) said a great deal of money is spent on Minnesota's children, and that parents have the ultimate responsibility to take care of their children. An amendment, offered by Berglin, requires that counties must provide every parent with a disclaimer stating that a nonlicensed provider may present dangers or problems that the county is not able to be aware of. The amendment was adopted. The bill was passed on a roll call vote of 55 to 5.

H.F. 1178 was presented by Sen. Steven Novak (DFL-New Brighton). The bill regulates the taking of prelease deposits, payment given to a landlord from a prospective tenant of a residential dwelling unit before the prospective tenant and the landlord have entered into a rental agreement. The bill passed unanimously.

Novak also presented S.F. 1357, a bill that modifies conservation improvement provisions. An amendment, offered by Novak, specifies that a public utility may not spend for or invest in energy conservation improvements that directly benefit a large electric customer facility for which the commissioner has issued an exemption. The amendment prevailed. The bill passed unanimously.

Monday, April 19

Criminal justice bill passed

A lengthy discussion was held on the Senate floor Mon., Apr. 19, as S.F. 2221, the criminal justice omnibus bill was presented by Sen. Randy Kelly (DFL-St. Paul). Kelly said the bill, with a budget of \$1.139 billion, is \$9 million less than the governor proposed. He said the bill is a non-partisan effort that endorses strong law enforcement and is prevention-oriented.

Some major highlights of the bill, according to Kelly, are a one percent reduction in salary increases; the creation of 18 new judgeships; the Camp Ripley DWI work program; increased funding for Capitol security; and additional training for part-time peace officers.

A question by Sen. Jim Vickerman (DFL-Tracy) prompted an explanation by Kelly of the part-time peace officers' training. "Currently they have 54 hours of training," Kelly said. Under the bill, the part-time peace officers must undertake 320 hours of training, which the state will pay for. Opportunities for the training will be offered across the state. Kelly said currently licensed and employed part-time peace officers have the option of taking an examination without having completed the 320 hours of training. If the officer passes the examination, the officer does not have to complete the competency training.

Sen. Dean Johnson (R-Willmar) asked about the necessity of hiring 18 new district judges. Kelly said there has been a 41 percent increase in caseloads over the

last few years. Sen. Allan Spear (DFL-Mpls.) said that when the Legislature increases sentences and requires tough law enforcement, more money must be put into the judicial system. He said court resources are stretched very thin.

Responding to another question about the education of juveniles, Kelly said he wants to make Red Wing one of the best juvenile facilities in the country. He said the facility has received one of the most scathing educational reports he has seen. "We can and should do a lot better," he said. Sen. Steve Murphy (DFL-Red Wing) said he agrees the Red Wing educational program needs improvement, but he also believes some of the instructors at the school perform well above average. He said he does not want to see the good instructors drop through the cracks.

Additional training for part-time peace officers was again addressed by Sen. Arlene Lesewski (R-Marshall), who said she has received numerous calls from constituents opposed to the extra training requirements. Kelly said he is concerned that Minnesota has adequately trained people. "I don't think 320 hours of training is excessive when you consider these are the only people in our society who have a license to kill," Kelly said.

An amendment, offered by Sen. Thomas Neuville (R-Northfield), repeals the additional training for Greater Minnesota part-time peace officers and maintains the additional training for officers employed in Hennepin or Ramsey County or a city of the first class. He said the rural part-time police officer spends 99 percent of his or her time patrolling the streets, writing an occasional ticket or picking up a DUI driver. He said he does not believe the higher level of training is required for the rural officers and may jeopardize the number of recruits in Greater Minnesota. Sen. Warren Limmer (R-Maple Grove) said he does not believe 54 hours is adequate training for any part-time peace officers, and that there is a question of liability if a problem develops from an inadequately trained officer. The amendment was adopted.

An amendment, offered by Sen. Dave Kleis (R-St. Cloud), addresses the recent vandalism incident at the University of Minnesota research lab. The amendment provides that a person who promotes, advocates and assumes responsibility for a

criminal act is guilty of a gross misdemeanor. The amendment specifies that anyone injured by the criminal act may bring action for three times the amount of actual damages. Under the amendment, a person or organization who plans or assists in developing a plan to release an animal lawfully confined for science or research or who otherwise encourages another to commit the act is liable for all damages. Sen. Bob Lessard (DFL-Int'l Falls) said he supports the amendment. Referring to the recent release of laboratory animals and damages incurred at the University of Minnesota, he said that unless a strong message against such actions is sent, such incidents will happen again. Sen. John Hottinger (DFL-Mankato) said he understands what the intent of the amendment is, but believes it is too far-reaching and should go through the committee process.

Kleis divided the amendment, calling for a vote upon the section that deals with civil damages and third party liability. That portion of the amendment was unanimously adopted.

Kleis spoke in favor of the remainder of the amendment, saying that another strong message must be sent so that a group cannot cause damages and then next day appear on television claiming responsibility for the damages, but go unpunished. Spear said he recommended the remaining part of the amendment be withdrawn and deliberated in committee. Kleis withdrew the amendment.

An amendment requiring that a risk level III sex offender's approved release plan prohibit the offender from residing within 1,500 feet of a park zone, a school zone or another risk level III offender was offered by Sen. Linda Higgins (DFL-Mpls.). The amendment was adopted.

Lengthy discussion centered around an amendment offered by Sen. Leo Foley (DFL-Coon Rapids). The amendment deletes fund allocations for a public safety training center and a regional emergency response training center. Foley said that MnSCU already provides the training and the effort doesn't need to be duplicated. He said that the training facilities are funded through the higher education budget and should not be funded through the criminal justice budget. Sen. Arlene Lesewski (R-Marshall) told members that the training facilities are desperately needed in rural Minnesota. She said the facilities provide training that is not

offered through MnSCU, such as training farmers how to handle chemicals used on the farm. Lesewski said the issue is one of public safety and the state needs to give public safety volunteers the proper training and urged members to defeat the amendment. The amendment was defeated on a voice vote.

Two amendments related to the Kleis amendment were adopted. The first, offered by Sen. Dave Johnson (DFL-Bloomington), makes the provision in the Kleis amendment effective retroactively to January 1, 1999. The second amendment, offered by Sen. Pat Pariseau (R-Farmington), relates to taking responsibility for criminal acts. Under the amendment, a person who promotes, advocates and assumes responsibility for a criminal act with the intent to instigate the unlawful conduct of others or to obstruct, impede or prevent a criminal investigation is guilty of a gross misdemeanor.

Members approved an amendment, offered by Sen. Steve Kelley (DFL-Hopkins), extending benefits of peace officers who suffer a debilitating psychological reaction to a traumatic event and are diagnosed by a license psychologist or psychiatrist as suffering from post traumatic stress syndrome. The amendment specifies that whether or not there is an accompanying physical injury or physical cause of the condition, the peace officer suffering from post traumatic stress syndrome is entitled to payment by the employer for a loss of wages up to but not beyond one year while the officer is disabled.

After its third reading, S.F. 2221, the criminal justice omnibus appropriation bill, received final passage.

State depts. funding bill passed

The Senate also considered the state government omnibus bill, S.F. 2223. The bill, carried by Sen. Leonard Price (DFL-Woodbury), appropriates \$702 million to fund the general legislative and administrative expenses of state government. According to Price, the largest increase in appropriations over the governor's recommendation is \$6.3 million to the Office of the Secretary of State, \$6 million to the Amateur Sports Commission for the Mighty Ducks and Mighty Kids programs, \$3.1 million to the Legislature, \$2 million to continue the Board of Government Innovation, \$1.3

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million to the state auditor's office, \$1.2 million for public broadcasting and \$1 million to the Minnesota Humanities Commission for the Motherhead/Fatheread literacy program.

To pay for the increases, Price said S.F. 2223 increases billings to state agencies for statewide system services by \$7.3 million and makes reductions from increases recommended by the governor in appropriations to various state agencies. Some of the larger reductions include \$7.7 million from the Dept. of Administration's Intertechnologies Group, \$4.1 million from the Office of Technology, \$5 million from the amount transferred to the state employees' insurance fund to increase its reserves, \$2 million from the Dept. of Revenue for its income tax reengineering project, \$2 million from Persian Gulf bonuses paid by the Dept. of Veterans Affairs and \$1.2 million from enlistment incentives paid by the Dept. of Military Affairs. He said the bill includes the transfer of the Office of Technology into the Dept. of Administration as requested by the governor.

The omnibus package includes \$8.2 million for the office of the governor, \$121 million for the Legislature, \$18 million for the Office of the State Auditor, \$4.5 million for the Office of the State Treasurer, \$51 million for the Office of the Attorney General, and \$18 million for the Office of the Secretary of State.

Among the new funding included in the package are appropriations made for compliance with a new bleacher safety code. The bill appropriates \$100,000 for arena renovation, and appropriates money to the Amateur Sports Commission to authorize grants to upgrade existing facilities to comply with the bleacher safety requirements. State agency appropriations include \$52.9 million for the Dept. of Administration, \$1.1 million for the Capitol Area Architectural and Planning Board, \$40 million for the Dept. of Finance, \$31 million for the Dept. of Employee Relations, and \$183 million for the Dept. of Revenue.

Two amendments relating to health insurance and long term care insurance for state employees generated much discussion. Sen. Sheila Kiscaden (R-Rochester) offered an amendment requiring that no money be spent on a new state self-insured health program

until a plan and budget proposal for the project be presented to policy and budget committees of the Senate and the House of Representatives and a direct appropriation for the project be enacted into law.

Price rose to oppose the amendment, saying that the Dept. of Employee Relations provided that information two years ago and that the provision in the omnibus bill is based on the findings. He said the new plan stabilizes rates, and with a 20-30 percent rate increase pending, the plan is ready to move forward. The motion did not pass.

The second amendment, relating to long term care insurance, was proposed by Sen. Linda Runbeck (R-Circle Pines). The amendment eliminates the funding to implement an optional, participant-paid long term care insurance program available for state employees. Runbeck said that while the program is voluntary now, it won't be long before it becomes mandatory. She said with the large pool of state employees, a large segment of the population is carved out and therefore unavailable to the private insurance industry. Price reminded members that the appropriation is one-time only – just for the implementation of the program. Sen. Linda Berglin (DFL-Mpls.) said that the proposal was put together by a workgroup looking at ways to save money. She said long term care insurance for state employees successfully exists in other states and that having the group purchasing mechanism in place makes it easier for the employee to purchase the insurance for themselves and family members. The motion failed to pass on a voice vote.

An amendment, offered by Sen. Jerry Janezich (DFL-Chisholm), commissions a study to determine the feasibility and desirability of supplementing the missions of the veterans homes and the Veterans Administration hospitals in Minnesota by entering into agreements with health care providers throughout the state to provide free or reduced-cost comprehensive health care to veterans close to their places of residence as a supplement to private health insurance. The results of the study are to be reported to the Legislature by Jan. 15, 2000. The motion prevailed.

Several technical amendments were approved and the bill was given its third reading. The state government omnibus bill, S.F. 2223, was passed on a 61-4 vote.

Transportation bill passed

The omnibus transportation funding bill was also passed by the Senate Mon., Apr. 19. The bill, H.F. 2387, carried by Sen. Janet Johnson (DFL-North Branch) appropriates a total of \$2.319 billion for the biennium, with \$231 million coming from the general fund and \$2.088 billion coming from the trunk highway fund. The package includes \$60 million from the general fund for a light rail transit (LRT) system.

In presenting the bill on the Senate floor, Johnson said the division put together a strong, balanced bill that is fiscally conservative. She said the bill recognizes the need for both highways and transit, and the need in both the Metro Area and rural Minnesota. The bill doesn't address license tab fee reduction, Johnson said, because that issue will be included in the tax bill. She said the bill appropriates funding for elected official protection, instead of executive protection as the governor recommended. That way, Johnson said, the highway patrol has the flexibility to spend the appropriation where it best sees fit. Other items in the bill, according to Johnson include a school zone speed limit, a reduction in the local share of funding for the Duluth transit system from 55 percent to 50 percent of operating costs. In addition, Johnson said, the bill contains provisions proposing constitutional amendments to dedicate 5 percent of the motor vehicle sales tax to transit funding, and 22 percent of the tax to the highway user tax distribution fund to cover loss from the reduction to the motor vehicle registration tax. The bill also contains governance language for planning and construction of LRT, and specifies that 1 percent of the gasoline tax is paid by users of snowmobiles.

Much of the discussion of the bill centered around the proposed LRT system planned to connect downtown Minneapolis with the Mall of America. Sen. Dick Day (R-Owatonna) offered an amendment canceling the LRT project and reallocating its appropriation. Under the amendment, \$30 million is appropriated to state road construction, \$10 million for local bridge construction, \$5 million for transit assistance in Greater Minnesota, and the remaining \$15 million is for transit assistance in the Metro Area. Day called the LRT project a "train to nowhere" and said he doesn't

oppose LRT, but he does oppose construction of it along the Hiawatha corridor. Day said that LRT should be constructed along traffic ways that people use to go to work.

Sen. Janet Johnson was critical of Day's amendment. She asked him why he didn't propose an alternate route if he opposed LRT construction in the Hiawatha corridor. Johnson said that without LRT, there will need to be \$10 billion worth of road construction in the Metro Area to handle the projected traffic volume, but there isn't enough space or money to build the roads.

Sen. Dean Johnson (R-Willmar) also opposed the Day amendment. He said that many corporate executives have changed their minds on LRT and now support it because of the parking problem in downtown Minneapolis. Johnson said that because it now costs \$150-200 per month for downtown parking, many companies make transit assistance part of their benefit package for employees. He added that if money isn't spent on LRT, more money will be spent in the Metro Area on road construction and less in rural areas. The amendment was defeated on a 21-44 roll call vote.

Later, Sen. Claire Robling (R-Prior Lake) offered a similar amendment. Her amendment reallocates the appropriation to similar funds and makes the LRT appropriation contingent on receipt of \$220 million in federal assistance. In addition, the Robling amendment proposes bond sale proceeds for the state LRT appropriation. She said that roads transport 98 percent of Minnesotans and money is sorely needed for bridges. Sen. Janet Johnson argued against the amendment, saying that the funding bill is balanced between spending for roads in rural areas and transit in the Metro Area. The Robling amendment was rejected on a 25-38 roll call vote.

Sen. John Marty (DFL-Roseville) offered an amendment prohibiting construction of the LRT project unless the Metropolitan Council officially adopts findings that the system is the most efficient and cost-effective means of reducing Metro Area congestion and urban sprawl. He said the amendment forces the Metropolitan Council to compare LRT to alternative transit systems rather than comparing it to building nothing at all. Sen. Carol Flynn (DFL-Mpls.) argued against the amend-

ment. She said the council has looked at alternatives and concluded that it's more expensive to build and operate alternative systems. Flynn said that busways can only carry 15,000 passengers compared to 24,000 that LRT can carry. She added that economic development doesn't happen around bus stops the way it does around LRT stops. Sen. Keith Langseth (DFL-Glyndon) also spoke against the amendment. He said that already there are about 400 busses in downtown Minneapolis each day, and it's nearly impossible to get anymore there. The amendment was defeated on a 17-47 roll call vote.

Marty successfully offered another amendment removing a provision in the bill raising fees paid to deputy registrars for motor vehicle registrations. Marty called the increase "counterproductive." However, Day, who successfully offered the provision in the Transportation Budget Division, argued against the amendment. He said the registrars have not received a fee increase since 1989 and that deficits incurred by the registrars will have to be paid by local taxpayers. Sen. Dean Johnson also argued against the amendment, saying that the omnibus tax bill will reduce the registration tax. Langseth countered that assertion, saying that the \$35 minimum registration fee, which many Minnesota vehicle owners pay, will remain the minimum. Sen. Steve Kelley (DFL-Hopkins) said that instead of paying greater fees to the registrars, the state should invest in setting up a system of vehicle registration over the Internet. The amendment was adopted on a 46-12 roll call.

Day offered an amendment authorizing freeway entrance ramp meters to only flash yellow lights for 2 two-week periods in October 1999 and June 2000 and requiring a study of how the unmetered freeway access affects congestion, accident rates and travel time. Day argued that more densely populated cities in the U.S. don't meter every freeway entrance ramp and compared the use of the meters to people's garage doors not being allowed to open if traffic is too congested.

Flynn expressed some reservations with the proposal. She said that the two proposed test periods typically are during some of the nicest weather of the year. That factor, along with the knowledge that the freeways are unmetered, might

encourage more people to get on the freeways and increase congestion. She suggested that the test periods should be unannounced. Flynn added that the Dept. of Transportation (MnDOT) is also concerned about liability for accidents that might occur during the tests.

Day countered by asking why liability would be any greater during the test than it is for any other time. He added that the installation of meters on every freeway entrance ramp could cause more traffic in residential areas. The amendment was adopted on a 35-24 roll call vote.

Sen. Sheila Kiscaden (R-Rochester) proposed an amendment authorizing MnDOT to develop an improvement plan for a railroad corridor in southern Minnesota. Sen. John Hottinger (DFL-Mankato) supported the amendment. He said the plan makes sure that the public interest is protected. However, Sen. Jim Vickerman (DFL-Tracy) spoke against the amendment. He said that the amendment was an attempt by the Dakota, Minnesota and Eastern (DM&E) railroad to override local safety concerns. Kiscaden responded that although her home city is divided on the issue of routing the DM&E railroad through town, the safety study would bring Rochester to the negotiation table. Sen. Arlene Lesewski (R-Marshall) also spoke in favor of the amendment. She said that all the counties along the corridor support the amendment and the plan will resolve the safety issues. The Kiscaden amendment was adopted.

The Senate also adopted an amendment, offered by Sen. Dave Kleis (R-St. Cloud), extending the maximum allowable length for combinations of three vehicles. Kleis said that for the combinations covered by the amendment, typically a pickup, camper trailer and boat trailer, the limit is extended from 60 to 65 feet. He said that Iowa and Wisconsin allow 65 feet and both North and South Dakota allow 70 feet. The amendment was supported by Sen. Dennis Frederickson (R-New Ulm), saying that the extended limit is an issue of both convenience and tourism.

Other amendments adopted by the Senate include a provision, offered by Sen. Douglas Johnson (DFL-Tower), allowing home-school students to receive the classroom portion of driver education at home, and a provision, offered by Sen.

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Steve Murphy (DFL-Red Wing), requiring MnDOT specifications for underground fuel storage tanks used by the department to include fiberglass and steel tanks.

However, the Senate rejected several other amendments. Sen. Edward Oliver (R-Deephaven) offered an amendment removing the requirement that motor vehicles display a license plate on the front of the vehicle. Oliver said the amendment would save three quarters of a million dollars. Sen. Janet Johnson opposed the amendment, saying it is an issue of safety and enforcement. She urged Senators to support law enforcement officers on the road by defeating the amendment. Oliver countered Johnson's argument and said that 22 states do not require a front license plate and they are not mired in crime. The amendment failed on a voice vote.

Marty offered an amendment prohibiting the expenditure of funds by MnDOT to construct the proposed Stillwater bridge unless the Metropolitan Council finds that the bridge won't contribute to urban sprawl. Marty argued that the plans call for a four lane bridge, which he said is more than what traffic projections say is needed. The amendment was opposed by Sen. Gary Laidig (R-Stillwater). Laidig said the amendment was too vague because it didn't define sprawl or specify where the sprawl might occur. He said that many opponents of bridge construction favor the "obscene" development around Stillwater on the Minnesota side. Laidig asked Marty what could be done if the current bridge falls into the river. Marty replied that he doesn't oppose a bridge, he just opposes the construction of a superhighway. The amendment was rejected on a 8-52 roll call vote.

Sen. Mark Ourada (R-Buffalo) offered an amendment prohibiting expenditures from the trunk highway and highway user tax distribution funds for state indirect costs and tort liability claims. Ourada argued that the courts have found that such expenditures don't meet the highway purpose required by the state constitution. Sen. Janet Johnson opposed the amendment, saying that it would cost the general fund \$800 million for the shift. She added that the Transportation Budget Division will study the matter in the coming interim. The amendment lost on a 26-37 roll call vote.

One other amendment offered by Sen. Michelle Fischbach (R-Paynesville) was rejected. Fischbach's amendment divides the constitutional amendment question in two, with one question for each dedicated use of the motor vehicle sales tax proceeds. Fischbach said that voters should be allowed to vote on the issues separately. Flynn opposed the amendment, though. She said that highway funding depends on the Metro Area, the Metro Area needs transit funding, and now Greater Minnesota needs transit funding. Sen. Janet Johnson also opposed the amendment, saying it needed to be voted on as a package. The amendment was defeated on a 35-37 roll call vote. The bill was given its third reading and passed on a roll call vote of 51-12.

Tuesday, April 20

Farm relief bill passes

A bill that provides \$70 million in emergency relief for farmers was unanimously approved by the Senate, during its Tues., Apr. 20, floor session. H.F. 1, carried by Sen. Douglas Johnson (DFL-Tower), provides crop farmers with a payment equal to \$4 an acre and live-stock producers with operations of less than 160 acres with a payment equal to the first half of their 1999 property taxes. Johnson said members of the Tax Conference Committee agreed to separate the farm relief portion of the tax rebate bill in order to get the relief out as quickly as possible to farmers. "Economically, farmers can't afford to lose any more ground," he said, "A lot of farmers are stuck in financial mud so deep they can't even get away to plant their spring crop."

Sen. Jim Vickerman (DFL-Tracy), said the bill sends a message to the farmers of the state. "This provides some hope. It says the state intends to help out, that we do care," he said, "Farmers are the mainstay of Minnesota. The bill clearly states that." The bill establishes an application process for eligible farmers, and limits the relief amount per farmer to \$5,600. Vickerman said that although he favored providing \$6 an acre for crop farmers with a means test to target the farmers who most needed the relief, that to establish such a test would have been difficult. "It was going to take the Dept. of Revenue more time and more money to put the test together than to deliver

the money," he said. Vickerman said that if the bill is signed by the governor farmers could start receiving their checks by early June. The bill requires the Dept. of Revenue to mail checks to each eligible farmer by July 15, 1999 for applications received by June 15, 1999. The bill was approved by a 64-0 vote.

In other floor action three bills passed after concurrence with amendments made by the House. S.F. 436, authored by Sen. Leo Foley (DFL-Coon Rapids), limits liability for 911 dispatchers providing pre-arrival medical instruction. S.F. 983, authored by Sen. Steve Kelley (DFL-Hopkins), modifies provisions relating to psychologists' licensing. S.F. 1041, authored by Sen. Paula Hanson (DFL-Ham Lake), clarifies provisions of the warehouse law.

The Senate spent the bulk of the floor session discussing the environment and agriculture omnibus budget bill, S.F. 2226, carried by Sen. Jane Krentz (DFL-May Township). Krentz, the chair of the Environment and Agriculture Budget Division, said the bill meets the division's \$524 million budget target for the biennium and falls \$3.5 million below what the governor has recommended in his budget. The bill's appropriations include funding of \$42 million for Legislative Commission on Minnesota Resources (LCMR) projects. Krentz said members of the division felt it important to fully fund the LCMR projects because of the thorough LCMR process. "Members felt that it was important not to play politics with the long, thoughtful process," she said.

There was a lengthy discussion of the bill and members offered several amendments. Among the amendments was a provision offered by Sen. William Belanger (R-Bloomington), removing \$200,000 from the asset preservation fund and appropriating the money for a grant to the city of Savage and Scott County, for engineering and environmental studies relating to an extension of State Highway 27 in the vicinity of the Savage fen wetlands complex. Belanger said the DNR has denied a permit to extend the road citing that other alternatives had not been sufficiently studied, the need for the extension had not been proven, and the proposed road extension threaten the fen, a rare natural resource. Krentz said she opposed the amendment because she was concerned it would

establish a precedent of other communities coming to the Legislature to pay for environmental impact studies. Sen. Janet Johnson (DFL-North Branch) also spoke against the amendment because the asset preservation account provides pro-active repairs on facilities and long term saves the state money. She offered an amendment to the amendment lowering the appropriation to \$100,000. Belanger said he opposed Johnson's amendment because the full \$200,000 was needed. "The issue is whether we should allow a monolithic department of state government to mandate to a small city," he said. Johnson's amendment to the amendment was not adopted. Belanger's amendment was adopted.

Sen. Janet Johnson offered an amendment striking from the bill increases in the costs for hunting and fishing licenses. Johnson said the increases were added to the bill during budget division hearings to address a \$10 million hole in the game and fish fund with the understanding that the governor would agree to match the increases with money from the general fund. She said because the governor's office could not guarantee the match, the license increases were not appropriate. The amendment was adopted. Sen. Claire Robling (R-Prior Lake), offered an amendment removing the \$40,000 household median cap on the Public Facility Authority's wastewater infrastructure fund for grants to communities seeking financing for high cost wastewater treatment projects. Sen. Steve Dille (R-Dassel) said he supported the amendment because he had recently heard from the city of Plato that it was not eligible for funds because its household median level was too high. Dille said that if the city residents pay for the necessary improvements without state funding, it will raise each taxpayer's utility bill by \$125 per month. Sen. Dennis Frederickson (R-New Ulm) said he was concerned about removing the cap because the program funds are limited and are meant to go to the poorer communities. The amendment was not adopted.

Vickerman offered an amendment prohibiting the Minnesota Pollution Control Agency (MPCA) from approving any additional fees on animal feedlot operations until July 1, 2001. Dille spoke in support of the amendment saying that the MPCA already has more feedlot

inspection staff than any other state and that increases in fees should not go to fund the agency's proposal to add twelve more inspection staff. Krentz said she opposed the amendment citing a legislative auditor's report on the feedlot inspection program recommending that the agency needs to improve its response time in reviewing permit applications and also needs to visit more proposed sites before issuing permits. Krentz said the 2001 date would unnecessarily tie up the agency's ability to improve its response time, and in effect impose a two year moratorium. "This would prevent even a modest fee increase on the most egregious offender," she said. Sen. Dallas Sams (DFL-Staples) said he supported the Vickerman amendment because the issue was about harassment of feedlot operators and unnecessary costs imposed rather than trying to get more permits out. Sen. Ember Reichgott Junge (DFL-New Hope) offered an amendment to the amendment that she said was a compromise on the issue, changing the date from July 1, 2001 to July 1, 2000. The amendment to the amendment was not adopted by a 25-36 roll call vote. Krentz said she had an amendment to offer that would provide a more effective solution to the issue, requiring the MPCA and the Dept. of Agriculture to prepare a report for the Legislature on the need for a feedlot upgrade account and a priority action plan for upgrading animal waste sites. She said the proposed fund would be similar to the petro fund and could possibly eliminate future needs to increase fees. Sen. Douglas Johnson said one of the current problems involved poor management decisions by the MPCA. He said that even though most farms are in rural areas, most of the MPCA inspection staff are located in St. Paul. He said that it makes more sense for the staff to live and work where the problems are. Vickerman's amendment was adopted by a 44-17 vote. Krentz offered the amendment requiring a report on the need for a feedlot upgrade account. The amendment was adopted.

Sen. Bob Lessard (DFL-Int'l. Falls) offered an amendment allowing the deposit of the in-lieu of tax payment that is imposed on the gross receipts from the sale of lottery tickets and any penalty and interest derived from the sale of lottery tickets, into the game and fish and environment and natural resources trust

funds. He said the original legislation establishing the lottery appropriated 50 percent of the funds to the environmental trust fund and 50 percent to the Greater Minnesota Corporation. He said a year later the 6.5 percent sales tax was imposed on the purchase of lottery tickets and the amendment deposits 50 percent of that revenue to the game and fish fund, 10 percent to the environment and natural resources trust fund, 10 percent to the tourism advertising account, and 30 percent to the general revenue fund. Lessard said that the game and fish fund is in need of repair. "Nobody is forcing anyone to buy a lottery ticket. It is a voluntary tax," he said, "This sends a message out that we're going to address this problem." Krentz said she did not oppose the merits of the amendment but that it would create a \$24 million tail in the budget for following years. Sen. Roger Moe (DFL-Erskine) said that he opposed the amendment because it takes resources off the table for budget consideration in future bienniums. He said that the issue should be looked at in the context of the entire budget and would set a precedent where proposals could be approved allocating money in future bienniums. The amendment was rejected by a 27-35 vote.

Sen. Gary Laidig (R-Stillwater), offered an amendment incorporating the wolf management plan recommended by a roundtable discussion group. Laidig said that since H.F. 1415, the bill establishing the management plan had been re-referred back to the Rules and Administration Committee under Rule 35 earlier in the day, that discussion of the issues was warranted since the bill has implications on the environment budget. Sen. LeRoy Stumpf (DFL-Thief River Falls) questioned the germaneness of the amendment. The amendment was ruled germane by Sen. Allen Spear (DFL-Mpls.), the Senate president. Moe asked Laidig to withdraw the amendment because the issues involved would lead to a lengthy discussion and that H.F. 1415 would soon be heard on the floor. Laidig withdrew the amendment.

Stumpf offered an amendment clarifying when the commissioner of the DNR may designate conservation lands as wildlife management areas. Stumpf said the amendment clarified the current law, and is retroactive to Dec. 1, 1998. Krentz said she opposed the amendment because

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public discussion was needed on the issue. Lessard said the issue was not heard in the Environment and Natural Resources Committee because it was "major legislation." Krentz offered an amendment to the amendment, which was not adopted, striking the retroactive date. Frederickson offered an amendment to the amendment, which was adopted, sunsetting the amendment on June 30, 2000.

Sen. Deanna Wiener (DFL-Eagan) offered an amendment requiring that when state agencies and local units of government request authorization from the Legislature to sell state lands bordering public waters, that the DNR evaluate and make a recommendation about the sale. The amendment provides that the recommendation may include a public sale, a sale to a private party, acquisition by the department for public purposes, and retention of a conservation easement for shoreland preservation. Wiener said that, originally, when she offered the amendment in committee, Lessard had raised a concern about the amendment. She said she had since worked with Lessard to address his concerns. The amendment was adopted.

Sen. Dan Stevens (R-Mora), offered an amendment repealing the MPCA's listed metals program. Stevens said that the program had not completed review of one product and that he opposed the MPCA's proposed fee increase from \$295 to \$750 per product to help cover the costs of the program. He said hexavalent chromium is one example of a listed metal that has provided benefits in its use. He said the metal is used in paints by car manufacturers and has had a significant impact on preventing cars from rusting so rapidly in the state. Frederickson spoke against the amendment, saying the program has been effective in taking four toxic metals, cadmium, lead, mercury, and chromium, out of the state's waters. The amendment was defeated by a 19-43 roll call vote.

Sen. Douglas Johnson offered an amendment requiring a person catch and release fish if they possess an underwater video camera on either their boat or in their fish house. Johnson said the amendment was a compromise on the issue. Lessard spoke in support of the amendment and said it would help preserve the tradition of sport fishing in the state. The amendment was adopted.

Robling re-offered her amendment removing the \$40,000 household median cap on the Public Facility Authority's wastewater infrastructure fund for grants to communities seeking financing for high cost wastewater treatment projects. She modified the amendment to increase the cap to \$46,000. The amendment was adopted.

The bill was approved by a 64-0 vote.

HHS bill passed

The last major bill taken up during the Tuesday floor session was S.F. 2225, the health and human services omnibus appropriations bill. Carried by Sen. Don Samuelson (DFL-Brainerd), the bill appropriates over \$5.8 billion over the 2000-01 biennium. The major appropriation in the bill includes \$5.239 billion to the Minnesota Department of Human Services, which includes funding for such items as MinnesotaCare program expansion, community social service block grants, Medical Assistance (MA) long term care waivers and home care, developmental disabilities community support grants and group residential housing services. In other areas, the bill also appropriates approximately \$200 million to the Minnesota Department of Health, \$53 million for Veterans Homes, \$21 million to health related boards, \$1.32 million to the Council on Disability and \$2.7 million to the Ombudsman for Mental Health and Mental Retardation.

Among many programs, the bill also modifies reimbursement and regulation of nursing facilities, makes a variety of modifications to MA and General Assistance Medical Care (GAMC), expands MA coverage for employed disabled persons and establishes coverage for several new MA services, including telemedicine and interpreter services. For assistance programs, the bill deletes the July 1, 1999 sunset on the food programs for non-citizens, ensures that a Minnesota Investment Program (MFIP) participant does not lose eligibility until the individual's income is at least 120 percent of poverty level, strikes language that would have counted \$100 of a rental subsidy as unearned income, exempts certain persons from the 60 month time limit on assistance and allows job counselors to approve employment plans that include the University of Minnesota student parent MFIP program. The bill

also establishes four endowment funds—the medical education and research endowment, the tobacco prevention endowment, the Health Care fund and the senior drug endowment—as well as the Minnesota Families Foundation with payments from the \$1.3 billion one time tobacco settlement.

Sen. Michelle Fischbach (R-Paynesville) offered an amendment relating to informed consent for an abortion. The amendment states no abortion is to be performed except with the voluntary and informed consent of the female upon whom the abortion is performed. It requires females receiving an abortion to be told of the specific health risks involved with abortions, requires the information at least 24 hours before the abortion and requires that the female receive information about prenatal and neonatal care and assistance programs in the state.

Sen. Linda Berglin questioned if the amendment was germane to the omnibus bill. She said the amendment goes beyond the scope of the bill because the bill includes no provisions that regulate health care providers. Fischbach said the amendment is germane because it addresses provisions relating to the Department of Health and includes appropriations that come from the bill. Sen. Mark Ourada (R-Buffalo) also said the amendment is germane. He said it is impossible to argue that an amendment that deals with health measures cannot be discussed under the auspices of an omnibus bill relating to health. Sen. Allan Spear (DFL-Mpls.), president of the Senate, however, said the amendment takes a broad approach and then adds in a measure with narrow language in an attempt to make it germane. The amendment, he said, regulates and defines too many items, such as what constitutes a medical emergency, to be appropriately discussed under the omnibus bill. He ruled the amendment not germane. Fischbach appealed the ruling and a vote was taken. Spear's ruling was upheld by a vote of 34 to 32.

Sen. Dan Stevens (R-Mora) presented an amendment to use a portion of the tobacco settlement payments beginning Dec. 2000 to fund MinnesotaCare and eliminate the provider tax currently used to fund the program. Stevens said in a survey given to his constituents, 37 percent said the tobacco settlement

dollars should be used for health care purpose and 39 percent said the money should be used for tax reductions. He said his amendment fulfills both purposes. Sen. Roger D. Moe (DFL-Erskine), however, questioned the germaneness of the amendment. He said the amendment deals with a tax issue that is not relevant to the omnibus bill. Responding, Stevens said an entire article of the bill deals with tobacco settlement money. He also said that MinnesotaCare, which is addressed in part of the bill, is funded entirely with the provider tax. Moe said that he would also like to see the tax eliminated but called it a tax related issue. The amendment, he said, repeals a tax and thus is clearly not germane to the health and human services omnibus bill. Agreeing with Moe, Spear said the issue more properly belongs in an omnibus tax bill. He ruled the amendment not germane. Stevens challenged the ruling and a vote was taken. The ruling was sustained 37 to 26.

Stevens then offered an amendment to delete the entire section creating the tobacco endowments and the Minnesota Family Foundation. He said he is uncomfortable with \$1.3 billion as part of a single initiative. Also, he said the money is too much to be allocated for a measure that is outside of the Legislature. The amendment was not adopted.

Sen. Pat Pariseau (R-Farmington) offered an amendment to leave the MinnesotaCare income eligibility level for single adults with no children at 175 percent of poverty. The bill raises the income level to 275 percent of poverty. Speaking against the amendment, Berglin said under current law single adults with jobs that pay \$7 per hour are not allowed into the MinnesotaCare program. She gave an example of a constituent with epilepsy who was not able to obtain MinnesotaCare because the person started a job last summer that paid \$8 per hour. The person, she said, was forced to ration drugs but eventually developed a seizure that put them in the hospital. She said that person may now never be able to work again. The amendment was not adopted.

Sen. Deanna Wiener (DFL-Eagan) presented an amendment appropriating \$18 million from the tobacco settlement funds—\$6 million from each fund—to finance the Minnesota Comprehensive Health Association (MCHA) Program.

Wiener said the money comes from the principle of the settlement and is a one time payment before a permanent revenue stream for the program is found. She said the amendment is designed to keep people insured. Because the amendment takes money from the settlement principle, Berglin said the measure violates the nature of the tobacco endowments. Only the interest, she said, is supposed to be spent. Responding, Wiener said no money can be taken from the interest until interest actually accrues. The money is needed now, she said. The amendment was not adopted.

Sen. Linda Runbeck (R-Circle Pines) offered an amendment to delete the section eliminating stopping the 60 month time limit for Minnesota Family Investment Program (MFIP) assistance for those meeting certain requirements. In the section, the months are not included toward the 60 month limit if a care giver reports weekly hours of employment equal to or greater than their MFIP work requirements, a care giver with a child under six years who works more than 30 hours per week, care givers in a two parent family who work over 55 hours per week and single care givers with a child under six years who work more than 20 hours per week. Runbeck said the exemptions do not help people become self-sufficient and instead promote an unhealthy, continuous dependence on government. Berglin spoke in opposition to the amendment. She said the intention of the federal welfare legislation is to stop the clock for those who are working. The section, she said, rewards those who work by stopping their time clock. The amendment was not adopted.

Sen. Gen Olson (R-Minnetrista) presented an amendment allowing parents access to the medical records of their un-emancipated minor children. Parents, she said, need to know what is happening in the lives of their children. Berglin questioned the germaneness of the amendment. She said that access to medical records is not part of the scope of the omnibus bill. Olson, however, said minor consent related items are mentioned several times in the bill. Spear ruled the amendment germane. Sen. Sheila Kiscaden (R-Rochester) offered to amend Olson's amendment to allow parents access to the medical records

with the consent of the minor affected. Olson said that the Kiscaden amendment takes her amendment in the opposite direction. She said parents are responsible for the health of their children and to say that they can't have access to medical records is ludicrous. Responding, Kiscaden said that many youth need confidential health care services or they won't access health care services when they are necessary. The Kiscaden amendment was adopted, but Olson then withdrew her amendment.

Sen. Thomas Neuville (R-Northfield) offered an amendment giving preference for adoption to married couples over a single person. Preferences are already given to relatives and important friends of the child to be adopted. Neuville said a married couple is a more suitable environment for a child than is a single parent home. Sen. Ember Reichgott Junge (DFL-New Hope) said it is not logical to include a preference for a married couple when the first two desirable options do not need to be married to adopt. The law, she said, already approves of adoption for single people. Neuville said the amendment does not prohibit single people from adopting. He said it simply creates a preference for a married couple if the first two options do not apply. Sen. Becky Lourey (DFL-Kerrick) asked if the amendment requires a child to wait longer for placement if a married family does not come forward to adopt the child. Neuville said the amendment just gives preference to married couples. It does not prevent a child, he said, from being placed in a single parent home if no married families are available. Berglin, speaking against the amendment, said that current law looks at the best options for a child. She said there may be instances when an un-married person is more suitable for a certain child than a married couple. The amendment, she said, is not a good idea. Responding, Neuville said that an adopted child needs the stability of a mother and a father if possible. He said many adopted children have emotional or physical problems and need role models, not day care. He said it is better to place the most vulnerable children in two parent homes. Kiscaden offered an amendment to Neuville's amendment stating that the consideration of all the preferences will not delay the placement of a child. She said her

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amendment clarifies Neuville's intent and ensures delays in placement will not take place due to another preference. Kiscaden's amendment was adopted, as was Neuville's.

Sen. Edward Oliver (R-Deephaven) presented an amendment to delete the health care fund from the tobacco settlement portion of the bill. Oliver said the fund—which uses \$38 million of the ongoing tobacco settlement payments of \$204 million beginning in 2003—should be eliminated to keep the money to pay for the elimination of the provider tax. Speaking against the amendment, Berglin said the initiative was voted down during an earlier floor session regarding the tobacco endowments. She also said the health care fund can be used toward the provider tax. The amendment was not adopted. Nearly 20 other amendments were offered before the bill was granted final approval by a vote of 54 to 12.

Thursday, April 22

The Senate convened for a floor session Thurs., Apr. 22, to give final passage to a number of bills on Special Orders. Sen. Jim Vickerman (DFL-Tracy) carried S.F. 1329, a bill relating to a license fee limit for amusement machines. The bill prohibits local units of government from imposing a license fee on amusement machines—such as video games—of more than \$15 per machine and location. Vickerman said the bill is necessary because cities are continuing to raise the fees on the machines even though little effort is needed to operate or maintain them.

Sen. Sandra Pappas (DFL-St. Paul) offered an amendment relating to violent video games. The amendment prohibits cities from licensing amusement machines violent games that have been rated “M” by the Entertainment Software Rating Board that display to children under 18 years of age. The “M” rating is for games depicting graphic violence that has been deemed not appropriate for young people. Pappas said the amendment was prompted by discovering that the favorite video game of the two suspects in the recent Colorado school shooting involves shooting and killing people. She called the game a “killing game” and said she is concerned about the increasing number of video games

that promote violent activity. Games such as that, she said, desensitize children to violence and help them to learn to become “expert shooters.” The amendment, she said, is a small attempt to begin to handle the problem of violent games and to raise public awareness of the issue. The amendment was adopted.

Sen. Edward Oliver (R-Deephaven) presented an amendment to delete the \$15 fee limit. The amendment then allows cities to impose a licensing fee that reasonably relates to the cost of issuing the license and managing the activity. Oliver said the state should not dictate the fee and it should, instead, be considered a local matter. Speaking against the amendment, Vickerman said the licensing fee issue is an issue of fairness. He said many cities are imposing large fees that are not consistent with the services provided. The amendment, however, was adopted.

Sen. Jane Ranum (DFL-Mpls.) presented H.F. 2067, which prohibits extended jurisdiction juvenile offenders from receiving stayed sentence execution jail credit. Ranum said the bill simply clarifies the intent of the current law regarding serious juvenile offenders. Pappas offered an amendment requiring the Minnesota Department of Public Safety to prepare a report to the Legislature on the “most effective ways for parents to control juvenile access to violent video shooting games.” Pappas said the aim of the amendment is to educate parents about such violent video games. The amendment was adopted.

Sen. Linda Higgins (DFL-Mpls.) carried S.F. 1002, a bill relating to methamphetamine production. The bill states that conviction for neglect of a child is not a bar for conviction of another offense committed as part of the same conduct, imposes penalties for placing booby traps in locations where controlled substances are manufactured and increases penalties for the theft of anhydrous ammonia. Sen. Charles Wiger (DFL-North St. Paul) presented an amendment dealing with the crime of laser assault. The amendment establishes penalties for persons who intentionally point a beam of laser radiation at another person's eye and is designed to deal with the small, pen-like gadgets that have become popular at schools this year. The amendment was adopted.

Several other bills were also given final

passage from Special Orders. S.F. 145, authored by Sen. John Marty (DFL-Roseville), modifies election campaign finance and ethics provision; H.F. 1708, carried by Sen. Linda Scheid (DFL-Brooklyn Park), deal with Minnesota FAIR (Fair Access to Insurance Requirements) plan act provisions; and S.F. 23, authored by Sen. Leo Foley (DFL-Coon Rapids), repeals the administrative process for child support orders and establishes a new expedited process in the judicial branch. H.F. 1905, carried by Sen. John Hottinger (DFL-Mankato), authorizes the governor to veto certain rules; H.F. 1106, also carried by Hottinger, limits the use of health information secured as part of HIV vaccine research for insurance underwriting. H.F. 585, carried by Sen. Dan Stevens (R-Mora) was given final passage from the consent calendar. The bill reduces an appropriation and amends a match requirement for the Isle Community Center grant. S.F. 296, authored by Sen. Martha Robertson, and S.F. 834, were granted concurrence and given final passage. S.F. 296 modifies various special education provisions and S.F. 834 modifies provisions relating to putative fathers' adoption registry.

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Floor action

Friday, April 16

Bills granted final passage on Special Orders

S.F. 2222-Piper: Omnibus family and early childhood education budget bill. 41-19

H.F. 1178-Novak: Regulates the taking of prelease deposits and provides for civil penalties. 60-0

S.F. 1357-Novak: Modifies utilities conservation improvement provisions. 58-0

S.F. 1202-Spear: Establishes protocol for occupational exposure to bloodborne pathogens in certain settings and providing criminal penalties. 59-0

Monday, April 19

Bills granted final passage on Special Orders

S.F. 2221-Kelly, R.C.: Omnibus criminal justice, corrections and public defense appropriations. 62-2

S.F. 2223-Price: Omnibus state government appropriations bill. 61-4

H.F. 2397-Johnson, J.B.: Omnibus transportation and public safety appropriations. 51-12

Tuesday, April 20

Bills granted concurrence and repassage

S.F. 436-Foley: Limits liability for 911 dispatchers providing prearrival medical instruction. 54-0

S.F. 983-Kelley, S.P.: Makes changes to provisions providing for psychologist licensing and regulation. 56-0

S.F. 1041-Hanson: Changes and clarifies provisions of the warehouse law. 60-0

Conference committee reports adopted and repassed

H.F. 1-Johnson, D.J.: Provides for a payment to farmers at risk based on the acreage of agricultural use land and provides for an agricultural property tax refund for certain livestock producers. 64-0

Bills granted final passage on Special Orders

S.F. 2226-Krentz: Omnibus environment and agriculture appropriations bill. 64-0

H.F. 2390-Janezich: Omnibus economic development appropriations bill. 61-3

S.F. 2225-Samuelson: Omnibus health and human services appropriations bill. 54-12

Wednesday, April 21

Bills granted final passage on Special Orders

H.F. 15-Pogemiller: Amends the state graduation standards and provides for districts to adopt rigorous academic standards. 41-25

Thursday, April 22

Bills granted final passage on the Consent Calendar

H.F. 585-Stevens: Reduces an appropriation for the Isle Community Center grant because a project is not being done. 49-0

Bills granted final passage on Special Orders

S.F. 1329-Vickerman: Limits license fees on coin and currency activated amusement machines. 64-0

H.F. 1708-Scheid: Modifies Minnesota FAIR plan provisions regarding property liability insurance. 64-0

H.F. 2067-Ranum: Provides that when an extended jurisdiction juvenile offender has stayed sentence executed for violation of the stay, no credit is granted for time in a juvenile facility. 58-0

S.F. 145-Marty: Clarifies and simplifies the law related to lobbyist registration, conflicts of interest and campaign finance. 62-0

H.F. 1905-Hottinger: Authorizes the governor to veto certain administrative rules. 62-0

H.F. 1106-Hottinger: Limits the use of health information secured as part of HIV vaccine research for insurance underwriting. 62-0

S.F. 23-Foley: Repeals the administrative process for support orders and establishes a child support magistrate system. 62-0

S.F. 1002-Higgins: Imposes criminal penalties for placing a booby trap in locations where controlled substances are manufactured and provides for increased penalties for the theft of anhydrous ammonia. 60-0

Bills granted concurrence and repassage

S.F. 834-Knutson: Changes requirements and procedures for the putative fathers adoption registry. 58-0

S.F. 296-Robertson: Modifies special education provisions and provides for rulemaking. 59-0

Conference committees

H.F. 7-Termination of the motor vehical emissions inspection program.

Members:

Metzen	Haake
Pariseau	Ozment
Price	Johnson

H.F. 60-Reimbursement of supplemental private duty nursing provided by spouses.

Members:

Betzold	Haas
Berglin	Luther
Kiscaden	Westerburg

H.F. 174-Authorizes the Paynsville Area Hospital District to annex the city of Richmond to the district.

Members:

Fischbach	Stang
Vickerman	Dehler
Sams	Junke

H.F. 270-Prohibits a maximum lifetime benefit limit on certain Minnesota Comprehensive Health Insurance policies.

Members:

Murphy	Osskopp
Wiener	Davids
Oliver	Osthoff

H.F. 346-Limits freelance court reporter contract arrangements.

Members:

Hottinger	Smith
Kiscaden	Broecker
Spear	Leighton

H.F. 371-Removes the limit on the amount a local government may contribute for historical work and permits contributions to public or private, nonprofit senior centers or youth centers.

Members:

Fischbach	Stang
Vickerman	Dehler
Sams	Juhnke

H. F. 414-Pseudorabies control bill.

Members:

Hanson	Gunther
Stumpf	Ness
Dille	Wenzel

Repassed House: 3/29/99; Senate: 3/31/99

H.F. 837-Omnibus insurance bill.

Members:

Wiener	Davids
Solon	Jennings
Oliver	Paulson

H.F. 1568-Certain building code authority provisions transferred to commissioner of administration.

Members:

Wiener	Boudreau
Johnson, J.B.	Tunheim
Robertson	Olson

S. F. 174-Sex offender registration expansion to include certain persons committed as mentally ill and dangerous.

Members:

Ranum	Bishop
Betzold	Haake
Neuville	Skoglund

S. F. 333-Indentity theft penalties.

Members:

Kelly, R.C.	Bishop
Limmer	Seifert, J.
Ten Eyck	Skoglund

S.F. 510-State Board of Dentistry composition

Members:

Hottinger	Boudreau
Lourey	Wilkin
Fischbach	Greenfield

S.F. 778-Motor vehicle security interest release and video screen placement.

Members:

Sams	Kuisele
Flynn	Molnau
Belanger	Junke

S.F. 1330-Regulates banking fees, charges and time periods, authorizes part-timebanking locations and makes technical changes.

Members:

Solon	Haas
Belanger	Davids
Metzen	Lieder

S.F. 2017-Technical and administrative changes to Dept. of Employee Relations provisions.

Members:

Runbeck	Mares
Flynn	Haas
Hottinger	Jennings

Chapters

No.	Senate File	Senate Author	House File	House Author	Description	Signature date
1	88	Marty	139*	Rhodes	Campaign finance and public disclosure board member qualifications specified.	2/17/99
2	29	Lessard	26*	Solberg	Mississippi education center previous grantee changed to the city of Grand Rapids, and condition imposed.	2/17/1999
3	107	Novak	133*	Stanek	Minneapolis and St. Paul residency requirements repealed.	3/4/99
4	40	Stumpf	6*	Hackbarth	Snowmobile metal traction device use restrictions modified and recreational vehicle rulemaking authority modified.	3/4/99
5	121*	Ten Eyck	171	Mulder	Health related licensing board licensees infection control.	3/8/99
6	424*	Vickerman	370	Harder	Nonregistered pesticide distribution permitted for certain uses outside the state.	3/8/99
7	324	Ten Eyck	248*	Hasskamp	Crooked Lake detached banking facility.	3/15/99
8	241	Sams	214*	Goodno	Emergency medical services volunteer ambulance attendant definition.	3/15/99
9	464*	Kelly, R.C.	379	Erhardt	Carisoprodol classification as controlled substance effective date delay.	3/15/99
10	73*	Murphy	356	Dempsey	Consumer support program for persons with functional limitations financial eligibility criteria modification.	3/15/99
11	343*	Knutson	382	Seifert, J.	Real estate provisions modifications.	3/15/99
12	162	Kelly, R.C.	49*	Ozment	Peace officers or firefighters killed in line of duty spouse health insurance coverage.	3/16/99
13	579	Vickerman	302*	Davids	Ambulance services shared service purchasing.	3/16/99
14	301*	Lourey	74	Luther	Health care directive form modification.	3/16/99
15	416	Higgins	453*	Haake	Minneapolis skilled workers and apprentices deferred compensation plan participation.	3/18/99
16	379	Scheevel	157*	Kuisle	Laura Ingalls Wilder historic highway route modification.	3/18/99
17	564	Lesewski	454*	Seifert, M.	Nursing home administrations sharing authority expansion.	3/18/99
18	649*	Robertson	610	Tingelstad	Safe drinking water act public water supply definition modification.	3/25/99
19	914*	Novak	812	Wolf	Legislative electric energy task force membership modification.	3/25/99
20	593*	Kleis	434	Opatz	St. Cloud Paramount Arts District Regional Arts Center grant recipient change.	3/25/99
21	50*	Novak	48	Wolf	Public utilities performance based natural gas purchasing plans sunset repeal.	3/25/99
22	463	Johnson, J.B.	137*	Rostberg	Collector watercraft license numbers and decals display requirements exemption.	3/26/99
23	90	Betzold	56*	Van Dellen	Health care provider actions statute of limitations.	3/26/99
24	255*	Ranum	193	Paymar	Emergency telephone (911) calls interference crime expansion.	3/29/99
25	460*	Fischbach	165	Stang	Special disability license plates for modified motor vehicles.	3/29/99
26	407*	Johnson, D.E.	438	Swenson	McLeod West School District #2887: secondary educational facility grant.	3/29/99
27	609*	Price	564	Ozment	Landscape irrigation systems rain check installation requirement.	Vetoed.
28	99*	Knutson	732	Osskopp	Criminal offenders costs payment for failure to appear after release.	4/1/99
29	1280	Day	1305*	Sviggum	Kenyon Trunk Highway #56 relocation easements transfer.	4/1/99
30	517	Vickerman	475*	Stang	Town officers or employees criminal charges defense costs reimbursement.	4/1/99
31	381	Pappas	379*	Erhardt	Mortgage registry and deed taxes technical corrections and administrative changes.	4/1/99
32	144	Robling	183*	Buesgens	Civil commitment; minors voluntary chemical dependency admission and treatment parental consent.	4/12/99
33	418	Hottinger	413*	Mulder	Physicians, acupuncturists and registration requirements modifications and athletic trainers licensing.	4/12/99
34	518	Hottinger	492*	Dorn	Mankato State University authorized to construct the Taylor Center Multi purpose Facility.	4/12/99

Chapters

35	739	Murphy	766*	Broecker	Motorcycle blue lights display.	4/12/99
36	862	Robling	1126*	Abeler	Family day care licensure child age groupings definitions.	4/12/99
37	487	Foley	1258*	Entenza	Marriage dissolution summary process revival.	4/12/99
38	117*	Knutson	733	Osskopp	Criminal offenders restitution challenge hearing requests time limit.	4/12/99
39	488	Kiscaden	640*	Bradley	Mental health state advisory council membership representation requirements modification and advisory duties and reporting requirements expansion.	4/12/99
40	727*	Kelley, S.P.	1336	Seifert	Contracts continuity under European currency.	4/12/99
41	1660*	Wiger	2024	Seifert	Government innovation and cooperation board local government services delivery laws or rules exemptions extension.	4/12/99
42	1888*	Larson	1986	Nornes	Otter Tail veterans memorial drive designation.	4/12/99
43	794*	Kleis	1184	Knobloch	One call excavation notice system requirements modifications.	4/12/99
44	1150*	Johnson, J.B.	1265	Workman	Rural residential districts speed limits.	4/12/99
45	428	Hanson	414*	Gunther	Pseudorabies control program continuation appropriation and vaccine reimbursement requirement assistance.	4/12/99
46	1677	Wiener	1565*	Anderson, B.	Eligibility expanded for certain state military service.	4/15/99
47	2043	Wiger	1556*	Clark, K.	Extends the civil service pilot project in the Housing Finance Agency.	4/15/99
48	404	Runbeck	525*	Westerberg	Anoka County dangerous dog registration system administration responsibility.	4/15/99
49	240	Johnson, D.H.	49*	Smith	DWI investigations county sheriff contingent funds use.	4/15/99
50	237	Johnson, D.H.	216*	Stanek	County prisoners transfer authority clarification.	4/15/99
51	1913	Hottinger	614*	Davids	Community integrated service networks net worth reserve corridor increase and utilization review.	4/15/99
52	735	Hottinger	583*	Gunther	Township mutual insurance companies authorized investments expansion.	4/15/99
53	1190	Hottinger	1066*	Seifert, M.	Township mutual insurance companies territories of operation regulation modifications.	4/15/99
54	1650	Hottinger	1660	Bradley	Nonprofit organizations human diseases research personnel unlawful practice of medicine exemption.	4/15/99
55	1391	Piper	1216*	Abeler	Chiropractors licensed in other states practical examination requirement modification.	4/15/99
56	1173*	Robling	1403	Buesgens	Scott County Blue Lake wastewater treatment plant consumptive water use permit approval.	4/15/99
57	803*	Solon	1109	Munger	St. Louis River estuary fishing guide license requirement.	4/15/99
58	984*	Kelley, S.P.	982	Mulder	Psychological test results release regulation.	4/15/99
59	836*	Ourada	384	Anderson, B.	Food handlers licensing period and fee modifications for state operators.	4/15/99
60	1116	Ranum	1132*	Broecker	Delinquent real estate taxes duplicate publication copies filing requirement, county boards District Court administrator salaries setting authority and District Court deposit for fees elimination.	4/16/99
61	676	Betzold	643*	Bishop	All persons under civil commitment status provided the same legal rights.	4/16/99
62	170	Hottinger	408*	Goodno	Pharmacy practice definition modification.	4/16/99
63	1693	Ten Eyck	1714*	Goodno	Pharmacists to pharmacy technicians ratio requirements waiver.	4/16/99
64	495	Knutson	735*	Osskopp	Crime of adulteration scope expansion and penalty increases.	4/16/99
65	881*	Kleis	841	Opatz	Stearns, Benton and Sherburne Counties regional parks and trails plan.	4/16/99
66	651	Robertson	645*	Tingelstad	Water supply and wastewater treatment system operators certification requirements federal conformity and Water Supply Systems and Wastewater Treatment Facilities Advisory Council membership modification.	4/20/99
67	1239	Terwilliger	1421*	Wilkin	Podiatry temporary permits extension.	4/20/99
68	1554*	Solon	1809	Jaros	Duluth Seaway Port Authority alternative name.	4/20/99
69	465*	Pappas	908	Dawkins	County recorders minimum security deposits requirement authority.	4/20/99
70	1600*	Flynn	1507	Skoe	Certain motor vehicle written applications requirements eliminated and registration of vehicle by fax or internet allowed.	4/20/99

Chapters

71	973*	Kelly, R.C.	1153	Paymar	Juror compensation system study.	4/20/99
72	198*	Kelly, R.C.	197	Pawlenty	Criminal trials closing arguments order.	4/20/99
73	1176*	Johnson, J.B.	1151	Howes	Waste Management Act technical modifications.	4/20/99
74	129*	Knutson	53	Biernat	Uniform Child Custody Jurisdiction and Enforcement Act.	4/20/99
75	257*	Robling	182	Buesgens	Statutory cities special elections to fill office vacancies.	4/20/99
76	866	Hanson	868*	Hackbarth	Expansion of the crime of theft to theft of rental personal property or equipment.	4/20/99
77	32	Johnson, D.H.	67*	Luther	Felony penalties for killing or injuring a search and rescue dog.	4/20/99
78	1497	Kleis	793*	Seifert, J.	Rental motor vehicle and right of detainer.	4/20/99
79	98*	Knutson	1171	Holberg	Crime victims and witnesses birthdates confidentiality.	4/20/99
80	829*	Belanger	960	Seagren	Bloomington Housing and Redevelopment Authority surplus state land purchase.	4/20/99
81	972*	Frederickson	1404	Swenson	Swan Lake migratory waterfowl refuge designation and migratory waterfowl refuges entry permit requirement.	4/20/99
82	1188*	Kelley, S.P.	1097	Kuisle	Uniform municipal contracting law dollar limit increases and cooperative purchase authorization.	
83	25	Samuelson	40*	Bradley	Nursing facility residents allowed to request the use of restraints.	4/22/99
84	578	Lourey	463*	Davids	Ambulance services and first responders health care review.	4/22/99
85	833	Junge	836*	Goodno	Business corporations regulation provisions modifications.	4/22/99
86	950	Betzold	1037*	Holberg	Revisor's bill.	4/22/99

Preview

Monday, April 26

The Senate is in Session at 9 a.m.

Human Resources Finance Committee

Chair: Sen. Linda Berglin

2 p.m. or one half hour after Session

Room 112 Capitol

Agenda: S.F. 2228-Kelly, R.C.: Faribault Correctional Facility storm and sanitary sewer capital bonding; and other bonding requests.

Property Taxes and Local Government Budget Division

Chair: Sen. Sandra Pappas

4 p.m. or after Session Room 15 Capitol

Agenda: TIF article and other local

economic development provisions of the omnibus tax bill.

Tuesday, April 27

The Senate is in Session at 9 a.m.

Wednesday, April 28

Environment and Natural Resources Committee

Chair: Sen. Bob Lessard

7:30 a.m. Room 107 Capitol

Agenda: Confirmation Hearings: Karen Studders, Commissioner, Minnesota Pollution Control Agency; Allen Garber, Department of Natural Resources.

The Senate is in Session at 9 a.m.

Thursday, April 29

The Senate is in Session at 9 a.m.

Friday, April 30

The Senate is in Session at 9 a.m.

Committee roster

Policy Committees

Agriculture and Rural Development (13)

Chair: Sams

Vice Chair: Hanson

Office: 328 Capitol

Phone: (651) 296-7405

Meets: Tues., Thurs., 2-3:45 p.m. Room 107

Members:

Berg	Johnson, D.E.	Lourey	Scheevel
Dille	Lesewski	Murphy	Vickerman
Fischbach	Lessard	Piper	

Children, Families and Learning (33)

Co-Chairs: Piper, Pogemiller, Stumpf

Meets: Tues., Weds., Fri., 8-9:45 a.m. Room 15

Office: 235 Capitol

Phone: (651) 296-7809

Members:

Foley	Knutson	Neuville	Solon
Hanson	Krentz	Olson	Ten Eyck
Higgins	Langseth	Pappas	Terwilliger
Janezich	Larson	Ranum	Wiener
Junge	Lesewski	Robertson	Wiger
Kelley, S. P.	Lourey	Robling	Ziegler
Kiscaden	Marty	Scheevel	
Kleis	Murphy	Scheid	

Commerce (16)

Chair: Solon

Vice Chair: Wiener

Meets: Tues., Thurs., 2-3:45 p.m. Room 112

Office: 303 Capitol

Phone: (651) 296-5776

Members:

Belanger	Kleis	Novak	Scheid
Cohen	Larson	Oliver	Spear
Day	Marty	Runbeck	
Hottinger	Metzen	Samuelson	

Crime Prevention (16)

Chair: Spear

Vice Chair: Johnson, D.H.

Meets: Mon., Weds., Fri., 2-3:45 p.m. Room 15

Office: 120 Capitol

Phone: (651) 296-4191

Members:

Anderson	Junge	Krentz	Ranum
Belanger	Kelly, R.C.	Laidig	Ten Eyck
Berglin	Kleis	Limmer	
Foley	Knutson	Neuville	

Election Laws (11)

Chair: Marty

Vice Chair: Junge

Meets: Mon., Weds., 12 noon-1:45 p.m. Room 112

Office: 326 Capitol

Phone: (651) 296-5712

Members:

Flynn	Johnson, D.J.	Ourada	
Frederickson	Larson	Sams	
Johnson, D.E.	Moe, R.D.	Scheid	

Environment and Natural Resources (18)

Chair: Lessard

Vice Chair: Anderson

Office: 111 Capitol

Phone: (651) 296-1113

Meets: Mon., Weds., Fri., 12 noon-1:45 p.m. Room 107

Members:

Berg	Johnson, J.B.	Olson	Samuelson
Dille	Krentz	Pariseau	Stevens
Frederickson	Laidig	Pogemiller	Stumpf
Higgins	Novak	Price	Vickerman

Governmental Operations and Veterans (14)

Chair: Metzen

Office: 303 Capitol

Phone: (651) 296-4175

Meets: Tues., Thurs., 12 noon-1:45p.m.; Weds., 10-11:45 a.m. Room 15

Members:

Berg	Pogemiller	Stevens	Wiger
Betzold	Price	Stumpf	
Cohen	Robertson	Terwilliger	
Fischbach	Runbeck	Wiener	

Health and Family Security (16)

Chair: Hottinger

Vice Chair: Lourey

Office: 120 Capitol

Phone: (651) 296-1323

Meets: Tues., Thurs., Fri., 10-11:45a.m. Room 15

Members:

Berglin	Foley	Sams	Ten Eyck
Betzold	Kiscaden	Samuelson	Terwilliger
Dille	Piper	Solon	
Fischbach	Robertson	Stevens	

Jobs, Energy and Community Development (19)

Chair: Novak

Vice Chair: Kelley, S.P.

Office: 322 Capitol

Phone: (651) 296-1767

Meets: Tues., Thurs., Fri., 10-11:45 a.m. Room 123

Members:

Anderson	Johnson, D.J.	Metzen	Runbeck
Frederickson	Johnson, J.B.	Murphy	Scheevel
Higgins	Kelly, R. C.	Oliver	
Janezich	Lesewski	Ourada	
Johnson, D.H.	Limmer	Pariseau	

Judiciary (13)

Chair: Ranum

Vice Chair: Betzold

Office: 306 Capitol

Phone: (651) 296-0249

Meets: Mon., Weds., Fri., 12 noon-1:45 p.m. Room 15

Members:

Berglin	Foley	Limmer	Ten Eyck
Cohen	Kiscaden	Neuville	Wiener
Fischbach	Knutson	Spear	

Local and Metropolitan Government (16)

Chair: Vickerman

Vice Chair: Higgins

Office: 226 Capitol

Phone: (651) 296-4150

Meets: Mon., Weds., Fri., 2-3:45 p.m. Room 107

Members:

Day	Langseth	Pappas	Scheevel
Flynn	Lessard	Pariseau	Wiger
Hottinger	Lourey	Price	
Kelley, S.P.	Olson	Robling	

Rules and Administration (24)

Chair: Moe, R.D.

Vice Chair: Junge

Office: 208 Capitol

Phone: (651) 296-4196

Meets: On call

Members:

Belanger	Frederickson	Lessard	Samuelson
Berg	Johnson, D.E.	Metzen	Solon
Berglin	Johnson, D.J.	Novak	Spear
Cohen	Laidig	Olson	Stumpf
Day	Langseth	Piper	
Flynn	Larson	Pogemiller	

Transportation (17)

Chair: Flynn

Vice Chair: Murphy

Office: 120 Capitol

Phone: (651) 296-5099

Meets: Tues., Thurs., 12 noon-1:45 p.m.; Weds. 10-11:45 a.m. Room 112

Members:

Belanger	Johnson, D.H.	Laidig	Robling
Day	Johnson, D.E.	Langseth	Sams
Hanson	Johnson, J.B.	Ourada	Ziegler
Janezich	Kelly, R.C.	Pappas	

Budget Divisions

Crime Prevention and Judiciary Budget Division (12)

Chair: Kelly, R.C.

Office: 323 Capitol

Phone: (651) 296-5285

Meets: Mon., Weds., Fri., 2-3:45p.m. Room 15

Members:

Anderson	Junge	Limmer	Spear
Belanger	Knutson	Neuville	Ten Eyck
Betzold	Laidig	Ranum	

Economic Development Budget Division (13)

Chair: Janeczich

Office: 328 Capitol

Phone: (651) 296-8017

Meets: Tues., Thurs. 2-3:45 p.m. Room 123 Capitol

Members:

Anderson	Kelly, R.C.	Murphy	Ourada
Higgins	Larson	Novak	Runbeck
Johnson, D.H.	Lesewski	Oliver	Wiener

Environment and Agriculture Budget Division (12)

Chair: Krentz

Office: 235 Capitol

Phone: (651) 296-7061

Meets: Mon., Weds., Fri., 12-1:45p.m. Room 107

Members:

Anderson	Frederickson	Lessard	Stumpf
Berg	Johnson, J.B.	Pariseau	Vickerman
Dille	Laidig	Price	

Family and Early Childhood Education Budget Division (10)

Chair: Piper

Vice Chair: Foley

Office: G-9 Capitol

Phone: (651) 296-9248

Meets: Tues., Weds., Fri., 8-9:45 a.m. Room 15

Members:

Higgins	Lesewski	Marty	Terwilliger
Janeczich	Lourey	Robling	Ziegler

Governmental Operations Budget Division (11)

Chair: Price

Office: 235 Capital

Phone: (651) 297-4158

Meets: Tues., Thurs., 4-6 p.m.; Weds., 2-4 p.m. Room 125

Members:

Betzold	Marty	Runbeck	Wiger
Cohen	Metzen	Scheid	
Frederickson	Robertson	Stevens	

Health and Family Security Budget Division (13)

Chair: Samuelson

Office: 124 Capitol

Phone: (651) 296-4875

Meets: Tues., Thurs., Fri., 4-6 p.m. Room 123

Members:

Berglin	Foley	Lourey	Solon
Dille	Hottinger	Piper	Stevens
Fischbach	Kiscaden	Sams	Terwilliger

Higher Education Budget Division (9)

Chair: Stumpf

Vice Chair: Ten Eyck

Office: G-24 Capitol

Phone: (651) 296-8660

Meets: Tues., Weds., Fri., 8-9:45 a.m. Room 107

Members:

Kelley, S.P.	Kleis	Murphy	Wiener
Kiscaden	Larson	Solon	

K-12 Education Budget Division (15)

Chair: Pogemiller

Vice Chair: Wiger

Office: 235 Capitol

Phone: (651) 296-7809

Meets: Tues., Weds., Fri., 8-9:45 a.m. Room 112

Members:

Hanson	Krentz	Pappas	Scheid
Janeczich	Langseth	Ranum	
Junge	Neuville	Robertson	
Knutson	Olson	Scheevel	

Property Taxes and Local Government Budget Division (14)

Chair: Pappas

Office: 120 Capitol

Phone: (651) 296-1802

Meets: Mon., Tues., Weds., Thurs., Fri. 4-6 p.m. Room 15

Members:

Day	Kelley, S.P.	Pariseau	Vickerman
Flynn	Novak	Pogemiller	
Hottinger	Oliver	Price	
Johnson, D. J.	Olson	Scheevel	

Transportation Budget Division (10)

Chair: Johnson, J.B.

Office: G-9 Capitol

Phone: (651) 296-5419

Meets: Tues., Thurs., 12-1:45 p.m.; Weds. 10-11:45 a.m. Room 112

Members:

Belanger	Hanson	Langseth
Day	Johnson, D.E.	Ourada
Flynn	Johnson, D.H.	Sams

Taxes and Finance Committees

Committee on Taxes (23)

Chair: Johnson, D.J.

Vice Chair: Scheid

Meets: Mon., Tues., Weds., Thurs., 4-6 p.m. Room 15

Office: 205 Capitol

Phone: (651) 296-8881

Members:

Anderson	Hottinger	Novak	Price
Belanger	Kelley, S.P.	Oliver	Runbeck
Berg	Knutson	Olson	Vickerman
Betzold	Lesewski	Pappas	
Day	Marty	Pariseau	
Flynn	Murphy	Pogemiller	

Education Finance Committee (12)

Chair: Langseth

Office: 122 Capitol

Phone: (651) 296-3205

Meets: Mon., Tues., Weds., Thurs., 4-6 p.m. Room 123

Members:

Foley	Johnson, D.E.	Piper	Scheevel
Hanson	Larson	Robertson	Wiger
Higgins	Moe, R.D.	Robling	

Human Resources Finance Committee (14)

Chair: Berglin

Office: 309 Capitol

Phone: (651) 296-4151

Meets: Mon., Tues., Weds., Thurs., 4-6 p.m. Room 112 Capitol

Members:

Janeczich	Kleis	Samuelson	Terwilliger
Johnson, D.H.	Lourey	Spear	
Kelly, R.C.	Neuville	Stevens	
Kiscaden	Ranum	Ten Eyck	

State Government Finance Committee (16)

Chair: Cohen

Office: 317 Capitol

Phone: (651) 296-5308

Meets: Mon., Tues., Weds., Thurs., 4-6 p.m. Room 112

Members:

Dille	Junge	Limmer	Stumpf
Fischbach	Krentz	Metzen	Wiener
Frederickson	Laidig	Ourada	Ziegler
Johnson, J.B.	Lessard	Solon	

Minnesota Senate 1999

Party	Phone	Name	Room	Dist.	Party	Phone	Name	Room	Dist.
DFL	296-5537	Anderson, Ellen R.	G-24 Cap.	66	DFL	6-5645	Marty, John	325 Cap.	54
R	6-5975	Belanger, William V.	113 SOB	41	DFL	6-4370	Metzen, James P.	303 Cap.	39
IND	6-5094	Berg, Charles A.	G-51 SOB	13	DFL	6-2577	Moe, Roger D.	208 Cap.	2
DFL	6-4261	Berglin, Linda	309 Cap.	61	DFL	6-4264	Murphy, Steve	301 Cap.	29
DFL	6-2556	Betzold, Don	306 Cap.	48	R	6-1279	Neuville, Thomas M.	123 SOB	25
DFL	6-5931	Cohen, Richard J.	317 Cap.	64	DFL	6-4334	Novak, Steven G.	322 Cap.	52
R	6-9457	Day, Dick	147 SOB	28	R	6-4837	Oliver, Edward C.	121 SOB	43
R	6-4131	Dille, Steve	103 SOB	20	R	6-1282	Olson, Gen	119 SOB	34
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DFL	6-4136	Lessard, Bob	111 Cap.	3	Capitol address: 75 Constitution Avenue				
R	6-2159	Limmer, Warren	25 SOB	33	State Office Building address: 100 Constitution Avenue				
DFL	6-0293	Lourey, Becky	G-9 Cap.	8	St. Paul, MN 55155				

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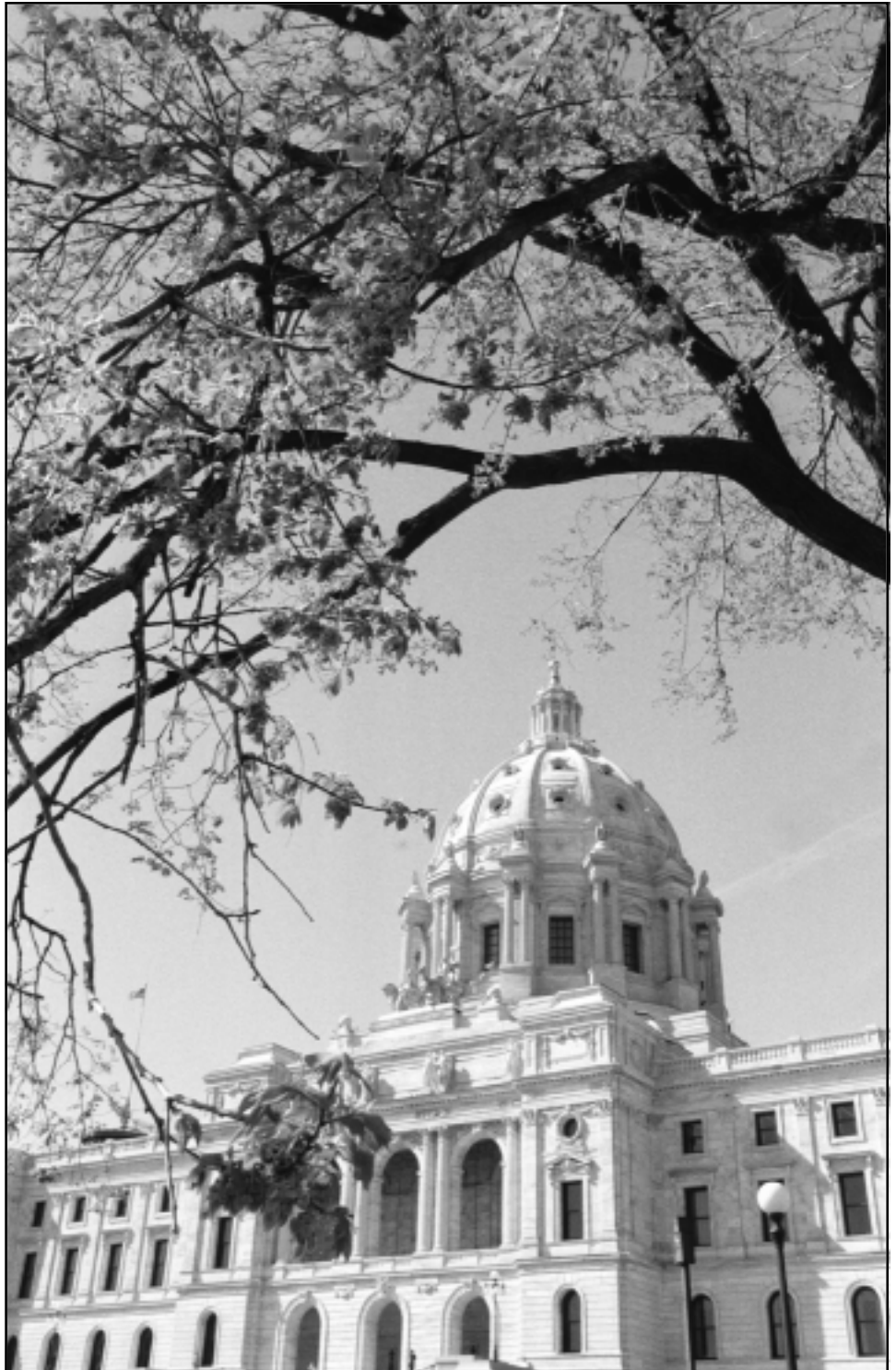
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*Spring is in full bloom on
the Capitol mall.*

Photo by David J. Oakes



April 30, 1999

Senate Highlights

\$7.9 billion k-12 bill

The K-12 Education Budget Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met Weds., Apr. 28, to discuss the Senate's K-12 omnibus bill.

The K-12 omnibus package provides a \$7.9 billion biennial appropriation for K-12 education. Pogemiller said the bill represents an increase of \$805 million over the base budget and more than either the House package or the governor's proposal. The bill increases the per-pupil formula by \$283 per student over the two-year period—a 7.8 percent increase. The package includes funding that school districts may use for one of three purposes – class size reduction, all-day kindergarten or reducing the student/teacher ratio for special education. Also, the governor's initiative, Fast Break for Learning, the school breakfast program is funded completely in the bill.

Division members reviewed article one of the omnibus bill, the last article to be completed and the most anxiously awaited by education groups around the state. The article, entitled general education, is the section of the bill where most of the appropriations appear and completes the K-12 omnibus bill. Article one provides formulas for several

types of revenue and aid categories and special accounts including reserve revenue, integration aid, general education revenue, early childhood and community education levies, extended day levy and school district limited English proficiency revenue. In addition, the article supplies the language for equity revenue, the district equity gap, equity index and defines what an equity region is.

The article provides for declining pupil unit aid for several school districts including St. Peter, Climax, Kittson Central, Ada-Borup, Warren-Alvarado-Oslo, Breckenridge, East Grand Forks and Stephen-Argyle Central. Included in the article is an appropriation to the Richfield School District for airport runway impact aid, since the district is expected to lose many students as a direct result of the construction of a north/south runway.

In addition to the increase in per-pupil funding, which affects every school district in the state, many school districts receive appropriations for grants for individual projects. A grant is made to the Range Association of Municipalities and Schools to provide a coordinated response to declining enrollment in the

region's school districts, including analysis of curriculum, transportation and district administration. The grant is also to be used to coordinate planning for the establishment of an area vocational-technical training center open to all high school students in the region.

Members adopted several amendments including one for an appropriation of \$500,000 for matching funds to make the African-American Encyclopedia created by Harvard University available in Minnesota schools. Sen. Ember Reichgott-Junge (DFL-New Hope) offered an amendment increasing the compensatory revenue a charter school is eligible for if the school experiences growth in excess of 20 percent. Sen. Martha Robertson (R-Minnetonka) sponsored an amendment providing that a school board may contract with a public or private entity to provide instructional and non-instructional services consistent with the district's collective bargaining agreement. The package was forwarded to the Education Finance Committee for further review. The Senate Education Finance Committee, chaired by Sen. Keith Langseth (DFL-Glyndon), heard the bill Thurs., Apr. 29. The panel adopted two amendments. The first was primarily a technical amendment. The second, offered by Sen. Paula Hanson (DFL-Ham Lake), removes language that specifies that equity revenue must be allocated to school sites in proportion to the number of students enrolled at each school site weighted according to a formula established in statute and further specifies the use of the revenue. The bill, H.F. 2333, was advanced to the Committee on Taxes.

Omnibus tax bill approved

The Senate omnibus tax bill, providing for over \$2.46 billion in tax relief was approved by the Committee on Taxes, Thurs., Apr. 29. Sen. Douglas Johnson (DFL-Tower), the committee chair, said S.F. 1276 provides a fair and sustainable tax cut package. He said the bill provides for \$951 million in permanent across the board income tax cuts, \$100 million in reduced motor vehicle license fees, \$60 million in lower taxes for farmers, \$60 million in lower taxes for home owners, \$20 million in a delay in the increase in family preservation aid, and \$1.3 billion for a one time sale tax rebate.

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Keith Carlson, a Senate tax analyst, summarized the provisions of the bill for committee members starting with the sales tax rebate portion of the bill. Carlson said the bill provides that a person is eligible for the rebate if they filed for a 1997 property tax rebate before April 15, 1999, or they filed a 1997 income tax return with at least \$1 of liability before refundable credits, or if their 1997 homestead taxes were abated to zero because of flood damage. He said the minimum sales tax rebate for married couples filing joint returns and heads of households is \$380 with a maximum rebate of \$5,000. For single and married separate filers, the minimum rebate is \$217 with a maximum rebate of \$2,500.

Carlson said the bill reduces income taxes by lowering the rate of the bottom bracket from 6 percent to 5.5 percent and the rate for the middle income bracket from 8 percent to 7.5 percent. Johnson said taxpayers in the upper income bracket also receive the reductions from the first two brackets. Carlson said the brackets have been modified for married couples filing a joint return to increase the upper range of the lowest bracket from \$25,220 to \$29,930 thus eliminating the "marriage penalty." The bill increases the working family credit for taxpayers with children by increasing the credit rate applicable to the first bracket approximately ten percent and adjusting the phase out percentages so the credit phases out at the same income level as under current law.

The bill reduces the motor vehicle registration tax rate from 1.25 percent to 1.2 percent of the vehicle's base value, Carlson said. The bill also compresses the depreciation scale applied to the base value for each year of vehicle life. He said among the bill's property tax provisions is a measure providing for homestead classification on leased land and buildings if the land is owned by a utility and is leased for a term of 20 years or more, if the occupant is using the property as a permanent residence and is paying the property taxes and any special assessments levied on the property. The bill also includes a provision permitting county boards to levy a tax not to exceed \$1 per capita to pay costs of redistricting, establishing election precinct boundaries, designating polling places, and updating voter records. The provision provides for the county to distribute to each munici-

pality in the county the equal to 25 cents per capita and exempts the levy from statutory levy limits. The bill also increases the rate of the education homestead credit to 77.5 percent with a maximum credit of \$400 for taxes payable in 2000 and later years, Carlson said. He said the bill also establishes that the limitation on the allocation of tax reduction for border city development zones may be waived by the Dept. of Revenue if the development zone tax reductions are insufficient to obtain or retain a business that requires an investment of at least \$1 million, if the business has at least 25 new employees, and if the business pays its employees wages that exceed the average wage in that county.

The bill also establishes a mechanism to automatically return any future budget surplus. Carlson said the provision requires the commissioner of the Dept. of Finance to designate a surplus that exceeds 0.5 percent of general fund revenues as available for a tax rebate. Further the bill specifies that the commissioner must make the designation for the last two forecasts before the end of each biennium. The governor then is required to present a plan to the Legislature to rebate the surplus beginning no later than Aug. 15 of the odd number year, and the Legislature must then enact, modify, or reject the plan for the rebate by Apr. 15 of each odd numbered year.

Members spent considerable time discussing 23 amendments that were offered to the bill. Among the amendment that generated a great deal of discussion was a measure offered by Sen. Carol Flynn (DFL-Mpls.) to allow hospitals that have a disproportionate population of medical assistance patients greater than 8 percent to bill counties for services provided to a resident of that county. The amendment establishes criteria for eligibility and a payment system. Peter McLaughlin, a Hennepin County commissioner, said that the average costs of uncompensated care at Hennepin County Medical Center from 1995 to 1997 was over \$22 million a year. Sen. Steven Novak (DFL-New Brighton), who excluded himself from voting on the amendment because of his association with Regions Hospital, said the vast majority of those unable to pay the costs of hospital services are not indigent and

unemployed, but rather people that are in jobs that provide no health insurance and pay low wages. Sen. Sandra Pappas (DFL-St. Paul) said that originally the property tax article of the bill established a state fund to address the issue and that method of addressing uncompensated care was preferable because it addresses the issue between counties of having to raise property taxes to pay for the costs. Sen. David Knutson (R-Burnsville) said that he agreed that uncompensated health care costs are a significant problem, but the issue should have been addressed in the health and human resources budget bill. Sen. John Hottinger (DFL-Mankato), chair of the Health and Family Security Committee, said the issue was heard by that committee but that funds were not available in the budget to address the problem. The amendment was adopted by a 15-7 roll call vote. Sen. Ellen Anderson (DFL-St. Paul) offered an amendment exempting hospitals with a disproportionate population adjustment greater than 16 percent from the MinnesotaCare tax. Anderson said the amendment was a further attempt to address funding for uncompensated health care costs. Novak said that because the MinnesotaCare tax may be eliminated all together this session, Flynn's amendment while not providing the best solution, was better to move the issue forward. Anderson's amendment was not adopted.

Considerable discussion was also given to an amendment that Johnson said was brought to him by Hennepin County. The amendment, offered by Sen. Steve Kelley (DFL-Hopkins), requires a county to notify a taxpayer if an overpayment of property tax arises on a parcel by reason of payment being received which exceeds the total amount of tax required to be paid on the property tax statement, or the tax is being reduced by the result of a court decision, or the tax is being reduced as a result of an abatement being granted. Currently the law requires that in a case where an overpayment of property tax arises for any reason, the county must notify the taxpayer. The amendment was adopted. Knutson moved that the amendment be reconsidered after testimony was heard from Alan Kildow, an attorney representing plaintiffs in a case against Hennepin County

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Committee update

Education Finance

Higher ed omnibus bill approved

The higher education omnibus bill was discussed at the Thurs., Apr. 22, meeting of the Education Finance Committee. The committee is chaired by Sen. Keith Langseth (DFL-Glyndon).

Sen. LeRoy Stumpf (DFL-Thief River Falls), chair of the Higher Education Budget Division, presented S.F. 2235, the higher education omnibus bill. He said the bill makes a biennial appropriation of \$2.6 billion to the Higher Education Services Office, MnSCU, the University of Minnesota and the Mayo Medical Foundation.

Stumpf said the bill appropriates \$167.6 in FY 00 and \$171 million in FY 01 to the Higher Education Services Office (HESO). The funds are made available to the office for the state grant program, tuition reciprocity, state work-study program, Minitex Library Program, Learning Network of Minnesota, Minnesota Library Information Network (MNLINK), an income contingent loan repayment program for healthcare professionals, the EdVest Program and the Minnesota Minority Education Partnership.

An appropriation of \$531 million in FY 00 and \$567.9 million in FY 01 is made to the Minnesota State Colleges and Universities (MnSCU). The amount includes \$100,000 for the biennium for the agriculture program at Central Lakes College - Staples, \$400,000 for the biennium for the Center for Research and Innovation at Bemidji State University, \$5 million each year for customized training and \$5.1 million for the biennium for repair and replacement of state-financed facilities. The appropriation also fund the construction of additional facilities at Itasca Community College. In addition, the bill includes funding for the Virtual University and ISEEK, \$400,000 in each year for increased tuition assistance for farm business management programs and \$15,000 in each year for Southwest Asia Veterans Tuition Relief.

The University of Minnesota appropriation in S.F. 2235 is for \$504 million in FY 00 and \$500 million in FY 01. The appropriation is designated for operations, maintenance and programs including the Agricultural Experiment Station, Minnesota Extension Service, rural physicians associates programs, veterinary diagnostic laboratory, health sciences

research, dental care and the biomedical engineering center. The appropriation also funds the geological survey, talented youth mathematics program, general research, student loans matching money, industrial relations education, Natural Resources Research Institute, Center for Urban and Regional Affairs and the Bell Museum of Natural History.

The appropriation made to the Mayo Medical Foundation is for \$1.5 million in FY 00 and \$1.6 million in FY 01. A portion of the appropriation is directed to the medical school to pay a capitation for each student who is a resident of Minnesota. Funds are also appropriated for the family practice and graduate residency program and for the St. Cloud Hospital-Mayo family practice residency program.

The omnibus bill also includes articles dealing with student issues and private trade schools. Under the bill, a technical college or consolidated technical community college must offer students the option of pursuing diplomas and certificates in each technical program, unless the board determines a degree is the only acceptable credential for career entry in a specific field. The bill modifies the membership of the Higher Education Services Council's Student Advisory Council to reflect the merging of the technical college and community college student associations. The bill clarifies which schools are covered in the statutes dealing with proprietary schools. Additionally, the bill modifies procedures that must be followed by private career schools and incorporates language to reflect changes in the way education is being delivered.

Sen. Pat Piper (DFL-Austin) offered an amendment deleting the section of the bill that designates the U of M as responsible for the governance and administration University Center - Rochester. Piper said the issue needs more discussion and asked that members allow more time for the concerns to be addressed. The amendment was adopted.

The higher education omnibus bill, S.F. 2235, was recommended to pass and sent to the Senate floor.

Sen. Richard Cohen (DFL-St. Paul) offered H.F. 878, a bill making deficiency appropriations for state government operations, providing a sales tax rebate, and providing agricultural property tax relief. Members approved a motion to strike the House language and insert the language from S.F. 1464, providing

deficiency appropriations, authored by Cohen, in the bill. Members also adopted an amendment, offered by Sen. Roger Moe (DFL-Erskine), appropriating a grant of \$422,323 for Goodhue County, to be paid in two equal installments in July 1999 and December 1999. The bill was recommended to pass and referred to the Committee on Taxes.

A second bill relating to state agency budget deficiencies was offered by Cohen. The bill, S.F. 2234, makes one time only deficiency appropriations for state government operations. Cohen said the bill is a later version of the deficiency bill and has been heard in several Senate committees. He told members that the deficiency appropriation relevant to the Education Finance Committee is a request for funds for the Dept. of Children, Families and Learning. He said the deficiency is a result of costs associated with two educational litigation cases.

Mark Levinger, Office of the Attorney General, said that each of the cases, separately, is the largest litigation ever handled by the office. He said that together, the cases involve several million pages of documents, hundreds of days of depositions and 30 expert witnesses. Levinger said the first suit is one by the NAACP and several parents and students claiming that children in the Minneapolis Public Schools are getting a constitutionally inadequate education, primarily because of the high concentration of poor and minority children in the district. The second suit is brought by the St. Paul School District and several parents and students contending that the state is not providing a sufficient amount of money to provide a constitutionally adequate education, due to the high cost of serving the particular student population in the district.

Members approved an amendment reducing the amount of the CFL appropriation from \$4.2 million to \$3.5 million. The bill was recommended to pass and sent to the Senate floor.

Environment and Natural Resources

Commissioners approved

The Environment and Natural Resources Committee, chaired by Sen. Bob Lessard (DFL-Int'l. Falls), met Weds., Apr. 28, to recommend the confirmation of two commissioners.

Allen Garber, commissioner of the Dept. of Natural Resources (DNR), said he is committed to working with the Legislature to ensure that the game and fish fund is properly funded. "Without flourishing natural resources, there is no economy," Garber said. He said his management style is one of ensuring all sides work together to solve issues. As an example of how the department will approach difficult issues, he pointed to a recent compromise reached between various interests involved in the Sustainable Forest Resource Act to continue with the Forest Resources Council. "I believe compromise and agreement are almost always possible," he said. Garber was a chief of police prior to his appointment to head the DNR. He also served in the army as well as working for the Federal Bureau of Investigations. Lessard said that the need to find general revenue funds for the game and fish fund is only one of many challenges Garber faces. "The commissioner of the DNR is the lightning rod of all the governor's appointments," he said.

Karen Studders, the commissioner of the Minnesota Pollution Control Agency (MPCA), said she is looking forward to the challenge of helping to shape the state's environmental policies. She said the agency has recently moved to a more decentralized structure that combines a multimedia approach to address air, water, land, and waste issues affecting each part of the state. The new structure breaks down the state into three geographic districts, where most of the agency's services will be delivered, she said. Studders said that the streamlining of government not only means establishing a more effective government, but also includes guaranteeing environmental protection. She worked the past six years as the director of environmental programs for Minnegasco and has a degree in chemistry as well as a law degree. Dan Foley, a vice chair of the MPCA's Citizens Board spoke in favor of Studder's appointment. "Her unique background in science will serve the people of Minnesota well," Foley said. Studders said she will know she has succeeded in her position if her successor doesn't face the same issues she now faces. "We have to increase the level of understanding in our children of environmental issues so they're making different choices than we are now making," she said.

Health and Family Security Budget Division

Vets home clean up discussed

Members of the Health and Family Security Budget Division, chaired by Sen. Don Samuelson (DFL-Brainerd), met Thurs., Apr. 22, to consider using emergency bonding bill funding for repairs necessary at the Luverne Veterans Home due to mold contamination.

Steven O' Conner, chairman of the Veterans Home Board, described the history of the mold situation. He said mold was discovered in November in the interior walls of the rooms at the 85 bed nursing home. He also said no new residents have been accepted since then and occupancy in the building has dropped to 73. Now, he said, it is estimated that \$6.2 million is needed to rid the facility of the mold and to address insulation and ventilation problems within the building. O' Conner said some of the repairs can be funded through the approximately \$4 million in Capital Asset Preservation and Reserve Accounts (CAPRA) available to the board. However, he said, using the CAPRA funds leaves nothing left to cover various routine repair costs for the other Veterans Homes.

Sen. Jim Vickerman (DFL-Tracy), who represents the district in which the Luverne Home is located, said money must be appropriated to keep the home open. He said the Legislature owes it to veterans to get the mold problems fixed. However, he said he is puzzled at why the renovations cost over \$6 million when building the entire facility cost only \$8 million.

Responding, Larry Wikum, assistant director in the Veterans Homes Department of Administration, said the costs of the project are higher because the residents are being left in the home while repairs are being made. He said it is in the best interests of the residents to be able to stay, and added the money is necessary to ensure their protection. "This is the kind of money it's taking," he said. He also said the project has been made more difficult because there are not any standards to follow in dealing with this type of situation.

Sen. Leo Foley (DFL-Coon Rapids) said the state should not be paying twice for the facility. Also, he said the state

has had a number of experiences with schools removing water and mold; he said the board should seek assistance from those who have dealt with similar problems. The mold dilemma, he said, is not a new issue to Minnesota.

O' Conner pointed out that, up to this point, the state has not been involved in funding the facility. The home, he said, was paid for with 65 percent in federal funds and 35 percent in local grants.

Sen. Sam Solon (DFL-Duluth) said the CAPRA funds should not be used for just one project. Using the funds, he said, is not fair to the other homes. He said the CAPRA funds should be set aside and the Luverne home should be allocated enough money to complete the renovations necessary. Agreeing, Wikum said using all the CAPRA funds at Luverne reduces the ability of the Veterans Home Board to deal with other maintenance and renewal needs.

Linda Sutherland, from the Minnesota Department of Health, also addressed the situation. She said the mold is potentially dangerous to the residents. She said the mold is currently under the wallpaper, but will continue to grow and will progress outward when the paper begins to curl. Sutherland also discussed the policy of leaving the residents in the home during repairs. She said moving the residents to a different location was considered but decided against. Saying any relocation would result in a "transfer trauma," she said it would be unhealthy to remove any residents, especially those with Alzheimer Disease. As a result, she said, the repairs will be done in phases, one section at a time. She said the safety of the residents is important and added that she is confident the plan represents the best of a bad situation. She said no complaints have been received thus far from any residents or their families.

Sen. Becky Lourey (DFL-Kerrick) asked if there is any concern that if no money is appropriated, mold will resurface in areas already cleaned. Sutherland said the mold is continually growing, and it is important to finish the job as soon as possible. If it is not finished soon, she said, it will only get more expensive in the future. Sutherland said she isn't sure if stopping the repairs now and starting again in the future raises any risk, but that the current method minimizes risk and is the best method possible to be used.

Committee update

Samuelson recommended a total of \$4.7 million be appropriated to the home and be attached as a rider to the division's omnibus bill. He said the remaining \$1.5 million for the project is to be funded through CAPRA monies. Samuelson said the state allocation leaves money in the CAPRA fund for other emergencies that may occur between now and the next bonding bill. The amount given, he said, is reasonable in terms of the total amount available. The motion was approved and sent to the Human Resources Finance Committee.

Human Resources Finance

Bonding recommendations heard

Members of the Human Resources Finance Committee, chaired by Sen. Linda Berglin (DFL-Mpls.), met Mon., Apr. 26, to review proposals to be considered for this year's bonding bill.

Sen. Don Samuelson (DFL-Brainerd), chair of the Health and Family Security Budget Division, said his division recommends appropriating \$4.7 million to the Luverne Veterans Home to fund repairs necessary due to mold contamination in the building. According to previous testimony, mold was discovered in November at the 85 bed nursing facility in the interior walls of the rooms. Since then, no new residents have been accepted and occupancy in the building has dropped to 73. Now, Samuelson said, it is estimated that \$6.2 million is needed to rid the facility of the mold and to address insulation and ventilation problems within the building. However, he said the division advocates appropriating just the \$4.7 million, with the remaining \$1.5 million to come from the Capital Asset Preservation and Reserve Account (CAPRA) funds of the Veterans Home Board. Samuelson reminded the committee members that no state funds were used to build the Luverne home. The home, he said, was originally paid for with 65 percent in federal funds and 35 percent in local grants. He also said that he doubts any federal funds are available to help fix the mold problem since the federal government has already contributed to a large portion of the project.

Sen. Randy Kelly (DFL-St. Paul), noting that the facility is fairly new, asked why almost \$5 million is already needed to fix damages to the building.

Responding, Samuelson said the reason for the mold problem has not been pinpointed. The mold, he said, is not just in one room or one section, but it is spread throughout the entire facility. He said ways are still being pursued, however, to find any fault with the builders in order to seek damage payments. Samuelson's proposal was recommended to be approved.

Sen. Jerry Janezich (DFL-Chisholm), chair of the Economic Development Budget Division, said his division recommends four separate proposals for the bonding bill. First, Janezich proposes \$2.5 million for a grant to the city of St. Paul to construct a holding pond for flood mitigation in the Hoyt Avenue area of St. Paul. Speaking on the provision, Kelly said the area has suffered a myriad of flooding problems since the 1970s and St. Paul has spent millions of dollars trying to alleviate the problems. The plan, he said, involves moving 33 homes for the holding pond because it is apparent that without a solution, the problems will never be eliminated. Kelly also said it has since been determined that only \$1.7 million is needed for the project and recommended to amend the language. The Kelly recommendation was approved.

Janezich also proposes a grant of \$5 million for an empowerment zone in the city of Minneapolis. The grant, he said, provides the local match for up to \$230 million in federal funds for the city. More than \$1.5 billion has also been committed to the empowerment zone project, which focuses on redeveloping the abandoned Sears store in South Minneapolis, transforming a neighborhood in North Minneapolis, redeveloping an industrial area in Southeast Minneapolis and revitalizing the city's aging commercial corridors. According to Sen. Larry Pogemiller (DFL-Mpls.), the city was one of 17 in the nation to qualify for the federal funds.

Third, Janezich recommends appropriating \$20 million to the Minnesota Minerals 21st Century fund to build a steel, taconite and energy plant in one location. He said as many as 1,000 jobs are created through the building of the facility. Janezich also proposes re-authorizing appropriations totaling approximately \$610,000 from the bond proceeds fund for the labor history center from current law. The recommendations

were all approved.

Kelly, the chair of the Crime Prevention and Judiciary Budget Division, said his division recommends appropriating \$1.785 million for capital repairs to the storm and sanitary sewer system of the Minnesota Correctional Facility at Faribault. According to information provided, the sanitary sewer and storm systems are mixing, and work needed to be done in the system includes cleaning sanitary waste from the walls and floors of the deep storm tunnel, patching the sanitary line in the tunnel, replacing the worst of the sanitary drops to the tunnel line and rebuilding the worst of the manholes. The work constitutes only a temporary solution because approximately \$13 million is needed to completely resolve the problems in the system. In the meantime, other options to permanently rectify the situation are to be discussed, including replacing the existing system, removing the sanitary sewer line from the deep storm tunnel or placing a new treatment facility on the site. Kelly's recommendation was approved.

K-12 Education Budget Division

Omnibus bill discussed

The K-12 Education Budget Division, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met Mon., Apr. 26, to begin discussing the K-12 Omnibus bill.

Members reviewed articles 2 through 20 of the omnibus package. Article two of the bill relates to special programs, including special education. The article incorporates modifications in the special ed statute and repeals state special ed rules that are duplications of federal mandates. Article three relates to lifelong learning and includes provisions for secondary vocational aid. Article four deals with facilities and technology. Included in the section is the list of criteria for districts to qualify for facilities equalization, provision for other types of revenue and specifications regarding bonding and levy authority. Also included in article four is the provision for and appropriation for the telecommunications access grant.

Article five deals with education excellence and establishes provisions for charter schools, incorporating provisions

from several bills heard earlier by the division. The article provides for the creation of several new education programs including agricultural education in elementary schools, a birth to classroom system alignment pilot, stability demonstration project, basic skills intervention and a study on class size. Article six covers other programs and includes Fast Break to Learning, one of the governor's initiatives, a program that provides breakfast to all children in a public elementary school.

Article seven relates to education policy and covers such areas as the school calendar, student achievement levels, school district policy, policies relating to teachers and teacher preparation, school buses and district boards of education. Article eight relates to libraries and article nine deals with state agencies.

Articles 10-20 deal with the education code; compulsory attendance; curriculum and assessment; student rights, responsibilities and behavior; teachers and other educators; school districts; school district powers and duties; education programs; education and technology; education funding; state administration of education; and the Perpich Center for Arts Education.

The division discussed articles 2 through 20 of the bill and heard testimony on some of the articles by various education groups. Representatives from Education Minnesota and the Minnesota School Boards Association expressed concerns with the repealer sections of the bill. Verbal amendments were offered by members to reinstate some of the repealed language.

A number of amendments were adopted by the division, including one that makes technical and language changes to the bill. The amendment, sponsored by Sen. Charles Wiger (DFL-North St. Paul), also includes language specifying that each school facility shall be inspected once every three years or more frequently at the request of the school district or the commissioner. A second amendment, offered by Wiger, specifies that the Worthington School District may begin the school year on Aug. 23, 1999. Another amendment provides a grant to the Warroad School District to operate the Angle Inlet School, a one room schoolhouse.

Sen. Martha Robertson (R-Minnetonka) sponsored an amendment

relating to special education. Under the amendment, the commissioner of the Dept. of Children, Families and Learning is to consult with special education stakeholders and with other states that have adopted a pupil-based special education funding formula, and make recommendations to the Legislature about different options for a pupil-based special education funding formula. The amendment lists the information the commissioner is to consider when studying the funding formula.

K-12 amendments adopted

The K-12 Education Budget Division met Tues., Apr. 27, to continue the work of assembling the omnibus appropriations bill. Members, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), considered a number of amendments and reviewed part of the budget tracking sheet detailing appropriations.

A number of the amendments were noncontroversial and dealt with technical corrections in the proposal. Others, though, generated some discussion. One such amendment, offered by Sen. Jane Ranum (DFL-Mpls.), provides an appropriation of \$40,000 each year of the biennium for the "Save a Friend" youth crisis hotline. Pogemiller and Ranum explained that the hotline is an outlet for young people to use to provide tips on violence, drugs or suicidal friends without gaining the stigma of being a "snitch." Pogemiller said that the hotline will be administered by the same organization administering the homework helpline but will have a different number. Ranum said the program is part of the Senate's initiatives aimed at preventing school violence. Ranum also offered an amendment clarifying that the commissioner of children, families and learning is the party responsible for investigating reports of alleged child maltreatment in minors in residential facilities. Ranum also offered an amendment adding references to federal food programs and an amendment specifying that if a school board determines that some students enrolled in the district must attend summer school, then the truancy laws apply to those students. All four amendments were adopted.

Two amendments, offered by Sen. Paula Hanson (DFL-Ham Lake), were also adopted. The first provides that the department is to recompute the maxi-

mum tax rate for taxes payable in 2000 and thereafter for Independent School District No. 728, Elk River, to adjust for the difference in property tax base in the district relative to the state average. The second, provides for transition compensatory grants to school districts that received additional compensatory grants last year. The districts include Independent School District No. 11, Anoka-Hennepin; Independent School District No. 281, Robbinsdale; Independent School District No. 625, St. Paul; Independent School District No. 709, Duluth; Independent School District No. 279, Osseo; and Independent School District No. 535, Rochester.

Pogemiller explained several of the amendments. One provides that the State High School League may not enforce any national rule that directs or controls school purchasing of athletic supplies and equipment. Another amendment, which Pogemiller said was drafted in response to a bill authored by Sen. Becky Lourey (DFL-Kerrick), provides an appropriation for the rehabilitation of an ice hockey arena in Proctor. Members questioned, though, whether the school district, which leases the arena from the county, couldn't get Mighty Ducks funding for the rehabilitation. Members decided to endorse the amendment, with half of the requested funding, on the condition that the district apply for Mighty Ducks funding and obtain a match for the funds.

Sen. David Knutson (R-Burnsville) offered two amendments. The first allows the commissioner of children, families and learning to consider the recently closed Sauk Center Correctional Facility as an option for the residential academics program if the application process is reopened. The second amendment increases the crime-related costs levy from \$1.50 to \$2.00. Knutson said that the impact is about \$2 million, but that the prevention of violence in schools justified the costs. Both amendments were adopted.

An amendment, offered by Sen. Kenric Scheevel (R-Preston), was also adopted. The amendment provides that layoff notices not be sent out as early in the year as is currently the case. Scheevel said that, currently, districts must send out the notices prior to knowing the dollars available for the next year, thus causing a lot of anxiety. The later date

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allows the districts to have greater knowledge of their budget situations for the next school year.

Sen. Gen Olson (R-Minnetrista) offered an amendment prohibiting the state from prescribing high school graduation standards for nonpublic schools except as described in the compulsory attendance laws. The amendment also prohibits the state from renewing or entering into any contract with the federal government involving the Goals 2000: Education American Act, the Improving America's Schools Act of 1994, the School-to-Work Opportunities Act of 1994, or the Workforce Investment Act of 1998 if a term in any such contract violates the prohibition against prescribing high school graduation standards for nonpublic schools. Pogemiller said he could not support the amendment. The amendment failed to gain the division's approval.

An amendment, offered by Sen. Sandra Pappas (DFL-St. Paul), specifies several districts eligible for the alternative facilities revenue program. The amendment lists Independent School District No. 834, Stillwater; Independent School District No. 621, Mounds View; Independent School District No. 622, North St. Paul-Maplewood-Oakdale; and Independent School District No. 624, White Bear Lake as the districts eligible. The amendment was adopted.

Two amendments, offered by Sen. Jerry Janezich (DFL-Chisholm), were also adopted. The first provides an appropriation to Independent School District No. 696, Ely, to determine the feasibility of establishing a joint secondary and higher education environmental studies magnet school. The second provides for a grant to the Range Association of Municipalities and Schools to provide a coordinated response to declining enrollment in the region's school districts.

Sen. Martha Robertson (R-Minnetonka) sponsored an amendment specifying that prior to the appropriation of revenue for the next school year, the school board must calculate the general education revenue, the basic skills revenue and the referendum revenue for that year that it estimates will be generated by the pupils in attendance at each site. The board must then report the information to each site and to the Dept. of Children, Families and Learning. The

amendment was adopted.

The final amendment adopted was sponsored by Sen. Charles Wiger (DFL-North St. Paul). The amendment requires the Dept. of Children, Families and Learning to determine methods of meeting adequate local district needs for licensed school counselors.

Property Tax and Local Government Budget Division

TIF provisions heard

The Property Tax and Local Government Budget Division met Mon., Apr. 26, to discuss tax increment financing (TIF) related provisions for inclusion in the tax omnibus bill. Sen. Sandra Pappas (DFL-St. Paul), the division chair, presented members with a summary of the TIF article which incorporates several bills heard by the division throughout the session.

Pappas said included in the article is a provision cutting the LGA/HACA penalty or local contribution in half following any year in which a TIF financed project generates an increase in jobs paying at least 125 percent of the poverty level. The provision applies to projects creating at least 40 jobs in the seven county Metropolitan Area, 10 jobs in a nonmetropolitan city of less than 5,000, and 20 jobs in a district located in a larger nonmetropolitan city. Another of the article's provisions prohibits spending tax increments to construct or renovate facilities for social or recreational facilities or a public park used as a commons area. Pappas said the provision restricts the use of TIF for broad public purposes. She said another of the article's provisions expands the economic development tax abatement authority granted in 1997 to include deferral of taxes that will subsequently be repaid and the abatement of interest. The article also includes a provision providing an additional \$1.5 million allocated on a per capita basis, for border city enterprise zone tax reductions.

Two sections of the article received testimony in opposition to the proposed provisions. Jim Girard, representing the Minnesota Retail Merchants Association, said the association opposed the provision authorizing the Metropolitan Airports Commission to levy up to four percent sales tax on sales at the Minne-

apolis/St. Paul International Airport to mitigate the impact of the airport's expansion. Sen. Dave Johnson (DFL-Bloomington), author of the bill establishing the provision, said that he was open to alternatives to the increased sales tax, but that property value issues relating to increased noise caused by the expansion needs a solution.

Bill Blazer, from the Minnesota Chamber of Commerce spoke in opposition to a provision authorizing the city of Woodbury to levy a tax on commercial industrial properties within the city for the construction of a highway interchange at the intersection of Interstate Highway 494 and Tamarack Road. Blazer said the chamber was not opposed to the project but was concerned with creating a new tax to pay for the construction when there are other funding alternatives available such as abatement, general fund financing or holding a referendum. Sen. Leonard Price (DFL-Woodbury), author of the bill establishing the provision, said the \$7.7 million raised by the special levy will be used in conjunction with ISTEA funds, revenue from right-of-way donation/assessment, municipal state aid, the city general fund, and economic development authority levy. He said the interchange will open up a large amount of commercial industrial property in the area and the provision "spreads the pain" equitably throughout the city. Price said the mayor of Woodbury and the city council support the provision.

Four amendments were adopted to the articles. Price offered an amendment pertaining to the Woodbury highway construction project clarifying that the city has the option of establishing a district for which the tax will be imposed rather than imposing the tax on all commercial industry properties in the city. Sen. Jim Vickerman (DFL-Tracy), offered an amendment deleting a provision in the article allowing the creation of an economic development authority (EDA) in each county that has not already created or authorized an EDA. Vickerman said he will continue to work with counties and other interested parties and will re-introduce a bill next session to address the issues involved. Sen. Dick Day (R-Owatonna), offered an amendment authorizing the city of Medford to use revenues derived from tax increment from an economic development district

to provide assistance to one or more separately owned commercial facilities in the city. Day said the amendment was patterned after a similar provision in the article for a district in the city of Mountain Iron. Sen. Edward Oliver (R-Deephaven), offered an amendment clarifying the provision relating to TIF pooling authority specifying that a pre-existing obligation means bonds issued and sold before June 2, 1997 and bonds issued to refund such bonds or to reimburse expenditures made in conjunction with a signed contractual agreement entered into before June 2, 1997, to the extent that the bonds are secured by a pledge of increments from the TIF district.

State Government Finance

Bonding recommendations gain

Members of the State Government Finance Committee, chaired by Sen. Richard Cohen (DFL-St. Paul), met Thurs., Apr. 29, to evaluate recommendations to be considered for inclusion in the Senate's emergency bonding bill.

A total of \$71.573 million is appropriated for various environmental and transportation related purposes in the committee's proposal. Recommendations include \$24.123 million in flood mitigation grants to be used by nine local units of government for publicly owned capital improvements. The improvements are to alleviate damages caused by flooding in 1997 in the Minnesota and Red River basins. The committee recommends \$29.7 million for grants to eligible municipalities for wastewater infrastructure purposes. Of the allocation, \$2.2 million is used as a match for municipalities to obtain federal funds. The committee also recommends \$1.5 million for the construction of a flood water retention project on Lazarus Creek and \$2.25 million for storm water flood reduction and water quality improvements to Grass Lake. Lazarus Creek is located near the Minnesota River Basin and Grass Lake is in Kandiyohi County. A final environmental related appropriation of \$1 million is recommended for the city of Perham. The money is to upgrade two solid waste recovery centers in the city that convert 160,000 tons of solid waste per year into usable energy. The facilities, which serve approximately 120,000 people and many area businesses, was

shut down in July 1998 because the city was unable to obtain a federal grant. The committee also recommends \$10 million for local bridge replacement and rehabilitation and \$3 million for port development in the four main port cities of Minneapolis, St. Paul, Duluth and Red Wing. Cohen said not everyone will be pleased with the recommendations, but he reminded members that the bill is meant to be a small, supplemental package.

Sen. Jane Krentz (DFL-May Township) asked about the elimination of a proposal offered previously by Sen. Warren Limmer (R-Maple Grove). The measure allocates \$520,000 to the city of Dayton to enable the city to work with the neighboring city of Ostego in the construction of a wastewater treatment plant. Limmer said the situation in Dayton is dire, as raw sewage is seeping into the groundwater and into the nearby Mississippi River. The citizens, he said, are told not to drink tap water, adding that the water has been designated as especially unhealthy to pregnant women and newborn children. He said approximately \$6.2 million is required to build a new wastewater facility in Dayton but only \$520,000 is needed to expand the Ostego facility. However, he said, the Ostego facility is to be built this year, which is the reason the funding to expand is needed now.

Ron Omann, from the Minnesota Pollution Control Agency, said Dayton is currently 16th on a priority list of 185 municipalities to receive state funding for water improvements. He said the current dollar amount funds projects that have been planned but is not enough to include expanding the Ostego facility. Sen. Sam Solon (DFL-Duluth) then offered an amendment to add \$2.5 million to the original total. He said the money can be used for the situation in Dayton and to fund similar problems in Duluth. Responding, Sen. Janet Johnson (DFL-North Branch) said the committee recommended enough money to fund the 1999 priority list. She said she is concerned that if more money is added, even more proposals will be added on the Senate floor. Limmer said the money is needed in Dayton immediately. The facility, he said, is being built this year, and it represents an opportunity that will not arise again. The Solon amendment was adopted. Sen. Bob Lessard (DFL-

Int'l. Falls) then offered an amendment to allocate \$3 million to the Perham project instead of \$1 million. He said Sen. Dallas Sams (DFL-Staples), who carried the Perham proposal in an earlier meeting, had originally requested \$3 million. The amendment was adopted and the recommendations were forwarded to the Education Finance Committee.

Sen. LeRoy Stumpf (DFL-Thief River Falls) carried S.F. 1636, which allows local units of government to petition the state for the amendment or repeal of a rule or specified portion of rule. Stumpf said the bill establishes better relations between local units and the state.

Cohen inquired about the fiscal impact of the bill. He spoke specifically about the assertion that the bill creates four new full time positions in 2000 and three new full time positions in 2001. However, Norma Coleman, from the Pollution Control Agency, said no positions are added with the bill, but current staff is simply reassigned to follow certain cases. The bill was approved and sent to the Senate floor.

Sen. Steven Novak (DFL-New Brighton) presented S.F. 365, which imposes a specific standard of proof for certain petrofund reimbursement reductions and provides reimbursement for certain bulk petroleum plant closing or upgrading above ground storage tanks. The bill also modifies application requirements for contamination and regulates the clean up of contaminated land. Sen. James Metzen (DFL-South St. Paul) offered an amendment to standardize the markings of all below ground storage tanks. The amendment was adopted, and the bill was approved and sent to the Senate floor.

Committee on Taxes

Tax package discussed

The Committee on Taxes Subcommittee on Income and Sales Tax met Fri., Apr. 23 to discuss provisions for inclusion in the tax omnibus bill. The subcommittee is chaired by Sen. Steve Murphy (DFL-Red Wing). Members reviewed seven articles relating to workplace development and education incentives, the motor vehicle registration tax, modification in federal tax law, special taxes, income and franchise taxes, sales tax, and the sales tax rebate. Keith Carlson, a Senate tax analyst said the

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provisions in the articles provide for a total of \$1.1 billion in permanent tax cuts and \$1.3 billion in a one time sales tax rebate.

The first article reviewed incorporates a bill, S.F. 2010 sponsored by Sen. Ember Reichgott Junge (DFL-New Hope) and Sen. Dave Johnson (DFL-Bloomington), appropriating \$29 million to a new Minnesota workforce development fund to be administered by the Dept. of Trade and Economic Development's (DTED) Jobs Skills Partnership. The subcommittee heard extensive testimony on the provision at its Apr. 14 hearing. Johnson said the new fund is for grants for training dislocated workers, farmers, health care workers, displaced homemakers, welfare-to-work candidates and the unemployed. The article transfers the Dept. of Economic Security's dislocated worker program to DTED and requires the governor to designate the Jobs Skills Partnership Board as the responsible state agency for federal dislocated workers programs. The article eliminates current language that reduces the rate of tax paid by employers on the wages paid to their employees when the balance of the special assessment fund under the workforce investment fund reaches \$30 million. The article includes a provision for a job training program credit against income taxes equal to 25 percent of the cost incurred by an employer for a qualified job training program, and also provides a credit for employees of 25 percent of tuition expenses subject to an income limitation. Earl Wilson, commissioner of the Dept. of Economic Security, said both his department and DTED oppose the initiative as written, because it is not included in the governor's budget proposal.

Carlson summarized provisions from each of the remaining articles for subcommittee members. He said the article relating to the motor vehicle registration tax modifies the calculation of the tax to be based on 100 percent of a vehicle's base value in the first year, 90 percent for the second year, 80 percent for the third year, with a ten percent decrease per year thereafter with a minimum tax of \$25. The total cost to the state for the reduction in the motor vehicle registration tax is \$145 million. Carlson said the article pertaining to income and franchise taxes provides for reductions in the bottom two tax brackets.

The rate for the lowest bracket is reduced from six percent to 5.75 percent, and the rate for the middle bracket is reduced from 8 to 7.65 percent. Carlson said there is no change of the top bracket's rate of 8.75 percent. He said the cost of the reductions is \$634 million. He said the article also provides \$12 million to expand the working family tax credit. The sales tax rebate article provides an additional \$1.3 billion to taxpayers, Carlson said.

Members offered several amendments to the articles. Those adopted included an amendment offered by Sen. Steven Novak (DFL-New Brighton), clarifying that fees or tuition for instruction by members of the Minnesota Music Teachers Association are included in the credit allowed in an amount equal to the amount paid for education related expenses for a dependent in kindergarten through grade 12. Also adopted was an amendment offered by Sen. John Hottinger (DFL-Mankato), clarifying that the definition for an eligible student for the Minnesota higher education credit in the workforce development and education incentive article, be at least 25 years old at the close of the taxable year. Sen. Linda Runbeck (R-Circle Pines), offered an amendment requiring that an imposition of a local sales tax is subject to the approval by voters at a general election. The amendment provides that proceeds of the tax must be dedicated exclusively to payment of the cost of a specific capital improvement which is designated at least 90 days before the referendum on imposition of the tax is conducted and prohibits the imposition of another local sales tax for one year. The amendment also provides that the political subdivision must have non-sales tax resources or binding commitments to meet at least 50 percent of the cost of the improvement and the tax must terminate after the improvement is completed. Runbeck said the amendment clarifies the criteria for imposing a local sales tax. The amendment was adopted.

Conference Committees

Crime prevention bill reviewed

House and Senate members met in conference committee Weds., Apr. 28, to discuss the crime prevention and judiciary omnibus appropriations bill, S.F. 2221. The meeting was co-chaired by

Rep. Sherry Broecker (R-Vadnais Heights) and Sen. Randy Kelly (DFL-St. Paul).

Chris Turner, Senate fiscal analyst, presented an overview of the appropriations in the bill, comparing the funding by the two bodies. He said the Senate appropriated a two percent salary increase, compared to the three percent increase recommended by the governor and passed by the House. However, the Senate appropriated the three percent increase to two programs: the Supreme Court and the Crime Victims Services Center. The total appropriations in the Senate version is \$1.153 billion and in the House, \$1.150 billion.

Turner said the Senate provides \$3.7 million more in total Supreme Court operations. Under state court administration, the House moved the office of Victim Offender Mediation to the jurisdiction of the Crime Victim Services Center. The Court of Appeals receives funding appropriations of \$175,000 more from the House than the Senate. Turner said that in the District Courts, the Senate funded 18 new judges, to be phased in, and the House provided for six judges. The total district court funding appropriations is \$157.7 million from the Senate and \$156.4 million from the House.

Under law enforcement and community grants, the Senate provided \$2.7 million for training centers in Hennepin, Ramsey and Washington Counties. The House provided \$2 million, compared to the Senate's \$1 million, for Codefor implementation, a program designed to strengthen law enforcement in Hennepin County. The Senate provided \$1 million for an Asian-American Violence Prevention Act.

Jennifer Case, Hmong-American Partnership, spoke on the importance of the funding for the act, which is designed to offer Asian-American youth alternatives to drugs and gangs. Broecker said the House had not funded the program because members believed several programs from the Asian-American community were obtaining funding. Kelly said if the program is not funded by the crime prevention and judiciary budget division bill, it will not be funded.

The corrections ombudsman was appropriated \$1.2 million by the Senate but was not funded by the House. According to Broecker, the House

reviewed the program and compared it to other ombudsman programs which received much less funding. The House Judiciary Finance Committee cut the budget, and the House Ways and Means Committee eliminated all funding. Pat Seleen, ombudsman for corrections, said her department does not duplicate any services of other agencies. "We have access to prisoners and the premises that no other agency has," she said. She said the ombudsman investigates inmates' complaints of threats by correctional staff and conditions of confinement. "The inmates have very little voice, and the ombudsman can be that voice," she said.

Dennis Benson, assistant commissioner of corrections, said the ombudsman is an independent entity, removed from the Department of Corrections (DOC). "The way the office has been used has changed in the past 25 years," he said. He said the limited avenues that inmates used to have has changed with their access to the media and the outside world via the telephone, and their access to the state law library system. Saline said her impression is that corrections is a very closed system by nature, requiring the need for a third party.

The Senate appropriated \$1.5 million less than the House for the Public Defense Board, and \$3.8 million less for corrections. Turner said the Senate portion of the bill provides that the Rush City prison may not continue to house inmates beyond July 1, 2001, unless specifically authorized to do so by law. Under the House version, the bill establishes the facility at Rush City and provides that persons committed to the custody of the DOC may be placed in the facility, and that the general control and management of the facility is under the DOC. Kelly said the Senate language provides the Legislature with the opportunity to check the operation and determine if the per diem is realistic and how the facility is being run.

Addressing other provisions of the bill, Judith Zollar, House fiscal analyst, said the Senate and House both provide for criminal gang intervention and prevention. The Senate establishes a grant program for critical incident stress management (CISM) and a fire assistance support team (FAST), both programs designed to deal with stress of workers who deal with traumatic incidents on a regular basis. She said the

House version of the bill provides for increased efficiency in the criminal justice system by encouraging the development of integrated criminal justice information systems.

Turner said the Senate provides for a DWI work program at Camp Ripley. The House increases by \$400,000 appropriations for a weekend camp program at Camp Ripley for youth at risk, a one-time appropriation. Funding is appropriated by the House for compliance with bleacher safety, an area that is addressed by the Senate in another bill, according to Turner.

Senate Counsel Kenneth Backhus said the Senate version requires a minimum fine of \$100 be assessed against a minor who consumes, possesses or purchases alcoholic beverages. He said the House version requires a court to sentence a person convicted of a violent crime that is a felony to life imprisonment if the person has two or more prior felony convictions for violent crimes.

Econ. Dev. conference begins

Members of the conference committee on H.F. 2390, the omnibus economic development budget bill, met for the first time Weds., Apr. 28, to compare the two versions of the bill. Chief Senate Conferee Jerry Janezich (DFL-Chisholm) said the goal of the conference was to come up with "something that people can live with and not make too many people mad."

Rep. Dan McElroy (R-Burnsville), chief House conferee, chaired the meeting and said that he and Janezich will alternate chairing the conference. House and Senate staff presented an itemized comparison of both the policy and funding provisions of the bill.

Major policy differences between the two versions include the Senate's creation of a Workforce Development Fund for training programs, and the Economic Development and Housing Challenge and Inclusionary Housing programs to provide housing opportunities. The House bill contains a provision transferring regulation of the financial operations of health maintenance organizations from the Dept. of Health to the Dept. of Commerce. The House also authorizes the use of federal Temporary Assistance to Needy Families (TANF) block grant money for various programs. Appropriations for jobs and training

programs in the Senate package are funded by the proposed Workforce Development Fund. However, Janezich said the details of the fund are still being worked on in the Senate Committee on Taxes. In contrast, the House appropriates \$5 million of TANF money for Welfare-to-Work program services.

In addition, the Senate appropriation to the Dept. of Trade and Economic Development (DTED) Office of Tourism is \$2 million below the House for both years. Instead, the Senate appropriates grants directly to specific tourism related projects. The Senate version also includes a criminal penalty for the fraudulent practice known as "mortgage flipping," and establishes a program for cities and counties to be certified as "electronic commerce ready."

The two measures differ on the governance of the Iron Range Resources and Rehabilitation Board. The House proposes a board composed of gubernatorial appointees whereas the Senate proposes that the board be composed of Legislators from the region. In addition, the Senate specifies that board decisions are made by a simple majority rather than the current super majority requirement. The House also eliminates a cap on eligibility for grants from the Wastewater Infrastructure Fund to municipalities with median household incomes of \$40,000 or less and removes a limit on administrative costs incurred by the Minnesota Housing Finance Agency. A pilot program to assist homeowners with mortgage payments is contained in the Senate version.

The House also eliminates funding for a Labor Interpretive Center whereas the Senate grants the center a direct appropriation. The Senate concurs with the governor's recommendation to sunset the Municipal Board and transfer its responsibilities to Minnesota Planning whereas the House proposes continuing the board.

Fiscally, the bills contain significant differences. The Senate bill contains \$25 million more in general fund appropriations for the biennium. Meanwhile, the House appropriates \$10 million in federal TANF grant money and \$1.55 million in special revenue funds not contained in the Senate package for a net difference of about \$13.5 million. The Senate appropriates \$30 million for the Economic Development and Housing Challenge program. The appropriation is

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unmatched in the House package.

McElroy proposed adopting the provisions that are similar in both bills, but Sen. Steven Novak (DFL-New Brighton) requested that the conference wait before doing that. Novak said that the panel should consider all provisions together before acting. Conferees agreed with Novak, so the action was deferred.

Following McElroy's lead, panel members compiled a list of 28 items that are different between the two bills and that conferees thought needed discussion before resolution. The conferees agreed to discuss the items related to the general issue of housing at the next meeting, scheduled for Fri., Apr. 30.

Early childhood ed bill discussed

Members of the Senate Family and Early Childhood Education Budget Division and House Family and Early Childhood Education Finance Division, chaired by Sen. Pat Piper (DFL-Austin) and Rep. Barb Sykora (R-Excelsior), met in conference committee Wed., Apr. 28, to review the different versions of H.F. 1467, the family and early childhood education omnibus bill.

The Senate version appropriates a total of \$460.053 million for family and early childhood programs in the state—the same as that allocated in the governor's plan—and the House version appropriates \$465 million for the programs. While the two plans are similar in the amount appropriated, each has several differences in policy and in the amount assigned to the various programs.

In the area of child care, the Senate transfers \$88.98 million in Temporary Assistance to Needy Families (TANF) funds to the child care development fund for basic sliding fee child care purposes. The House transfers \$65.251 million. The House transfers \$2.509 million in TANF funds for basic sliding fee transition year family child care, while the Senate transfers none. Also, the House transfers \$600,000 in TANF funds to the child care development fund for administrative purposes, while the Senate version again transfers none. In total, the Senate utilizes \$90.825 million in TANF funds and the House uses \$70 million in TANF funds. In the area of self-sufficiency programs, the House appropriates \$3.95 million for Adult Basic Education per capita population aid. The Senate proposes no funding. The Senate

allocates \$6.284 million for transitional housing purposes while the House allocates \$3.584 million. The Senate appropriates \$3 million for emergency shelter while the House allocates none. Also, the Senate allocates \$750,000 for lead abatement programs while the house version allocates just \$57,000. In the area of prevention and intervention, the house version allocates \$4.99 million for community crime grants and \$88,000 for adolescent parenting grants, respectively, while the Senate appropriates no money for either program. Also, the Senate appropriates \$13.358 million for after school academic character and enrichment grants while the House appropriates \$10.52 million.

The versions also differ in many ways regarding policy provisions. Included in the Senate plan—but not the House plan—is a provision requiring up to \$5 million of state expenditures on child care assistance to families who meet welfare-to-work conditions or state expenditures on employment and training grants to provide a state match to obtain federal welfare-to-work grant money. The money obtained is to be used for child care purposes. The Senate also removes child care programs from a statute that disqualifies persons found guilty of wrongfully obtaining child care assistance, while the House provides for immediate disqualification from receiving child care for those found to have wrongfully obtained assistance. Allowing four offenses, the House disqualifies those found guilty for three months, six months, two years and then permanently. The House modifies provisions to the at-home infant child care program—which pays a stipend to parents for up to 12 months to care for their infant—that the Senate does not. The measure specifies that payments are a subsidy in lieu of assistance, requires families to be income eligible for the basic sliding fee program and parents to be participating in approved activities when they apply. The measure also eliminates continuing eligibility for the basic sliding fee program. The Senate retains the \$5 co-payment to receive child care assistance for families with incomes between 75 and 100 percent of the poverty level. The House eliminates the payment.

The House version changes the amount school districts are reimbursed for pre-school screening from \$25 per child to

\$40.50 per child, increases the revenue in the Early Childhood and Family Education (ECFE) funding formula for fiscal year 2001 and beyond from \$113.50 per child under five years old to \$120 and increases state aid to ECFE programs for fiscal year 2000 equal to \$2.46 per child under five. The Senate version has no comparable provisions. Also included in the House version, but not the Senate, is a provision specifying that wading pools used in licensed or un-licensed family day care settings are not regulated as public pools by the health department. The House provides \$1 per capita funding with a \$4,000 minimum to districts that offered ABE programs in fiscal year 1999 with populations below 30,000, changes the eligibility for the family asset program from 200 percent of poverty and \$20,000 in assets to 150 percent of poverty and \$15,000 in assets. The House also changes the match requirements for savings in the asset program from \$2 per dollar saved for matches from state and non-state sources to \$1.50. The Senate includes no such provisions.

Laura Turner, from the Minnesota Department of Economic Security, spoke in opposition to the provision from the Senate plan requiring up to \$5 million of state child care assistance expenditures to be used to provide a state match to obtain federal welfare-to-work grant money. Turner said the federal funds are designed to be used to provide services to the hardest to serve people in the state and not for child care purposes. The dollars, she said, should be used to help provide those who fit the hardest-to-serve classification employment and retention of employment. She said the measure proposed by the administration for the hardest-to-serve allows the department flexibility to care for the needs of those who qualify. The proposed Senate language, she said, takes away from the department's flexibility and ability to serve.

Tammy Pust, from the Minnesota Department of Children, Families and Learning, testified in opposition to the same section of the plan. She said the proposal is unworkable from the perspective of the department because it is difficult to attain the data necessary to leverage the federal money. The department, she said, is required to locate child care recipients who are also designated as welfare-to-work recipients, but the

department is not set up to find such information. Pust also said the department needs a large administrative sum if required to locate the information.

Deb Bednarz, from the Minnesota Department of Finance, also spoke in opposition to that section of the Senate's plan. She said the provision forces the department to change how funding for child care programs are forecasted. She said the forecasting doesn't allow it to be known until late in the year if the expenditures will materialize. Because of that, she said, a certain level of funding can't be guaranteed. The omnibus versions will be discussed again at a later meeting.

Transportation bills compared

House and Senate staff listed similarities and differences in appropriations and language in the House and Senate versions of the transportation omnibus bill at a conference committee meeting Weds., Apr. 28. The committee was co-chaired by Rep. Carol Molnau (R-Chaska) and Sen. Janet Johnson (DFL-North Branch).

John Walz, House fiscal analyst, said the House and Senate do not differ in funding of aeronautics under the Department of Transportation (MnDOT). The Senate appropriates \$60 million for Light Rail Transit, according to Walz, a project the House does not appropriate. Under rail and waterways improvement, the House provides \$1.5 million for port development assistance and \$150,000 for a corridor improvement plan, neither of which is funded by the Senate. Walz said the Senate appropriations for local roads is \$10 million more than the House in county state aid fund appropriations and \$15.5 million less in general fund appropriations.

Comparing the Senate and House on state road construction, the total appropriations by the Senate are \$250,000 less in general fund appropriations and \$16.408 million less in trunk highway fund appropriations. Amy Vennewitz, Senate fiscal analyst, listed the differences between the bodies in the total MnDOT funding: the Senate has \$43.6 million more than the House in general fund appropriations; \$20.2 million less in trunk highway fund appropriations; and \$10 million more in county state aid fund appropriations.

Walz said the Senate appropriates

\$4.05 million more to Metropolitan Council Transit than does the House. He said the Senate and House are identical in funding the administration of the Department of Public Safety (DPS). In funding the State Patrol, the Senate appropriates \$103,000 more from the general fund and \$3.4 million more from the trunk highway fund. According to Vennewitz, the Senate funds Driver and Vehicle Services by \$402,000 more from the highway user tax fund. She said that in general fund spending, the Senate is \$28 million over the House. Looking at other funds, the Senate is \$16.7 million less in trunk highway fund spending; \$402,000 more in highway user tax fund appropriations; and \$10 million more in county state aid fund appropriations. In the total omnibus bill, Vennewitz said the Senate appropriates \$21.689 million more than the House.

Considering transportation appropriations language, John Williams, House research, said the House has appropriated funds for motorcycle safety and provides for disabled parking privileges solely for the benefit of a physically disabled person. Williams said the disabled parking also applies to a person with a specific medical condition related to pregnancy whose physician or chiropractor certifies that walking could endanger the life or health of the person or fetus.

Bonnie Berezovsky, Senate counsel, said the Senate provides language in the bill that exempts licensed commercial driving school vehicles from tax and registration fees. The Senate also requires MnDOT to establish a maximum speed limit of 25 miles per hour in a school zone on a trunk highway after a school board and local authority jointly request the action. Berezovsky said the Senate specifies that a lighting device on top of a vehicle engaged in deliveries to residences may project a white light to the rear and a red light to the front, if the sign projects one or more additional colors to the rear and front. The Senate provides that a person is not eligible for a driver's license unless that person has held an instruction permit for a minimum of six months. The Senate bill also allows a home-school parent to provide classroom driver training to his or her children.

The House, according to Williams, provides a reduced fee for an identification card for a person with mental illness.

The House also allows MnDOT to obtain sites for erection of towers and location of other equipment for the public safety radio system in the Metropolitan Area. Another portion of the House language requires MnDOT to develop a corridor improvement plan for grade crossings on the railway corridor that runs through Winona, Olmsted, Dodge, Steele, Waseca, Blue Earth, Brow, Redwood, Lyon and Lincoln Counties. Williams said the House specifies that the percentage of gasoline tax revenues that is attributable to snowmobile use is .75 percent in FY 2000 and subsequent years. The Senate makes the current one percent a permanent allocation. The Senate also requires MnDOT to designate two weeks in October 1999 and two weeks in June 2000 during which meters on freeway access ramps must flash yellow lights. MnDOT must evaluate the effects of discontinuing meter operation and report to the Legislature by Jan. 15, 2001.

Under the bill, the Senate creates a mobility fund to include proceeds of the motor vehicle sales tax for transit capital costs. The Senate gives MnDOT responsibility for planning, developing, constructing, operating and maintaining commuter rail. In the Senate version of the bill, MnDOT is required to adopt a commuter rail system plan by Jan. 15, 2000, and consult with regional rail authorities in preparing the plan. The Senate establishes language regarding registration and exemptions of passenger carriers, requiring a city that licenses and regulates small vehicle passenger service to do so by ordinance, and allowing the Metropolitan Airports Commission (MAC) to regulate ground transportation to and from the airport. The Senate proposes a constitutional amendment to dedicate at least 22 percent of the motor vehicle sales tax proceeds to the highway user tax distribution fund, and at least 5 percent of motor vehicle sales tax proceeds to a transit capital fund.

The Senate also requires the Metropolitan Radio Board to report to the Legislature by Mar. 1, 2000, on the status of the 800-megahertz system.

Transportation talks continue

The transportation conference committee met Thurs., Apr. 29, to further discuss the omnibus budget bill H.F. 2387. The meeting is co-chaired by Sen.

Floor update

Janet Johnson (DFL-North Branch) and Rep. Carol Molnau (R-Chaska).

Amy Vennewitz, Senate fiscal analyst, listed the appropriations of the bill that are identical. Members approved the identical appropriations. Identical language in the bill was described by Bonnie Berezovsky, Senate counsel. The language providing for the seller of a vehicle to send a detachable postcard within 10 days of the sale to the Department of Motor Vehicles listing information on the buyer was approved.

Language allowing driver's license agents to continue using photo identification equipment without cost if they are appointed to an existing office was considered by committee members. The language was identical, except that the House version states the equipment must have been purchased before Dec. 31, 1998. The Senate version states the equipment must have been purchased before Jan. 1, 1999. The Senate language was adopted.

Similar language by the bodies is in a portion of the bill that provides for a southern rail corridor improvement plan. The Senate version includes more specific grade crossing recommendations, and the House version was adopted.

Appropriations in the House version of \$300,000 for statewide asset preservation and repair and \$1.5 million for implementation of the transportation worker concept were approved.

Berezovsky said the language for appropriations for the Department of Public Safety (DPS) is more flexible in the House version of the bill, with the appropriations by both bodies the same. She said the Senate version retains more control of the department's ability to transfer funds. Molnau said she believed that Driver and Vehicle Services needs more flexibility with its funding. Frank Ahrens, finance director of DPS, said the department prefers the House language in the bill. Sen. Mark Ourada (R-Buffalo) said he hopes the Legislators can see in more detail where the appropriations are spent.

Language in the Senate version of the bill providing for a 25 mph speed limit in school zones was discussed. Sen. Carol Flynn (DFL-Mpls.) said the provision came about because the Department of Transportation (MnDOT) failed to act in a way that made sense regarding school districts. Betsy Parker, MnDOT, said the

department acknowledges that it has been very slow to respond to some requests for traffic studies, but she added MnDOT has concerns about this portion of the bill.

Molnau said the 25 mph speed zone may give a false sense of security in an area where traffic normally travels at 55 mph. She said drivers will not slow down to the lower speed limit, and the bill could create greater traffic dangers in that students will think the traffic is slower and they do not need to be as careful. No action was taken on this portion of the bill.

Friday, April 23

Deficiency, higher ed bills passed

Presenting what he called a much-discussed state deficiency bill on the Senate floor Fri., Apr. 23, Sen. Richard Cohen (DFL-St. Paul) said S.F.2234 provides for payments needed to keep state government operations running. The bill appropriates one-time funding to the Departments of Children, Families and Learning; Human Services; Economic Security and Public Safety. Also receiving appropriations under the bill are the Zoological Board, and Campaign Finance and Public Disclosure Board. The bill provides for transfer of funds to the Secretary of State to modify business systems to address the Y2K problem.

Cohen said unanticipated costs of new license plates have resulted in deficiencies in the Department of Public Safety. Under the bill, \$370,000 is added to the Department of Economic Security for vocational rehabilitation and independent living services to blind Minnesotans. The bill calls for a review of the operation of the State Services for the Blind to determine why a deficiency occurred and what steps can be taken to prevent a deficiency in the future. Cohen said 38 employees at the Minnesota Zoo were notified of lay-offs effective May 6 because appropriations had not been provided. "These individuals are now being held as political pawns," he said.

Sen. Linda Runbeck (R-Circle Pines) made an attempt to offer an amendment to attach the language of the House rebate proposal. Cohen said he was disappointed. "In the past, this has been a nonpolitical bill," he said. "I condemn the House for playing around with the lives of the citizens of this state." He said

the zoo employees will be out of work because of the failure of the Legislature to pass the noncontroversial bill. Runbeck said she considers it ironic that Cohen wants to attack the amendment. She said the kinds of games played with the surplus over the past year have affected the lives of many thousands of Minnesotans. Sen. Ember Reichgott Junge (DFL-New Hope) challenged the germaneness of attaching a tax proposal to an appropriations bill. The president, Sen. Allan Spear (DFL-Mpls.) ruled that the amendment was not germane. In a roll call vote of 52 to 13, members voted to uphold the ruling of the president. The bill passed unanimously on its third reading.

Sen. LeRoy Stumpf (DFL-Thief River Falls) presented the higher education omnibus bill, H.F. 2380.

"Education in a broad sense is in the same class as apple pie and motherhood," Stumpf said. He added that the information revolution is changing the dynamics of traditional education. He stressed the importance of flexibility in education today, as well as the importance of changing demographics. He said the bill is directed to help minorities, non-traditional students and low-income students obtain higher education in Minnesota.

The omnibus bill appropriates a total of \$2.6 billion for higher education. The Higher Education Services Office (HESO) is appropriated \$338.742 million; the Minnesota State Colleges and Universities (MnSCU), \$1.099 billion; the University of Minnesota \$1.172 billion and Mayo Medical Foundation, \$3.183 million.

An amendment, offered by Sen. David Ten Eyck (DFL-East Gull Lake), adds \$10 million to the budget for student success and technology initiatives. In response to a question, Stumpf said the \$10 million is an addition to the budget. Sen. Martha Robertson (R-Minnetonka) asked if the K-12 budget will be \$10 million less, or if there will be \$10 million less to give on a tax rebate. Sen. Roger Moe (DFL-Erskine) said the Senate will pass a balanced budget. "We will deal with certain allocations and guidelines," he said.

Sen. Steve Kelley (DFL-Hopkins) offered an amendment to the amendment, which provides that half of the \$10 million be appropriated to MnSCU and

the other half to the Academic Health Center at the U of M. "The U of M is already funded below MnSCU," he said, adding that the importance of the U of M in advancing knowledge must be recognized. Stumpf opposed the amendment, saying that the Academic Health Center funding is still a work in progress and he is hoping funding for the Health Center will be provided by the tobacco endowment. Kelley withdrew the amendment. The amendment was re-offered by Sen. Edward Oliver (R-Deephaven). The amendment to the amendment failed on a roll-call vote of 25 to 41. The amendment, offered by Ten Eyck, was adopted.

Sen. Carol Flynn (DFL-Mpls.) offered an amendment giving responsibility for labor negotiations to the Labor Relations Bureau. The amendment was adopted.

An amendment, offered by Sen. Dave Kleis (R-St. Cloud), deals with Pell grants. The amendment provides that a financial stipend cannot exceed a grant applicant's cost of attendance, after deducting the amount of a federal Pell grant award, calculated as if the maximum Pell grant were \$3,125. "For any future increases in federal aid, we shouldn't penalize students by subtracting state aid," Kleis said. Stumpf opposed the amendment. He said the amendment goes against what the organization that works with financial aid really wants. The amendment failed on a roll call vote of 30 to 35. Another amendment, offered by Kleis, provides that a financial stipend deduct the student responsibility of at least 47 percent of the cost of attending the institution. The amendment redirects funding to MnSCU and the U of M. Stumpf spoke against the amendment, saying it takes money away from the students and gives it to the two systems, which already have a 3 percent inflation raise built in. "Do we want to help the students or give money to the systems?" he asked. The amendment failed by a roll call vote of 27 to 36. H.F. 2380 passed by a roll call vote of 62 to 2.

Monday, April 26

Liquor bill amended

The omnibus liquor bill, H.F. 1079, was amended several times before being given final passage. The bill, authored by Sen. Sam Solon (DFL-Duluth), authorizes acceptance of certain coupons by retailers of alcoholic beverages; autho-

rizes issuance of on-sale and temporary on-sale intoxicating liquor licenses in Minneapolis, St. Paul, Detroit Lakes, Eden Prairie, International Falls, Marshall, Proctor and Stillwater; and provides for duration of on-sale intoxicating liquor licenses for seasonal tour boats.

Two amendments relating to on-sale liquor licenses at the University of Minnesota were approved by members. Solon offered an amendment that allows the city of Minneapolis to issue an on-sale intoxicating liquor license for use by a restaurant or catering operator at a specific building on the University of Minnesota campus. Sen. Jane Ranum (DFL-Mpls.) raised the question of who is liable if the license provisions are violated. Ranum said she is concerned about student drinking and the problem of binge drinking on college campuses. Solon said the U of M has a liquor license for other buildings on campus and the issue of liability will be handled the same way with the additional license. Sen. Richard Cohen (DFL-St. Paul) offered an amendment clarifying that an on-sale liquor intoxicating liquor license maybe be issued to the Board of Regents of the University of Minnesota for events at Northrup Auditorium.

An amendment, relating to judicial remedies in cases involving brewers, was also offered by Solon. He said the amendment gives the assurance that if residents of the state enter into litigation with brewing companies, the trial will take place in Minnesota. Sen. Don Betzold (DFL-Fridley) challenged the germaneness of the amendment, saying that the amendment deals with judicial matters and should not be placed in the liquor omnibus bill. The chair ruled that the amendment was not germane.

Members adopted amendments issuing additional and temporary on-sale liquor licenses to the Theatre de la Jeune Lune, and the city of Bemidji. Sen. Linda Berglin (DFL-Mpls.) offered an amendment changing a provision in the restrictions on temporary liquor licenses. The amendment exempts a convention facility owned by the municipality from the limits placed on municipalities as to the number of licenses and number days that they can provide a temporary liquor license in a 12-month period. The amendment was adopted.

Sen. Steve Murphy (DFL-Red Wing) offered an amendment that relates to

proof of age for purchasing or consuming alcoholic beverages. In addition to the documents that can be used to establish proof of age, the amendment adds a valid passport issued by the United States, or in the case of a foreign national, a valid passport. The amendment was adopted.

Sen. John Hottinger (DFL-Mankato) sponsored an amendment relating to the availability of wine for purchase on the Internet. He said the amendment is an effort to deal with the problem of under-aged individuals purchasing wine over the Internet. Under the amendment, no common carrier or delivery agent is to deliver alcoholic beverages without a permit. The permit fee is \$50 per carrier. The amendment also provides that the common carrier or delivery agent require the person who receives a delivery to sign for it, verify that the receiving person is at least 21 years of age and record the proof of age. The amendment specifies that the signature record and proof of age be kept for one year and be available for inspection. The amendment was adopted.

Sen. Becky Lourey (DFL-Kerrick) made a motion later to reconsider the Hottinger amendment. She expressed concern about how the provisions in the amendment affect the wineries in the state that depend on the ability to ship cases of wine. Lourey questioned whether the amendment provisions affect the reciprocal agreements of wineries. Hottinger said that the amendment does not change the quantity of wine that may be shipped from wineries. He said the amendment requires the carrier to obtain a permit to deliver the wine and requires the carrier to obtain a signature upon delivery of someone over 21 years of age. "This is all about preventing under-aged individuals from buying wine," said Hottinger. Lourey withdrew her motion to reconsider the amendment.

The liquor omnibus bill, H.F. 1079, passed on a 47-18 vote.

Sen. Steve Dille (R-Dassel) presented H.F. 132 for consideration by members. The bill exempts certain bingo games from regulation. Dille said the bill exempts bingo games in nursing homes and senior citizen centers from regulation and reporting requirements, provided other criteria regarding prizes and frequency of games is met. The bill passed unanimously.

Members also passed S.F. 1615,

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authored by Sen. Dallas Sams (DFL-Staples), establishing a task force to develop a new day training and habilitation payment rate structure with technical assistance from the commissioner of human services.

Sen. Linda Berlin (DFL-Mpls.) presented S.F. 1219, a bill establishing a uniform complaint resolution process for health plan companies and establishing an external review process. Berlin said that under the bill, the consumer is required to exhaust the internal appeal process before using the external process. She said that 19 other states have a similar process that is used successfully. Berlin said the bill is supported by the Health Care Consumer Protection Alliance, which is comprised of many coalitions, along with the Minnesota Consortium for Citizens with Disabilities, Minnesotans for Affordable Health Care and the Legal Services Advocacy Project.

An amendment, changing geographic accessibility criteria, was offered by Solon. Under the amendment, within the health maintenance organization's service area, the maximum travel distance or time is to be the lesser of 30 miles or 30 minutes to the nearest provider of primary care services, mental health services and general hospital services. The amendment was adopted. S.F. 1615 was passed after its final reading.

Members also adopted and repassed the conference committee report on S.F. 778. The bill, authored by Sams, reduces the time limit for release of security interests in motor vehicles by secured parties after satisfaction of the security interest by a licensed dealer.

Tuesday, April 27

Premarital counseling bill passed

A bill that provides for a reduced marriage license fee for couples who obtain premarital education was considered on the Senate floor Tues., Apr. 27. S.F. 884, authored by Sen. Steve Dille (R-Dassel), also increases the filing fee for marriage dissolution proceedings.

Dille said marriage license fees are reduced from \$70 to \$20 for those couples completing at least 12 hours of premarital education. Couples seeking a divorce, according to the bill, must pay a fee that is increased from \$122 to \$172. The fee increase will make up for the fee

decrease in marriage licenses, but will also send a strong signal from the government about strengthening marriages, according to Dille. He said premarital education helps get the couple off to a good start, identifies high-risk couples, develops important marriage-related skills and provides training in conflict resolution and communication. He said some couples who go through premarital education realize they should not get married.

Speaking in favor of the bill, Sen. Dean Johnson (R-Willmar) said there are approximately 34,000 marriages in Minnesota each year and about 17,000 divorces. He said the bill forces people to face issues up front. "The premarital education is not a cure-all, but is a step in the right direction," Johnson said.

Opposing the bill was Sen. Linda Berglin (DFL-Mpls.), who said she does not believe the state should get in the business of telling the clergy what to do. She said higher divorce fees might result in people separating without getting divorced, and living with others without remarriage. Johnson said the counseling is not mandated, but optional. Sen. Martha Robertson (R-Minnetonka) said she has a problem with an increase in the cost of divorce proceedings. She offered an amendment that removes the cost increase in marriage dissolution proceedings. Dille strongly opposed the amendment, saying the increased cost must balance out the loss of revenue from marriage licenses. The amendment failed. The bill was granted final passage on a vote of 59 to 6.

S.F. 1539, authored by Sen. LeRoy Stumpf (DFL-Thief River Falls), provides for licensing and regulation of vertical heat exchanger contractors. The bill establishes training requirements for well contractors installing vertical heat exchangers, which are earth-coupled heating or cooling devices consisting of a closed-loop piping system installed vertically in the ground to transfer heat to or from the surrounding earth. Stumpf said the heat exchangers save homeowners money in heating and cooling.

Sen. Leo Foley (DFL-Coon Rapids) asked Stumpf if the heat exchangers are environmentally safe. Stumpf said they are high quality and efficient. The bill was unanimously passed.

Stumpf also presented S.F. 709, a bill

that authorizes the commissioner of administration to award a preference of as much as six percent in the amount bid for specified goods or services by small businesses. The preference is for small businesses located in an economically disadvantaged area. Stumpf said approximately 44 counties meet the criteria. Robertson questioned why the preference is as high as 6 percent. Stumpf said the bill is designed to help businesses in rural areas that are struggling because of farm prices.

Sen. David Knutson (R-Burnsville) said the nation is moving away from preferences because they are not effective. "We are imposing unnecessary costs on the taxpayers of Minnesota," he said. Stumpf said businesses in the Metro Area have a distinct advantage.

The bill passed on its third reading, 43 to 18.

The third bill, authored by Stumpf, S.F. 1636, provides for regulatory relief for local units of government. Stumpf said the bill enables local government units to petition for amendment or repeal of a rule or a specified portion of a rule. Under the bill, the local government unit must demonstrate that significant new evidence relating to the rule has become available, or less costly or less intrusive methods of achieving the purpose of the rule are available. Stumpf said a chief administrative law judge (ALJ) reviews the petition, conducts a hearing and issues a decision within 120 days. Stumpf said the bill includes a sunset date of July 31, 2001, and a fiscal note of \$600,000.

Sen. Jane Krentz (DFL-May Township) said the bill authorizes expenditures not covered by current funds. "We need to monitor what we do around here," she said. Sen. Richard Cohen (DFL-St. Paul) said he shares her concerns about the fiscal note, and he suggested the \$600,000 funding be reviewed. The bill was sent to the State Government and Finance Committee.

A bill, authored by Sen. Jim Vickerman (DFL-Tracy), authorizes dice games in retail establishments licensed to sell alcoholic beverages. Under S.F. 2044, dice may be kept and used on licensed premises and adjoining rooms. Vickerman said the bill allows for common dice games, and the retail establishment cannot organize or participate financially in the games. He said prizes for the games are limited to food

and beverages purchased and consumed on the premises. The bill passed 45 to 16 on its third reading.

Another bill by Vickerman, S.F. 851, removes the expiration of corporations created by political subdivisions. The bill establishes a task force to develop legislation relating to the establishment of corporations by political subdivisions. The sunset date of July 1, 1999, is removed. Sen. Kenric Scheevel (R-Preston) offered an amendment that reinstates the sunset, but changes the date to July 1, 2000. He said the sunset makes sure recommendations by the task force are dealt with. The amendment failed. The bill passed 52 to 8.

S.F. 1268, authored by Sen. Sheila Kiscaden (R-Rochester), requires prompt payments by health maintenance organizations (HMOs) and nonprofit health service plan corporations of claims made by home care providers. The bill requires claim errors to be reported within a certain time, and establishes penalties. The bill passed unanimously.

Kiscaden also presented H.F. 1426, which modifies well notification fees, definitions, and terms of the Advisory Council on Water Supply Systems and Wastewater Treatment Facilities. The bill also modifies provisions for grants to rural hospitals and community health centers, and modifies student loan repayment provisions for health professionals. The bill passed unanimously.

Sen. Steve Murphy (DFL-Red Wing) presented the conference committee report on H.F. 270, which established a maximum lifetime benefit of \$2.8 million on qualified plans offered through the Minnesota Comprehensive Health Insurance Plan. The conference committee report was adopted and the bill was repassed.

Wednesday, April 28

Gift ban debated

A bill that relates to the ethics in government statute was debated during the floor session Weds., Apr. 28. The bill, S.F. 516, authored by Sen. Ember Reichgott-Junge (DFL-New Hope), clarifies the statutes, gives the Campaign Finance and Public Disclosure Board jurisdiction over the ban on gifts to local officials, increases certain campaign contribution and spending limits and authorizes exceptions to the ban on gifts.

Junge told members that the bill has a lengthy history. She said some of the provisions in the bill have been discussed since 1993 and that the bill finally makes the necessary changes to election law. Junge said that S.F. 516 streamlines the law and eliminates unintended consequences caused by current law.

Among the key changes proposed in the bill is a provision allowing a public official to accept food or beverage from a lobbyist or principal, not to exceed \$5 in value. Sen. Mark Ourada (R-Buffalo) offered an amendment that adds the language "per occasion," clarifying that the food or beverage received from a lobbyist or principal must not exceed \$5 per occasion. The bill also clarifies who the gift ban affects and which officials are governed by chapter 10A of the statutes and which officials are governed by section 471.895 in the statutes. Under the bill, the Campaign Finance and Public Disclosure Board is given jurisdiction over the gift ban for local officials and is authorized to investigate complaints of violations of the local gift ban.

Other provisions in the bill authorize the secretary of state to periodically update voter registration files with material provided by the U.S. Postal Service, require that independent expenditures made in support of a candidate be reported, increase the spending limit for constitutional officers other than governor and lieutenant governor over the amounts currently in law, doubles the amount that a defeated candidate may contribute to the candidate's own campaign and make it a gross misdemeanor to attempt to circumvent the gift ban by giving a gift through, or on behalf, of another individual or association.

Several amendments were offered on the floor, including one that deletes the section of the bill requiring a political committee or political fund to return to the contributor any contribution of more than \$100 for which the committee or fund has not recorded the name, address, and employer or occupation of the contributor. Junge, who offered the amendment, said that volunteer treasurers make mistakes and that an error like failing to record the occupation of the contributor should not have a penalty. Junge also offered an amendment deleting the section of the bill specifying that the principal campaign committee of

a candidate may not make independent expenditures in support of or in opposition to another candidate. Both of the amendments were adopted.

Sen. Edward Oliver (R-Deephaven), seeking to keep the gift ban intact, offered an amendment striking the new language and reinstating the language currently in law. Oliver pointed out that the zero tolerance law, currently in statute, has been a good law because no one can misunderstand it or misuse it. "We need to keep what we have in place. It's simple, direct and understood by the public," said Oliver.

Ourada argued that he doesn't believe the public really does understand the law regarding the gift ban. He said the current law causes absurd and unintended consequences. Sen. John Marty (DFL-Roseville) countered Ourada's comments, telling members that if the public doesn't understand the law now, when it is so simple, they will never understand the law if it becomes more complicated.

Many other members spoke both for and against the amendment, which failed in a 28-38 roll call vote.

Marty offered an amendment requiring that the Campaign Finance and Public Disclosure Board publish the statement of economic interest on its web site. The amendment was adopted. Sen. David Knutson (R-Burnsville) offered an amendment adding an exemption under which elected officials may accept gifts from lobbyist or principals. Under the amendment, an elected official may accept a gift from a lobbyist or principal that is given on the occasion of a wedding, illness or funeral. The amendment was adopted. Sen. Thomas Neville (R-Northfield) offered an amendment specifying that a political committee or political fund that makes a contribution to a candidate who has filed for office in or special election must file a campaign finance report on the contribution seven days before the special primary and special election and ten days after the special election cycle. The amendment was adopted by a 60-0 vote.

Marty offered an amendment modifying the exceptions in which a public official may accept a gift. The amendment deletes a provision allowing a person to accept a gift when they are an official attending the national convention of a major political party or the inauguration of the president of the

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United States, if an equivalent gift is given or offered to all other participants. The amendment also deletes a provision allowing an official to accept a gift given by a lobbyist or principal as a contribution of a prize or money to purchase a prize for an event that is designed to benefit an organization that qualifies under section 501(c)(3) of the Internal Revenue Code or to an official who acts only as the agent for the giver in making a gift to a foreign dignitary. The amendment was not adopted by a 9-46 vote.

The bill was passed by a 42-19 vote.

S.F. 233, carried by Sen. David Ten Eyck (DFL-East Gull Lake), requires that the definite and specific description of easements on real property by a public service corporation must be the minimum necessary for the safe conduct of the business of the public service corporation and that the description applies to every easement regardless of when it was acquired or created. Ten Eyck said the bill applies retroactively to all easements whenever created except those involved in pending litigation. The bill was passed by a 63-0 vote.

The next three bills were carried by

Sen. Richard Cohen (DFL-St. Paul). Cohen said H.F. 1359 allows a court to deposit unclaimed restitution payments in the crime victims account, allowing these funds to be used for crime victims reparations. He said the bill also allows victims to request moving expenses from the reparations board, allows for an extension in the amount of time victims have to claim reparations, and creates an exception to these time limits for all child abuse cases. The bill passed by a 62-0 vote. Cohen said S.F. 84 prohibits filing a lien against the property of a public official or employee based on the individual's job performance and not authorized by court order or statute. The bill establishes that a person with an interest in real or personal property that is subject to a nonconsensual common law lien may petition the District Court in the county where the lien was recorded to have the lien held invalid. The bill passed by a 61-0 vote. H.F. 726, Cohen said, establishes a procedure for political subdivisions seeking state bond funding for capital projects and establishes criteria for evaluation of such projects. The bill was passed by a 57-5 vote.

Sen. Randy Kelly (DFL-St. Paul) said that S.F. 2052 is the annual bill providing an appropriation for the payment of claims against the state. Kelly said the total amount of appropriation provided by the bill is \$156,289. The bill passed by a 61-0 vote.

The Senate repassed S.F. 303, a bill that was vetoed by the governor. Sen. Leo Foley (DFL-Coon Rapids), said the bill allows a person to bring action for damages arising out of an incident that involves a defective seat belt or child passenger restraint system. He said the bill had originally passed the Senate by a unanimous 64-0 vote. In his veto message the governor cites that the bill favors one party over another because it does not address the portion of law that bars court testimony in personal injury or wrongful death cases about whether a car crash victim was wearing his or her seatbelt. Foley said the governor's veto message also expressed a concern about the effect the bill has on pending litigation. A two thirds vote by both houses is required to override a governor's veto. The bill was repassed by a 59-1 vote in the Senate.

Preview

Monday, May 3

Jobs, Energy and Community Development Committee

Chair: Sen. Steven Novak

8:30 a.m. Room 123 Capitol

Agenda: Confirmation hearing: John Swift, commissioner, Iron Range Resources and Rehabilitation Board.

Conference Committee on H.F. 1467

Chair: Sen. Pat Piper and Rep. Barb Sykora
9 a.m. Room 112 Capitol

Agenda: H.F.1467: Family and early childhood education omnibus appropriations bill.

The Senate is in Session at 10 a.m.

Conference Committee on S.F. 2223

Chairs: Sen. Len Price and Rep. Phil Krinkie
One-half hour after the last body adjourns Room 316 Capitol

Agenda: S.F. 2223: Omnibus governmental operations budget bill.

Tuesday, May 4

The Senate is in Session at 9 a.m.

Higher Education Budget Division

Chairs: Sen. LeRoy Stumpf and Rep. Peggy Leppik

15 minutes after last body adjourns Room 118 Capitol

Agenda: H.F. 2380: Higher education omnibus appropriations bill.

Wednesday, May 5

The Senate is in Session at 9 a.m.

Thursday, May 6

The Senate is in Session at 9 a.m.

Friday, May 7

The Senate is in Session at 9 a.m.

continued from page 3

in connection with the issue. Kildow said the amendment applies to claims that are pending the day the bill is enacted, and thus is a retroactive attempt to apply the law. The motion to reconsider was approved. Hottinger offered an amendment to the amendment making the provision apply to only claims filed after Apr. 30, 1999. The amendment to the amendment was not adopted. The amendment was voted on again, and was not adopted.

Sen. Edward Oliver (R-Deephaven), offered an amendment establishing a MinnesotaCare health insurance account. Oliver said the funding of the account is provided by the ongoing tobacco settlement payments. Johnson spoke against the amendment saying it would create too large of a hole in the budget. The amendment was not adopted by a 9-12 roll call vote.

Sen. Pat Pariseau (R-Farmington), offered an amendment clarifying a per diem compensation provision in the bill relating to the Cedar Lake Improvement District. Pariseau said the amendment establishes that board members may be paid per diem compensation in accordance with the board's bylaws for meetings and for other services authorized by the board. The original language of the bill said the board members must be paid \$35 per diem compensation. Pariseau said the amendment similarly changed the provision regarding per diem for the chair of the board, striking the \$45 amount set in the original bill to allow the amount to be set by the board's bylaws. The amendment was adopted.

Sen. Steve Murphy (DFL-Red Wing) offered an amendment modifying rules established in the bill for the imposition of a local sales tax. The bill originally required that an imposition of a local sales tax be subject to approval by voters at a general election. Murphy said the amendment allows the approval to occur at a special election. The amendment was adopted.

Hottinger offered an amendment establishing criteria for subsidies to businesses by state or local government. The amendment requires that a business subsidy meet a public purpose other than increasing the tax base, and that job retention may only be used as a public purpose in cases where job loss is immi-

nent and demonstrable. Hottinger said the amendment requires the recipient of a subsidy to provide progress reports with information regarding goals and results to the Dept. of Trade and Economic Development. He said that there is still some concern about the amendment's definition of "redevelopment," but that he is continuing to work with those concerned about the issue. Tom Hesse, from the Minnesota Chamber of Commerce, said the chamber does not oppose the amendment. The amendment was adopted.

Sen. Gen Olson (R-Minnetrista), offered an amendment phasing out families with incomes between \$33,500 and \$37,500 for eligibility in the Take Credit for Learning Program. The amendment also establishes that custodial parents who make education expenses can claim the credit or deduction. The amendment was not adopted.

Murphy offered an amendment deleting the section of the bill providing for the automatic sales tax rebate. Johnson said he was opposed to the amendment. The amendment was not adopted by a 7-13 vote.

Murphy also offered an amendment establishing a Minnesota minerals 21st century fund. Johnson said the state has spent over \$374 million on the ethanol development program and that the new fund will contribute to a steel mill project that will create many more jobs than those created by the ethanol industry. He said the amendment establishes that when the Dept. of Finance determines that there will be a positive unrestricted budgetary general fund balance at the close of the biennium, the commissioner of the department is required to allocate money first to the budget reserved until the amount in that account equals \$622 million, and then to the minerals fund. He said originally funding for the steel mill project was going to come from the session's emergency bonding bill. The amendment was adopted.

Sen. Linda Scheid (DFL-Brooklyn Park) then moved that the bill as amended be approved and sent to the floor. The motion was adopted.

The committee also recommend the confirmation of Matt Smith as the commissioner of the Dept. of Revenue, and Raymond Krause as a judge to the Tax Court.

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Conference committees

H.F. 7-Termination of the motor vehical emissions inspection program.

Members:

Metzen	Haake
Pariseau	Ozment
Price	Johnson

H.F. 15-K-12 education high standards.

Members:

Pogemiller	Mares
Scheid	Pelewski
Johnson, D.E.	Olsen
Robertson	Siefert, M.
Laidig	Erickson

H.F. 60-Reimbursement of supplemental private duty nursing provided by spouses.

Members:

Betzold	Haas
Berglin	Luther
Kiscaden	Westerburg

H.F. 70-Authorizes law enforcement agencies to sell forfeited firearms.

Members:

Pariseau	Dagget
Hottinger	Stanek
Spear	Tommasoni

H.F. 174-Authorizes the Paynsville Area Hospital District to annex the city of Richmond to the district.

Members:

Fischbach	Stang
Vickerman	Dehler
Sams	Junke

H.F. 346-Limits freelance court reporter contract arrangements.

Members:

Hottinger	Smith
Kiscaden	Broecker
Spear	Leighton

H.F. 371-Removes the limit on the amount a local government may contribute for historical work and permits contributions to public or private, nonprofit senior centers or youth centers.

Members:

Fischbach	Stang
Vickerman	Dehler
Sams	Juhnke

H.F. 621-Adds various arson definitions relating to flammability and imposes penalties on students who use ignition devices inside education buildings.

Members:

Novak	Fuller
Johnson, D.H.	Larsen, P.
Fischbach	McGuire

H.F. 837-Omnibus insurance bill.

Members:

Wiener	Davids
Solon	Jennings
Oliver	Paulson

H.F. 1079-Omnibus liquor bill.

Members:

Solon	Paulsen
Larson	Davids
Metzen	Hasskamp

H.F. 1467-Omnibus early childhood and family education appropriations bill.

Members:

Piper	Sykora
Lourey	Nornes
Higgins	Mulder
Robling	Abeler
Lesewski	McGuire

H.F. 2380-Omnibus higher education appropriations bill.

Members:

Stumpf	Leppik
Larson	Tuma
Wiener	Dehler
Solon	Seifert, M.
Kelley, S.P.	Carlson

H.F. 2387-Omnibus transportation appropriations bill.

Members:

Johnson, J.B.	Molnau
Langseth	Kuisle
Ourada	Lieder
Flynn	Dehler
Johnson, D.E.	Kalis

H.F. 2390-Omnibus economic development appropriations bill.

Members:

Janezich	McElroy
Novak	Gunther
Johnson, D.H.	Davids
Runbeck	Lindner
Pariseau	Trimble

S. F. 174-Sex offender registration expansion to include certain persons committed as mentally ill and dangerous.

Members:

Ranum	Bishop
Betzold	Haake
Neuville	Skoglund

S. F. 333-Identity theft penalties.

Members:

Kelly, R.C.	Bishop
Limmer	Seifert, J.
Ten Eyck	Skoglund

S.F. 383-License requirements for the practice of midwifery.

Members:

Pappas	Abeler
Foley	Clark, K.
Fischbach	Otremba

S.F. 510-State Board of Dentistry composition

Members:

Hottinger	Boudreau
Lourey	Wilkin
Fischbach	Greenfield

S.F. 556-Limits municipal power agencies liability for recreational purposes.

Piper	Leighton
Ten Eyck	McCollum
Ourada	Davids

S.F. 1202-Establishes protocol for occupational exposure to bloodborne pathogens in certain settings.

Members:

Spear	Goodno
Hottinger	Knoblach
Kiscaden	Wenzel

S.F. 1204-Clarifies the supervision of the state fire marshall.

Members:

Johnson, D.H.	Rostberg
Ten Eyck	Rhodes
Scheevel	Gleason

S.F. 1330-Regulates banking fees, charges and time periods, authorizes part-time banking locations and makes technical changes.

Members:

Solon	Haas
Belanger	Davids
Metzen	Lieder

S.F. 1471-Requires limitations on tenant screening fees.

Members:

Murphy	Storm
Johnson, D.H.	Larsen, P.
Limmer	Kubly

S.F. 2017-Technical and administrative changes to Dept. of Employee Relations provisions.

Members:

Runbeck	Mares
Flynn	Haas
Hottinger	Jennings

S.F. 2221-Omnibus crime prevention and judiciary appropriations bill.

Members:

Kelly, R.C.	Broeker
Spear	Larsen, P.
Neuville	Holberg
Knutson	Murphy
Ranum	Stanek

Floor action

Friday, April 23

Bills granted final passage on Special Orders

H.F. 1707-Limmer: Prohibits courts from modifying statutory sex offender registration requirements in criminal sentences and juvenile disposition orders. 58-0

Bills granted final passage under a suspension of rules

S.F. 2234-Cohen: Deficiency appropriations. 63-0

H.F. 2380-Stumpf: Higher education omnibus appropriations bill. 62-2

Monday, April 26

Bills granted final passage on Special Orders

H.F. 1079-Solon: Omnibus liquor bill. 47-18

H.F. 132-Dille: Exempts bingo games in nursing homes from regulation. 63-0

S.F. 1615-Sams: Task force to develop new day training and habilitation payment rate structure. 65-0

S.F. 1219-Berglin: Uniform complaint resolution process for health care plans. 62-0

Conference committee reports adopted and repassed

S.F. 778-Sams: Motor vehicle security interest release time period reduction. 63-0

Tuesday, April 27

Bills granted final passage on Special Orders

H.F. 1539-Stumpf: Provides a new license category under well code for a vertical heat exchanger contractor and establishes training requirements. 61-0

S.F. 709-Stumpf: Authorizes the commissioner of administration to award a preference for specified goods or services to economically disadvantaged area small businesses. 43-18

S.F. 2044-Vickerman: Authorizes dice games in retail establishments licensed to sell alcoholic beverages under certain circumstances. 45-16

S.F. 851-Vickerman: Removes the expiration of corporations created by political subdivisions. 52-8

S.F. 884-Dille: Reduces the fee for marriage licenses for couples who undergo premarital education. 58-6

S.F. 1268-Kiscaden: Requires prompt payments by health maintenance organizations and nonprofit health service plan corporations of certain claims made by home care providers. 64-0

H.F. 1426-Kiscaden: Modifies well notification fees, modifies provisions for grants to rural hospitals and community health centers and modifies student loan repayment provisions for health professionals. 64-0

Conference committee reports adopted and repassed

H.F. 270-Murphy: Sets a \$2.85 million maximum lifetime benefit on certain policies of the Minnesota Comprehensive Health Insurance plan. 64-0

Wednesday, April 28

Bills granted final passage on Special Orders

S.F. 516-Junge: Makes changes to elections and ethics provisions, gives the Board of Campaign Finance and Public Disclosure jurisdiction over the ban on gifts to local officials, facilitates reports of last minute contributions, requires return of public subsidies under certain conditions and provides civil penalties. 42-19

S.F. 233-Ten Eyck: Provides for definite and specific descriptions for certain easements. 63-0

H.F. 1359-Cohen: Clarifies the procedure for the deposit of unclaimed crime victim restitution funds, extends the time limit for filing claims to three years and allows an exception for all child abuse cases, and expands coverage for crime victims reparations to include moving expenses for victims of crime. 62-0

S.F. 84-Cohen: Provides protection of public officials and employees and prohibits the filing of fraudulent liens. 61-0

H.F. 726-Cohen: Provides standards for state assistance to capital improvement projects of political subdivisions. 57-5

S.F. 2052-Kelly, R.C.: Provides for payment of various claims against the state. 61-0

Bills repassed over gubernatorial veto

S.F. 303-Foley: Clarifies the admissibility into evidence of seat belt or child passenger restraint use. 59-1

Conference committee reports adopted and repassed

H.F. 1568-Wiener: Modifies state building and energy code provisions and transfers certain building code authority to the commissioner of administration. 55-3

Thursday, April 29

Bills granted final passage on Special Orders

S.F. 1639-Kelly, R.C.: Exempts the licensing of certain taxicab drivers from the criminal offenders rehabilitation law. 62-0

H.F. 1051-Kelly, R.C.: Requires the commissioner of economic security to collect certain information about employment and training programs. 62-0

Bills granted concurrence and repassage

S.F. 1715-Oliver: Provides enforcement authority for the commissioner of commerce, regulates service of process, regulates residential building contractors and remodelers and provides criminal penalties. 57-1

Chapters

No.	Senate File	Senate Author	House File	House Author	Description	Signature date
87	682	Novak	872*	Holsten	Building and construction contracts environmental liability indemnification agreements enforceability.	4/23/99
88	1259	Murphy	528*	Westrom	Transportation department underground fuel storage tanks procurement specifications requirements.	4/23/99
89	616	Price	627*	Larsen, P.	Washington County Housing and Redevelopment Authority commissioners term modification.	4/23/99
90	1827	Oliver	1968*	Davids	Medicare supplement insurance regulation provisions modifications.	4/23/99
91	1920*	Price	1975	Wolf	State archaeologist position appointment process modification and classification.	4/23/99
92	1528*	Price	1248	Howes	Harmful exotic species provisions modifications.	4/23/99
93	1324*	Wiger	1046	Workman	Commercial motor vehicle operators disqualification and penalties for out of service order violations.	4/23/99
94	673*	Ten Eyck	566	Reuter	Health plans network shadow contracting restriction.	4/23/99
95	1470*	Samuelson	1944	Wenzel	Paul Bunyan state trail route modification.	4/23/99
96	854*	Langseth	896	Larsen, P.	Counties, cities or towns lawful land uses termination prohibition.	4/23/99
97	1253	Novak	1178*	McElroy	Landlords prelease deposits acceptance regulation.	4/26/99
98	1634	Knutson	142*	Pawlenty	Subsequent controlled substance conviction definition expansion for controlled substance crimes purposes.	4/26/99
99	840	Pappas	1003*	McElroy	Legislative Audit Commission and Legislative Auditor provisions modifications and clarifications.	4/26/99
100	1182*	Lesewski	1150	Davids	Funeral establishments funeral or burial expense insurance sales restrictions elimination.	4/26/99
101	1527*	Fredrickson	1845	Seifert, M.	Convicted sexual offenders school board member candidacy prohibition.	4/26/99
102	1273*	Sams	1309	Bradley	Nursing home administrators licensing and examiners board provisions modifications.	4/26/99
103	832*	Betzold	661	Haas	Small company securities offering registration modifications.	4/27/99
104	1017*	Kiscaden	1035	Larsen, P.	Civil action and marriage dissolution summonses alternative dispute resolution process notice requirement.	4/27/99
105	451*	Vickerman	1052	Molnau	Uniform commercial code agricultural crops financing statement and collateral requirements modifications and security interests filing requirement.	4/27/99
106	303*	Foley	462	McGuire	Seat belts or child restraint systems use evidence admissibility clarification.	Vetoed
107	1218*	Scheevel	877	Wolf	Re-employment insurance housekeeping bill to comply with federal changes.	4/27/99
108	436*	Foley	541	Stanek	Emergency telephone service (911) dispatchers tort liability immunity.	4/27/99
109	983*	Kelley, S.P.	984	Mulder	Psychologists licensing and regulation provisions modifications.	4/27/99
110	1041*	Hanson	893	Dorman	Warehouse operators regulation provisions modifications and clarifications.	4/27/99
111	1087	Spear	1125*	McGuire	Local correctional fees imposition responsibility transfer.	4/27/99
112	106	Johnson, D.J.	1*	Abrams	Agricultural tax relief and assistance.	Without signature

Minnesota Senate 1999

Party	Phone	Name	Room	Dist.	Party	Phone	Name	Room	Dist.
DFL	296-5537	Anderson, Ellen R.	G-24 Cap.	66	DFL	6-5645	Marty, John	325 Cap.	54
R	6-5975	Belanger, William V.	113 SOB	41	DFL	6-4370	Metzen, James P.	303 Cap.	39
IND	6-5094	Berg, Charles A.	G-51 SOB	13	DFL	6-2577	Moe, Roger D.	208 Cap.	2
DFL	6-4261	Berglin, Linda	309 Cap.	61	DFL	6-4264	Murphy, Steve	301 Cap.	29
DFL	6-2556	Betzold, Don	306 Cap.	48	R	6-1279	Neuville, Thomas M.	123 SOB	25
DFL	6-5931	Cohen, Richard J.	317 Cap.	64	DFL	6-4334	Novak, Steven G.	322 Cap.	52
R	6-9457	Day, Dick	147 SOB	28	R	6-4837	Oliver, Edward C.	121 SOB	43
R	6-4131	Dille, Steve	103 SOB	20	R	6-1282	Olson, Gen	119 SOB	34
R	6-2084	Fischbach, Michelle L.	15 SOB	14	R	6-5981	Ourada, Mark	145 SOB	19
DFL	6-4274	Flynn, Carol	120 Cap.	62	DFL	6-1802	Pappas, Sandra L.	120 Cap.	65
DFL	6-4154	Foley, Leo T.	G-9 Cap.	49	R	6-5252	Pariseau, Pat	109 SOB	37
R	6-8138	Frederickson, Dennis R.	139 SOB	23	DFL	6-9248	Piper, Pat	G-9 Cap.	27
DFL	6-3219	Hanson, Paula E.	328 Cap.	50	DFL	6-7809	Pogemiller, Lawrence J.	235 Cap.	59
DFL	6-9246	Higgins, Linda I.	226 Cap.	58	DFL	7-8060	Price, Leonard R.	235 Cap.	57
DFL	6-6153	Hottinger, John C.	120 Cap.	24	DFL	7-8061	Ranum, Jane B.	306 Cap.	63
DFL	6-8017	Janezich, Jerry R.	328 Cap.	5	R	6-4314	Robertson, Martha R.	125 SOB	45
DFL	6-9261	Johnson, Dave	111 Cap.	40	R	6-4123	Robling, Claire A.	151 SOB	35
R	6-3826	Johnson, Dean E.	117 SOB	15	R	6-1253	Runbeck, Linda	107 SOB	53
DFL	6-8881	Johnson, Douglas J.	205 Cap.	6	DFL	7-8063	Sams, Dallas C.	328 Cap.	11
DFL	6-5419	Johnson, Janet B.	G-9 Cap.	18	DFL	6-4875	Samuelson, Don	124 Cap.	12
DFL	6-2889	Junge, Ember Reichgott	205 Cap.	46	R	6-3903	Scheevel, Kenric J.	129 SOB	31
DFL	7-8065	Kelley, Steve	321 Cap.	44	DFL	6-8869	Scheid, Linda	317 Cap.	47
DFL	6-5285	Kelly, Randy C.	323 Cap.	67	DFL	6-4188	Solon, Sam G.	303 Cap.	7
R	6-5649	Kierlin, Bob	127 SOB	32	DFL	6-4191	Spear, Allan H.	120 Cap.	60
R	6-4848	Kiscaden, Sheila M.	135 SOB	30	R	6-8075	Stevens, Dan	105 SOB	17
R	6-6455	Kleis, Dave	143 SOB	16	DFL	6-8660	Stumpf, LeRoy A.	G-24 Cap.	1
R	6-4120	Knutson, David L.	133 SOB	36	DFL	6-4913	Ten Eyck, David J.	G-24F Cap.	4
DFL	6-7061	Krentz, Jane	235 Cap.	51	R	6-6238	Terwilliger, Roy	115 SOB	42
R	6-4351	Laidig, Gary W.	141 SOB	56	DFL	6-5650	Vickerman, Jim	226 Cap.	22
DFL	6-3205	Langseth, Keith	122 Cap.	9	DFL	7-8073	Wiener, Deanna L.	303 Cap.	38
R	6-5655	Larson, Cal	153 SOB	10	DFL	6-6820	Wiger, Charles W.	325 Cap.	55
R	6-4125	Lesewski, Arlene J.	131 SOB	21	R	6-5713	Ziegler, Don	149 SOB	26
DFL	6-4136	Lessard, Bob	111 Cap.	3	Capitol address: 75 Constitution Avenue				
R	6-2159	Limmer, Warren	25 SOB	33	State Office Building address: 100 Constitution Avenue				
DFL	6-0293	Lourey, Becky	G-9 Cap.	8	St. Paul, MN 55155				

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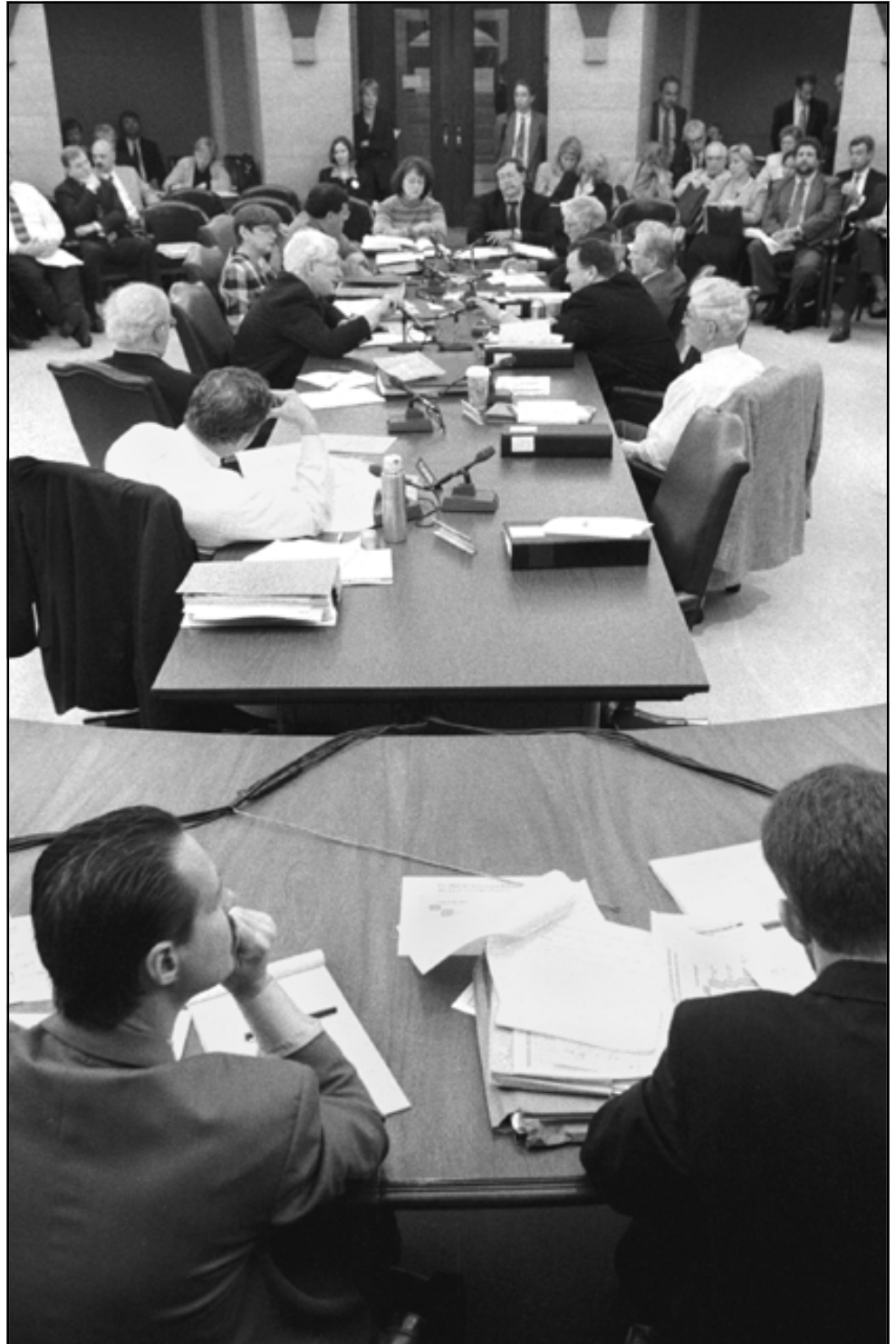
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Legislators convene in a conference committee to iron out differences in the omnibus tax bill.

Photo by David J. Oakes



May 7, 1999

Floor update

Friday, April 30

Tax bill passes

A bill providing \$1.1 billion in permanent tax relief and \$1.3 billion in a one time sales tax rebate was passed by the Senate during its Fri., Apr. 30 floor session. H.F. 2420 carried by Sen. Douglas Johnson (DFL-Tower), includes \$951 in income tax relief, \$60 million for farm property tax relief, \$60 million in homeowner property tax relief, and \$102 million in license tab fee reductions.

"The bill provides the largest tax cut in history for the people of Minnesota," Johnson said, "It is a significant bill, carefully crafted that provides major cuts geared to middle income taxpayers in our state who have been the most heavily burdened. It is a good, well balanced package." Johnson said that unlike the House omnibus tax bill, the Senate's bill does not use one time revenue from the tobacco settlement to provide for permanent tax cuts. He said because the House bill does use the settlement money, it is "overreaching" and "over promising." "The main distinction between the House and the Senate's bill is that the Senate strongly believes it should not be enacting a budget that

causes future financial problems," he said.

Johnson said the bill provides across the board permanent tax relief for all Minnesotans by lowering the tax rates in the first two tax brackets. He said the rate for the lowest tier is reduced from 6 percent to 5.5 percent, the middle tier from 8 percent to 7.5 percent and that taxpayers in the upper tier benefit from the rate reduction in the first two tiers. The bill increases by approximately ten percent the working family credit for taxpayers with children by increasing the credit rate applicable to the first tier. The bill also adjusts the phase out percentages so the credit phases out at the same income level as under current law.

Johnson said the bill includes \$64.6 million in education homestead credit relief, \$46 million in Homestead and Agricultural Credit Aid (HACA), and \$17.6 million in education levy reduction. The bill also reduces class rates for non-homestead agricultural land and timberland from 1.25 percent to 1.05 percent. He said the reduction in the motor vehicle registration tax is provided by a lowering the tax rate from 1.25 percent to 1.2 percent of base vehicle value.

Members offered several amendments to the bill. Sen. Lawrence Pogemiller

(DFL-Mpls.) offered an amendment establishing a governor's property tax reform commission to make recommendations to clarify state and local fiscal relationships to enable taxpayers to understand the levels of government at which services are provided and taxes imposed. The commission would also make recommendations to simplify state and local fiscal structures, to achieve accountability that aid to local governments is based upon need and revenue raising capacity rather than local spending decisions, and to ensure that all levels of government share equally in the growth and decline in Minnesota sales and income tax revenues. Pogemiller said the idea for the amendment came from the governor's state of the state address, and establishes, as the governor recommended, that the commission's membership contain no members of the Legislature or lobbyists. The amendment was adopted.

Sen. Edward Oliver (R-Deephaven), offered an amendment reducing the tax rate for the upper tax bracket by .5 percent. Oliver said the amendment ensures that all three tax brackets are treated equally. "Why shouldn't people who have worked their way up, started a business and have been successful get a tax cut?" he said, "Successful people deserve a break." Sen. Steve Murphy (DFL-Red Wing) said the cost of the amendment would disrupt the balance in the bill. "This would cost at least \$200 million and take income tax cuts away from either the middle or lower class," Murphy said, "It is a budget buster." Sen. Ember Reichgott Junge (DFL-New Hope) said that the bill already provides across the board tax cuts and that the amendment would provide "three tax cuts" for taxpayers in the upper tier who benefit from the reduced rates in the lower two brackets. The amendment was not adopted by a 24-38 roll call vote.

Sen. Arlene Lesewski (R-Marshall) offered an amendment deleting the section of the bill establishing a workforce development fund and transferring the dislocated workers program from the Dept. of Economic Security to the Job Skills Partnership in the Dept. of Trade and Economic Development. Lesewski said she was concerned that the new fund establishes that 50 percent of the fund go toward training existing workforce members and thus would

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reduce funding for dislocated employees. Sen. Dave Johnson (DFL-Bloomington), a co-author of the bill establishing the workforce development fund, said the bill consolidates over 80 existing state job training programs thereby establishing a more effective and flexible training program. He said the Job Skills Partnership has been one of the state's most effective programs, partnering government with educational institutions to provide worker training. Junge, the chief author of the bill establishing the fund, said that workforce development is the most important economic development issue facing the state. She said the state has to be proactive in addressing worker shortage problems and the growing mismatch of employees with the skills necessary in the changing workforce. Sen. Thomas Neuville (R-Northfield), questioned why the provision was included in the tax bill. Sen. Sandra Pappas (DFL-St. Paul) said originally the bill contained a tax credit for worker training but that the provision was removed to provide more income tax relief. The amendment was not adopted.

Sen. David Knutson (R-Burnsville), offered an amendment to address the "marriage penalty" by increasing the upper range of the lower bracket from \$29,930 to \$34,500 to qualify for a 5.5 percent tax rate for married couples filing a joint return. The amendment raises the upper range of the middle bracket from \$100,200 to \$113,360 for a 7.5 percent tax rate for married couples filing jointly. Knutson said the amendment modifies adjustments in the computation of the exemption amount. Sen. Douglas Johnson said he opposed the amendment because the bill already goes a significant way in closing the marriage penalty by expanding the brackets, and that the cost of the amendment was too high. The amendment was not adopted.

Sen. Dave Kleis (R-St. Cloud), offered an amendment providing an exemption for the first \$3,000 of compensation for armed services personnel. "The amendment recognizes in a small way that we appreciate their service," Kleis said. Murphy, chair of the Subcommittee on Income and Sales Tax, said that the subcommittee heard bills proposing similar exemptions for service personnel. He said that the subcommittee members agreed on the importance of the exemption, but that the decision was made that

across the board income tax reductions would be of more benefit. The amendment was not adopted.

Sen. Cal Larson (R-Fergus Falls), offered an amendment establishing that the market value, for property tax purposes, may not be greater than the sum of the property's estimated market value for the previous assessment year, plus an amount obtained by multiplying the market value by the lesser of five percent or the percentage rate of increase in the Consumer Price Index. Larson said the amendment applies to all property and not just seasonal property, and that it had wide support throughout the state. Pappas spoke against the amendment comparing it to Proposition 13 in California, which she said destroyed the state's public school system by undercutting its tax base.

Sen. Carol Flynn (DFL-Mpls.) said the amendment does not reduce property taxes but simply shifts more of the property tax burden from one group of taxpayers to another. The measure, she said, is not a fair method of distributing property taxes. The amendment was not adopted. Larson also offered an amendment with the exact language of his previous amendment, except that the formula to determine the market value of property includes multiplying the value by the greater of five percent instead of by the lesser. The amendment was also not adopted.

Sen. David Knutson (R-Burnsville) offered an amendment to delete the section in the bill that allows hospitals to charge the county of residence for services provided to persons who are uninsured. In order to bill other counties, hospitals must experience a Medical Assistance (MA) disproportionate population adjustment of greater than eight percent. The amendment also deletes the section that allows clinics serving low income groups to be eligible for a special payment for uncompensated care and to bill the county of residence for services provided to the uninsured.

Knutson said the sections that the amendment deletes are part of a "terrible" policy direction. He said the measures raise property taxes and represent the first step toward a universal health care system in Minnesota funded by the counties. He said if health care is then funded by counties the need for private health insurance is eliminated. Knutson

also said that the sections are unfair, because every other county in the state could bill Ramsey and Hennepin County for residents in the jails of other counties. Sen. Dan Stevens (R-Mora) spoke in favor of the amendment. He said 40 percent of the residents in his county jail are not from his county. If counties are billed for medical care given to their residents, he said, perhaps counties should also be billed for jail time given to their residents. Stevens said he realized Hennepin and Ramsey County have a problem regarding uncompensated care and they should be given help. However, the solution offered in the bill, he said, is not the best way to correct the problem. Sen. Dick Day (R-Owattona) also spoke in support of the amendment. He agreed that an answer must be found to deal with uncompensated care but said the measure in the bill damages small counties. It is not fair, he said, for smaller, less wealthy counties to have the additional burden of paying for uncompensated health care.

Flynn spoke in opposition to the amendment. She said that Hennepin County Medical Center (HCMC) will take on an estimated total of \$31 million in uncompensated care in 1999—\$6.5 million of which will be administered to non-residents. She said Hennepin County residents are currently charged approximately \$17 million per year to cover the costs of uncompensated health care in the county and it is not fair to allow residents to continue to pay that bill. The amendment was not adopted.

Neuville presented an amendment to award an amount equal to \$700 for each taxpayer's personal and dependent exemptions beginning with the 1999 taxable year. The amendment also adjusts the amount for inflation beginning in the year 2000. Neuville said the amendment is supported by the Children's Defense League and the Taxpayers League. It helps lower and middle income families, he said, as 80 percent of the credit goes to those whose incomes are between \$20,000 and \$100,000 per year. The amendment, he said, represents a better way to give money back to the taxpayers of Minnesota. Sen. Douglas Johnson spoke in opposition to the amendment but not, he said, because it is bad policy. He said there are many other measures in the bill that benefit all Minnesotans and not just those with children. The amendment

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failed by a vote of 31 to 32.

Sen. Warren Limmer (R-Maple Grove) offered an amendment eliminating the imposition of a sales tax on sales made to local governments. Sen. Gen Olson (R-Minnetrista) spoke in favor of the amendment. She said local governments are forced to raise their property taxes to pay their sales taxes. Sen. John Hottinger (DFL-Mankato) spoke against the amendment. He said income tax relief for the public will be lessened in order to pay for the amendment. The measure, he said, provides relief for government instead of for people. The amendment failed by a vote of 29 to 31.

Sen. John Marty (DFL-Roseville) offered an amendment to provide tax reductions in many different areas. The amendment eliminates the local government sales tax, taxes on non-prescription drugs and taxes on personal hygiene products, and includes a child tax credit as well. The amendment, he said, abolishes unfair taxes. The amendment was not adopted.

Marty also offered an amendment to appropriate \$300 million for programs investing in young children. According to the amendment, the programs include sliding fee child care, early childhood family education, Head Start, family homeless prevention and other cost-saving initiatives designed to help Minnesota children grow up safe, healthy and prepared for school. Marty said the amendment is supported by the public, is a reasonable approach and represents the chance to "do the right thing." The amendment, however, was not adopted.

Oliver presented an amendment allowing a tax refund to a homeowner equal to the excess of the claimant's net property taxes over six percent of the claimant's household income. To qualify for the refund, a claimant must be at least 65 years of age and have resided in the home for at least ten consecutive years. Oliver said the amendment addresses the serious problems of retirees whose homes are subject to rising property taxes. Many times, he said, retirees are living on a small fixed income and struggle to pay their property taxes. As a result, he said, many are driven from their homes. Sen. Steve Kelley (DFL-Hopkins) called the amendment a promise the state is unable to keep. He said the amendment has no funding source and questioned how the costs incurred would be paid for.

Responding, Oliver granted the measure costs approximately \$11 million per year. However, he said, the funds can be obtained from many different places—including the tobacco money—in the state coffers. The amendment was not adopted.

Stevens offered an amendment to reduce the sales tax in Minnesota from 6.5 percent to 6 percent. He said Minnesota is among the top 20 states in the nation regarding the imposition of a sales tax. The amendment, he said, is something the Legislature can do for a permanent tax reduction that helps the public. Responding, Flynn said the sales tax in the state is not as bad as it seems. She said necessities like food and clothing are not taxed, which lessens the effect of a sales tax among the top 20 in the country. Also, Sen. Deanna Wiener (DFL-Eagan) said the majority of tax relief should come from income taxes. The amendment was not adopted.

Limmer offered an amendment allowing a tax filing extension for Minnesota National Guard members who were called to duty outside of Minnesota after March 1, 1999. Limmer said the amendment is designed to provide an extension for those who have left the country to participate in the military action in Kosovo. The amendment was adopted.

Oliver offered an amendment that allows a taxpayer a credit against the tax imposed for qualified land management activities in preserving native prairie lands. The credit is an amount equal to the actual costs incurred by the taxpayer in the tax year the credit is claimed, unreimbursed by a private, federal, or state land management cost-share program. According to the amendment, the credit for the taxable year must not exceed \$1,000. Oliver said the amendment is aimed at conserving Minnesota's prairie lands. The amendment failed.

An amendment, offered by Sen. Sheila Kiscaden (R-Rochester), removes a section of the bill that provides for county billing for compensation by community clinics. Speaking against the amendment, Sen. John Hottinger (DFL-Mankato) stressed the importance of supporting the community clinics. Kiscaden responded that the language is very open, and permits clinics to bill for any service. The amendment failed to pass.

Sen. Pat Pariseau (R-Farmington) offered an amendment to delete language

pertaining to the powers of the director of the Office of Strategic and Long-range Planning. On a 21 to 37 roll call vote, the amendment failed.

Saying that if the Republicans had not been voted into the majority in the House, there would be no discussion about income tax cuts, Sen. Linda Runbeck (R-Circle Pines) offered an amendment that substitutes the House tax plan. "We are taking what the Democrats have offered and pushing it further," she said. She said the amendment provides for more of an income tax cut for the middle class.

Sen. Roger Moe (DFL-Erskine) said there is a fundamental difference between the House and Senate versions of the tax reduction. He said the House puts none of the money away and builds it into a permanent tax cut, an effort he calls a recipe for disaster. "The amendment is flawed, and I urge you to vote against it," he said. Speaking for the amendment, Sen. Dick Day (R-Owatonna) said the House version takes care of the business people and the farmers. "This is the time to give the citizens in Minnesota their money back" he said. He said the House version provides everyone in the state with a tax reduction.

Junge said the Republicans are on a run-away tax train, speeding out of control toward a train wreck and ignoring the warning signs.

Runbeck said she would like to move Minnesota from the second highest tax state in the nation to third or fourth highest. Hottinger said he also would like to see Minnesota go down in tax rating, but not at the risk of not providing for schools and health care. Runbeck's amendment failed on a roll call vote by 24 to 39.

Speaking for the Senate version of the tax bill, Moe said he believes it is the largest responsible tax cut in the history of the state. "Our responsibility is to have a balanced budget, and that is what we have done," he said. "Today, we are promising only what we can deliver." H.F. 2420 was passed on a roll call vote of 41 to 22.

Members also adopted the conference committee report on S.F. 2234. The bill that makes deficiency appropriations for state government operations. Chief sponsor, Sen. Richard Cohen (DFL-St. Paul), said the conference committee

compromised at an appropriation of \$800,000 for the Minnesota Zoo. The conference committee report was approved and the bill re-passed unanimously.

Monday, May 3

K-12 omnibus bill sparks debate

Members spent the first several hours of the Mon., May 3, floor session debating and offering amendments to the K-12 omnibus appropriations bill. Sen. Lawrence Pogemiller (DFL-Mpls.), author of the bill, moved to strike the language in H.F. 2333 and replace it with language from the Senate version of the bill, S.F. 2242. The motion was adopted.

Pogemiller opened the discussion by presenting an overview of the bill. He said that the bill, which has a biennial appropriation of \$7.9 billion, represents the largest education funding increase in many years. The bill provides education funding of \$190 million over the governor's request and \$100 million over the proposal of the other body. Pogemiller said the bill includes a \$70 million investment in pupil weightings, for class size reduction, and a \$50 million equity provision, which helps property poor districts. An additional \$64 million is available for districts to use for class size reduction, all-day kindergarten or to reduce the student/teacher ratios in special education. The bill also increases the amount a district may levy for crime prevention programs from \$1.50 to \$2.00 times the population of the school district.

Pogemiller offered a number of amendments to the bill including one that makes the all-day kindergarten program permanent by deleting the sunset language in the bill. Another amendment changes the amount a district must reserve in FY 00 and FY 01 for class size reduction, all-day kindergarten or for reducing special education student/teacher ratios. The amendment requires that districts set aside \$20 per adjusted marginal cost pupil unit in FY 00 and \$40 per adjusted marginal cost pupil unit in FY 01. Pogemiller offered an amendment appropriating grants to several non-referendum school districts. The amendment also deletes some special education language that was unnecessary, because the language was included in another bill. The three amendments were adopted.

An amendment providing an alternative facilities design grant was also offered by Pogemiller. The amendment appropriates \$1.5 million for a grant to a school district to construct a monolithic dome school building. The amendment requires that the school district agree to provide the state with information and data about the potential benefits of the construction method and an analysis of a monolithic dome as a suitable educational environment. Pogemiller said he had hoped the funding for the project would be in the bonding bill, but the project did not fit within the budget target of the bill. He said slight reductions have been made in certain funding for charter schools in order to allow for the funding of the monolithic dome project. The amendment was adopted.

Members discussed another Pogemiller amendment, deleting sections of the bill that change the teacher layoff notification date from June 1 to Aug. 1. Pogemiller said that Education Minnesota did not support the change, because the late notification gives teachers little time to seek employment in another district. Sen. Kenric Scheevel, sponsor of the Aug. 1, date change, told members that even though the date of notification is Aug. 1, the notices actually arrive several weeks prior to that time. Scheevel said the date change eliminates the need for school districts to lay off teachers unnecessarily, citing that districts recall most of the laid off teachers once Legislative funding levels are known. Pogemiller's amendment was adopted and the sections were deleted.

Sen. Dave Kleis (R-St. Cloud) offered an amendment specifying that the Board of Teaching may allow a person who is a member of the Minnesota State Legislature to be licensed as a short-call substitute teacher. Kleis said there is a critical shortage of substitute teachers and the experience of being in a classroom teaching situation would be beneficial to Legislators. A short-call substitute may not teach more than 15 consecutive days. Sen. Ember Reichgott-Junge (DFL-New Hope) said that Legislators should visit schools in their districts and should even talk about government or politics in a social studies class. Licensing Legislators to substitute teach is clearly the wrong direction to solving the substitute teacher problem, she said. The amendment was not adopted.

Sen. Linda Runbeck (R-Circle Pines) offered an amendment that deletes the White Bear Lake and Mounds View School Districts from the list of districts eligible for the alternative facilities revenue program for the purposes of financing school facilities in the district. Runbeck said she has concerns about accountability, because school boards may levy the amount without going to the voters for approval. She said it is an issue of trust between the Legislature and constituents. Sen. Jane Krentz (DFL-May Township) asked Runbeck if she is exempting the two school districts with the consent of the school boards and administration in the districts. Runbeck said that she had not discussed the amendment with the school boards and administration because she just learned of the program and that the two school districts were eligible. Sen. Charles Wiger (DFL-North St. Paul) said that the alternative facilities revenue program is vital for districts to finance school building repairs and maintenance. He said the school districts should be allowed to decide if they need to use the program to fund repairs. A roll call vote was requested and the amendment failed 24-39.

An amendment requiring school district computers with Internet access be equipped to restrict all access by students to material that is reasonably believed to be obscene or child pornography or material harmful to minors generated much debate. The amendment also requires public library computers that are available for use by children under age 18 have the same material restricted. Runbeck, author of the amendment, said that Internet filtering is necessary to prevent access by children to harmful and obscene material online. She said that the pornographic material available online is not available legally to minors anywhere else in society.

Pogemiller said that current statute requires each district to adopt a policy on Internet usage based on recommendations of the Dept. of Children, Families and Learning on computer software products that filter, block or otherwise prevent the use of school computers to view or transmit obscene material. He said the amendment only serves to drive up costs and take funding away from other programs.

Sen. Steve Kelley (DFL-Hopkins) said the Runbeck amendment is a "one size

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fits all" solution. He said the situation has already been addressed by allowing the problems to be solved locally.

Sen. Warren Limmer (R-Maple Grove) rose to support the Runbeck amendment. "Sen. Runbeck is trying to put a wall around the innocence of our youth," said Limmer. He said children have direct access to obscene material on the Internet – sometimes by accident.

Kelley said that it is a challenge raising kids in the Internet age. He said any promise that kids won't see obscene material online is giving parents a false assurance. "You can't guarantee children won't see the material, even with filtering software. Sometimes images pass through the filters," he said.

Sen. Gary Laidig (R-Stillwater) asked Runbeck if the protections enacted in law in 1997 were working. Runbeck replied that the law needs to be strengthened.

A roll call vote was taken on the Runbeck amendment. The amendment failed on a 30-32 vote.

Sen. Sheila Kiscaden (R-Rochester) offered an amendment clarifying that the state shall not prescribe high school graduation standards for nonpublic schools. Calling the amendment "comfort language," Kiscaden said it makes clear the intent of the statute. Pogemiller said the amendment is not needed, that the language is very clear in statute. The amendment failed to win support of the body.

Sen. Paula Hanson (DFL-Ham Lake) offered an amendment prohibiting public schools from distributing or allowing to be distributed contraceptives or a voucher or prescription for contraceptives on school property without the written permission of the student's parent or guardian. Hanson said parents have the sole responsibility for raising their children and the accessibility of birth control is a major part of their responsibility.

Speaking in opposition to the amendment, Sen. Jane Ranum (DFL-Mpls.) said the option of distributing birth control in schools is an issue for local school districts to decide. It is important, she said, for local districts to decide what is best with the issue. She said the amendment seems like another attempt to take away local control. Ranum also said the advantages of allowing clinics in schools includes a reduction in teen pregnancy and an emphasis on the overall health of young students. Sen. Ellen Anderson

(DFL-St. Paul) also said local school boards should decide whether to allow contraceptives to be distributed. The issue has not been discussed in the Legislature, she said, but school board members can hear testimony from experts and make the decision deemed appropriate.

Responding, Hanson said the amendment is not about local control but about parental control. She said she does not believe that school districts should have control over how children should be raised. Allowing contraceptives to be distributed in schools, she said, takes control away from parents.

Kiscaden offered to amend Hanson's amendment by stating that schools may not allow the distribution of contraceptives unless the district has written protocols for obtaining the permission of the student's parent or guardian. The Kiscaden amendment deletes Hanson's provision calling for written permission from parents or guardians. Kiscaden said her amendment allows local control over the issue. She said it requires districts to establish a protocol in order to implement any birth control distribution policy. It is, she said, consistent with Hanson's intent. The Kiscaden amendment was adopted. However, Hanson's amendment was withdrawn.

Sen. Pat Pariseau (R-Farmington) presented an amendment adding human papilloma virus (HPV) and other sexually transmitted diseases to programs currently offered through school districts designed to prevent and reduce the risk of AIDS. The amendment also requires programs to include information about sexual abstinence until marriage, allows the program requirements to be fulfilled by district sponsored community education and changes language in current law mandating that the Children, Families and Learning and Health Departments must assist school districts in implementing their programs by stating that the departments may assist school districts. Pariseau said the amendment allows for a more serious discussion of HPV and additional STDS other than AIDS. She said HPV is responsible for more deaths than AIDS and causes cervical cancer in women, killing 5,000 annually. Also, she said because HPV can be spread through both sexual and non-sexual contact students must be educated about it.

Speaking against the amendment, Ranum said changing the language alters

the roles of the state Health and Children, Families and Learning Departments and, as a result, no longer requires the departments to work with school districts. The change is unnecessary, she said, because the programs are recognized to be working. She asked why a program that is working needs to be undone. Sen. Sandra Pappas (R-St. Paul) also said now is not the time to change current language mandating the state partner with school districts. AIDS prevention education, she said, is crucial to today's youth and the state provides valuable support. Pappas said the amendment is selective in adding HPV to the list of illnesses to educate about and leaving out such diseases as Chlamydia. Also, she said HPV is actually an infection and not a disease like AIDS. Responding, Pariseau said the amendment requires information in the health program to include material about STDS, of which Chlamydia is one. She also said HPV has infected approximately 50 million Americans. The amendment, she said, simply suggests discussion of the infection be a part of the AIDS education program.

Sen. Linda Scheid (DFL-Brooklyn Park) offered an amendment to the Pariseau amendment. Scheid's amendment renames the AIDS programs school districts provide in current law to be called sexually transmitted infections programs. It includes language about abstinence but waives the language referring to district sponsored community education programs. Scheid said her amendment creates a more inclusive sexually transmitted disease education program for schools.

Pariseau said she is unsure whether HPV is covered under Scheid's infection related language because HPV may be determined not to be an infection. She said HPV is deadly and does not want to exclude students from being educated about it. Sen. David Knutson (R-Burnsville) raised a point of order. He said the amendment was not changing the original amendment but was, instead, a new amendment. Sen. Allan Spear (DFL-Mpls.) agreed and ruled the amendment to be out of order. The Pariseau amendment was withdrawn and the bill was laid on the table temporarily.

Members also discussed the Senate's 1999 emergency bonding bill. The bill, S.F. 1058, carried by Sen. Keith Langseth (DFL-Glyndon), authorizes a total of

\$141.39 million from the sale of bond proceeds to be spent for public purposes such as acquiring and bettering public land and buildings and for other capital improvement projects. Discussing the education provisions, Langseth said the bill includes \$3.73 million for blight elimination projects and parking at Moorhead State University. He said the bill also includes grants of \$7 million to the Southwest Metropolitan Integration magnet school in Edina and \$2.25 million to the Interdistrict Arts and Science Middle School in the East Metropolitan area. Langseth also said the bill contains \$39.905 million in maximum effort school loans to four school districts to be used to renovate existing and build new school buildings. Of the almost \$40 million, \$11.166 million is directed to the Red Lake school district, \$7.505 million to the Cass Lake district, \$14.134 million to Caledonia and \$7.1 million to LaPorte. Finally, Langseth said the bill includes \$600,000 to the city of St. Paul to construct a holding pond for flood mitigation in the Hoyt Avenue area of St. Paul and \$200,000 to establish a program under which the proceeds from state bonds are authorized to extend credit on real estate security to qualified operators of family farms. The object of the pilot program is to encourage from private sources a loan of the full amount needed to restructure and refinance the farmer's existing long term debt.

Sen. Richard Cohen (DFL-St. Paul) presented the provisions relating to various infrastructure related improvements. He said the bill includes \$24.123 million in flood mitigation grants to be used by nine local units of government for publicly owned capital improvements. The improvements are to alleviate damages caused by flooding in 1997 in the Minnesota and Red River basins. He said the bill contains \$32.5 million for grants to eligible municipalities for wastewater infrastructure purposes. Of the allocation, \$2.2 million is used as a match for municipalities to obtain federal funds. The bill, he said, also recommends \$1.5 million for the construction of a flood water retention project on Lazarus Creek and \$2.25 million for storm water flood reduction and water quality improvements to Grass Lake. Lazarus Creek is located near the Minnesota River Basin and Grass Lake is in Kandiyohi County. A final environmen-

tal related appropriation of \$3 million is recommended for the city of Perham. The money is to upgrade two solid waste recovery centers in the city that convert 160,000 tons of solid waste per year into usable energy. Cohen said the bill also includes \$10 million for local bridge replacement and rehabilitation and \$3 million for port development in the four main port cities of Minneapolis, St. Paul, Duluth and Red Wing.

Sen. Linda Berglin (DFL-Mpls.) discussed the measures relating to health and human services. Berglin said the bill includes \$4.7 million to the Luverne Veterans Home to fund repairs necessary due to mold contamination in the building. According to previous testimony, mold was discovered in November at the 85 bed nursing facility in the interior walls of the rooms. Berglin said the bill also contains \$1.785 million for capital repairs to the storm and sanitary sewer system of the Minnesota Correctional Facility at Faribault and \$5 million for an empowerment zone in the city of Minneapolis. The grant provides the local match for up to \$230 million in federal funds for the city. The empowerment zone project focuses on redeveloping the abandoned Sears store in South Minneapolis, transforming a neighborhood in North Minneapolis, redeveloping an industrial area in Southeast Minneapolis and revitalizing the city's aging commercial corridors.

Sen. Charlie Berg (IND-Chokio) offered an amendment to delete the section referring to the farm credit program. Berg said the public should not be in the business of lending money to anyone because that is not why people pay taxes. He asked what the state will do if a farmer defaults on a loan and predicted the program will cost the state a great deal of money. The program, he said, has not been heard in the proper committees, has not been sufficiently worked out and will subject taxpayers to a substantial amount of risk. Responding, Sen. Dennis Frederickson (R-New Ulm) said the provision was heard in the Environment and Agriculture Budget Division and was found to have sufficient enough merit to be forwarded to the State Government Finance Committee for the bonding bill. It is necessary, he said, because unless an effort is made, agriculture in the state may be under major financial stresses next year. He

also said the provision involves others involved in the lending field and not just the state. Also, Langseth said the measure was added in his committee with the goal of seeing if the program can be worked out. He asked that the provision be kept in the bill for the conference committee to allow more time to examine the details of the program.

Sen. Roy Terwilliger (R-Edina), who carried the farm credit proposal in the State Government Finance Committee, also suggested the proposal be kept in for conference committee. He said that allows for more time to understand how to execute the program. He also said he has heard from bankers that the program is a workable solution to problems in agriculture. Terwilliger stated that the total recommended amount of \$200,000 is not the final amount needed for the program and will need to be discussed as well. The Berg amendment was not adopted.

Sen. Bob Kierlin (R-Winona) offered an amendment recommending \$6.1 million for boiler system replacement at Winona State University. According to information provided, the boilers have past their expected life span by 25 to 30 years and are corroded, obsolete or not working properly. The condition of the boilers, he said, is a potentially dangerous situation and is a true emergency. Responding, Sen. LeRoy Stumpf (DFL-Thief River Falls) said the provision was heard in the Higher Education Budget Division but was not recommended. He said it was not recommended because the Minnesota State College and University system (MNSCU) has a budget reserve of \$42 million. The reserves, he said, should be used to replace the boilers. However, Sen. Dick Day (R-Owattona) spoke in favor of the amendment. He said the measure is in the House bill and if included in the Senate's version will be a rare point of agreement between the two. He also said the aging boilers are a safety hazard. The amendment was not adopted, but the bill was given final passage on Special Orders.

When the Senate reconvened after the recess, a motion by Pogemiller to take the K-12 education funding bill from the table was approved. Price withdrew his amendment to Hanson's amendment, and Hanson withdrew her amendment to the bill.

Pogemiller then offered two amend-

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ments pertaining to a district's use of basic revenue. The first, exempting school districts in operating debt from the basic revenue reserve requirement, was adopted with little discussion. The second authorizes districts to waive the basic revenue reserve requirement for staff development if a majority of the licensed teachers in a district and a majority of the school board vote for the waiver. Pogemiller said the amendment gives the districts more flexibility. He said that staff development is part of the basic revenue formula, but if the teachers and board of a district jointly choose not to use the money for that purpose, they don't have to. Sen. Martha Robertson (R-Minnetonka) supported the amendment. She said that most districts spend at least as much as the formula allocation on staff development, but not all do. She added that districts say they don't need to be told how to spend the money. Pogemiller's second amendment was adopted.

Pogemiller then offered two additional amendments to address concerns raised by previously offered amendments. The first amendment addressed Runbeck's concern about Internet access to objectionable materials by minors. Pogemiller said his amendment requires districts to develop a policy on the issue. He contrasted his amendment with the one offered by Runbeck, saying that her's was a mandate while his is not. The amendment was adopted on a 62-0 roll call vote. Another amendment offered by Pogemiller changes Pariseau's earlier amendment that expanded AIDS prevention programs to include HPV and other sexually transmitted diseases. Pogemiller said his amendment applies the program to sexually transmitted diseases in general without specifying any particular disease, and reinstates the requirement that the CFL must assist districts in developing the programs. The amendment was adopted on a 63-0 roll call vote.

Sen. Arlene Lesewski (R-Marshall) offered an amendment specifying that the profile of learning or graduation standards do not apply to non-public or home school students. She said that people in her district are concerned about the applicability of the regulations, and the amendment provides comfort language. Pogemiller opposed the amendment, saying that the issue is already addressed

in the statutes and the amendment in unnecessary. The amendment was rejected 30-33.

An amendment, offered by Sen. Kenric Scheevel (R-Preston), sparked some discussion. Scheevel said the amendment changes the date by which school districts must give layoff notices to teachers from June 1 to July 1. He said that the current system puts teachers and their families through agony when they get the layoff notices, but then 7 out of 10 teachers that received the notices are rehired. With the amendment, Scheevel said, districts have time to get the budget information they need to make staffing decisions. Sen. Leonard Price (DFL-Woodbury) opposed the amendment. He said he didn't see how the amendment solved anything and it made things worse for the 3 out of 10 teachers who are not rehired. But Scheevel disagreed with Price's assertion and said that when the layoff notices are handed out, the 70 percent who get hired back don't know who they are until later. He added that many young teachers have said that they don't want to stay in a profession where they have to go through that same process each year. Scheevel's amendment was adopted on a voice vote.

Sen. Warren Limmer (R-Maple Grove) re-offered the amendment previously offered by Hanson prohibiting the distribution of contraceptives to students without the permission of a parent or guardian. He said that the issue needs a public discussion. Sen. Sheila Kiscaden (R-Rochester) successfully offered an amendment to the Limmer amendment requiring school districts to develop a protocol for obtaining the permission of the student's parent or guardian before the prohibition came into effect. However, the Limmer amendment failed on a 31-33 roll call vote.

Sen. Charles Wiger (DFL-North St. Paul) presented an amendment requiring school districts to obtain a warranty of at least 20 years on monolithic dome school buildings before receiving a grant for the construction. However, Scheevel raised some concerns about Wiger's amendment. Scheevel said that typically the outer skin of the dome is warrantied for 10 years and is not constructed by the same contractor as the rest of the building. Further, Scheevel said, the interior of the building is covered by the building code. Scheevel then moved to

amend Wiger's amendment by reducing the warranty period to 10 years and applying it only to the outer skin of the dome construction. The Senate rejected Scheevel's amendment on a voice vote, but adopted Wiger's amendment on a 58-5 roll call vote.

An amendment authorizing the Triton school district to recover unreimbursed costs for mold removal was offered by Sen. Dick Day (R-Owatonna). Day said the amount is about \$72,000. Pogemiller objected to the amendment and asked where the money would come from to pay for the amendment. Day withdrew his amendment and the bill was given its third reading. Later however, Pogemiller suggested a source fund for Day's amendment and sought unanimous consent to adopt the amendment along with adjustments to appropriation amounts to make the appropriations balance. Members adopted the amendment.

Before the final vote, Sen. Roger Moe (DFL-Erskine) said that the large appropriation in the K-12 bill is the reason that the Senate resisted additional tax reductions in the omnibus tax bill when it was passed the week before. Moe said the school funding bill provides districts with the resources and procedures they need to make schools better. Outlining the goals of the bill, Moe said it sets high standards for students, teachers and parents; provides adequate funding; gets the state out of the way by repealing mandates; gives local school districts flexibility; and makes the school districts accountable to their communities.

Day voiced some criticism of the bill however. He said that the DFL is now saying that mandates aren't needed even though they have been setting the state's educational policy for years. He said that the House returns more tax money in their tax bill and appropriates a little less for schools in their K-12 bill, but he said, it takes care of education. The bill passed 65-0.

Four Conference Committee reports were adopted and repassed. H.F. 174, carried by Sen. Michelle Fischbach (R-Paynesville), allows the Paynesville area hospital to annex the city of Richmond into its district and H.F. 70, carried by Pariseau, allows police departments to sell forfeited weapons. Police departments in Hennepin and Ramsey County are allowed to sell only with the permission of their country boards. Also, S.F.

1330, presented by Sen. Sam Solon (DFL-Duluth), deals with omnibus banking bill provisions and S.F. 1471, carried by Sen. Steve Murphy (DFL-Red Wing), limits tenant screening fees.

The Senate also received the emergency bonding bill, H.F. 2205, from the other body. Sen. Keith Langseth (DFL-Glyndon) moved to insert the Senate language found in S.F. 1058 and repass the bill. Langseth's motion was adopted and the bill repassed on a 51-12 roll call vote.

Tuesday, May 4

MnDOT housekeeping bill passes

The Senate spent much of its Tues., May 4, floor session discussing the Dept. of Transportation's (MnDOT) housekeeping bill. S.F. 1762, carried by Sen. Carol Flynn (DFL-Mpls.), moves the trunk highway and state aid revolving loan account to the transportation revolving loan account, allows more trunk highway construction contracts to be negotiated without competitive bidding, deletes requirements for state approval of certain local maps and plats, establishes that the MnDOT commissioner must adopt a commuter rail system plan by Jan. 15, 2000 to ensure that commuter rail facilities in the state will be acquired, developed, constructed, owned, and operated in coordination with buses and other transportation modes and facilities. The bill also contains other technical provisions.

Sen. Gary Laidig (R-Stillwater), offered an amendment specifying that the state recognize Coldwater Springs as a traditional cultural property which is entitled to preservation and protection by the state historic preservation office, the Minnesota Indian Affairs Council, MNDOT, and other agencies. The amendment also requires that any construction project which impacts the flow of Coldwater Springs or the integrity of the adjacent Oak Savannah must comply with Presidential Executive Order 13007 until federal and state processes are completed evaluating the sites for preservation and protection. Laidig said the amendment addresses concerns raised relating to the Highway 55 rerouting project through the area. Sen. Allen Spear (DFL-Mpls.) spoke against the amendment citing local control issues. "It seems as though every

community in the state has the right to govern itself except Minneapolis," Spear said, citing legislation this year repealing the city's residency rules for city employees, and a bill approved in the House requiring the city, upon completion of an environmental assessment worksheet, to approve variances and to grant American Iron & Supply permits to construct and operate a metal mill on the Mississippi River. "The reroute has been discussed for over thirty years and then at the eleventh hour a group of people came together as an unrecognized Indian band and tried to thwart the plan," he said. Sen. Ellen Anderson (DFL-St. Paul) spoke in favor of the amendment and said that the area has cultural and spiritual importance to many Minnesotans. Laidig said he grew up in the Minnehaha Falls area and the proposed reroute would harm the area's history. He said that MnDOT hasn't thoroughly examined all the options for the project. The amendment was not adopted. The bill was passed by a 52-8 vote.

Other bills discussed included H.F. 1414 carried by Sen. Charles Wiger (DFL-North St. Paul), eliminating a requirement that the Department of Human Services (DHS) develop guidelines so that DHS purchases some of the communication devices for the state-operated Equipment Distribution Program (EDP) from local sources, if the local retailers and dispensers would otherwise be economically harmed by the EDP. The bill also adds DHS as a fourth member of the interagency management team for the Deaf and Hard of Hearing Service Division, a multi-agency organizational unit and permits the Deaf and Hard of Hearing Services Division to maintain and coordinate a statewide system of interpreting services, in addition to or instead of a system of interpreter referral services. Wiger offered an amendment requiring health plans to provide medical benefits for cochlear implantation, the cochlear prosthesis, and associated surgical and medical costs. The amendment requires coverage only when the implantation satisfies criteria for cochlear implantation established for the device by the federal Food and Drug Administration. Sen. Sheila Kiscaden (R-Rochester) questioned the germaneness of the amendment. Kiscaden said that the only connection between the bill and the

amendment was that both dealt with issues relating to the deaf. The amendment was ruled not germane. The bill was passed.

Flynn said S.F. 1721 is the annual bill dealing with public employment labor agreements. ratifying labor agreements and compensation plans affecting state employees. To remain in effect the agreements and plans must be ratified by the 1999 Legislature, Flynn said. The bill was passed. S.F. 615, authored by Sen. Linda Higgins (DFL-Mpls.) adds the position of "assistant superintendent for development" to the list of positions that the superintendent of the Minneapolis park and recreation board may fill. Higgins offered an amendment allowing the superintendent to fill any position that meets the definition of "confidential employee," "supervisory employee," or "professional employee" in state statutes provided that the position is not included in a collective bargaining unit. The amendment was adopted. Sen. David Knutson (R-Burnsville), offered an amendment allowing the city of Lakeville to move its general election from odd-numbered years to even-numbered years. Knutson said Lakeville is the only city in Dakota County to hold its election in the odd-numbered years. Currently to transition from an odd-numbered year election to an even-numbered year election the city is required to adopt an ordinance that cannot become effective for 240 days after its adoption. To make the ordinance effective in time to cancel the 1999 general election, the amendment is necessary, Knutson said. The amendment was adopted and the bill was passed. S.F. 1636, authored by Sen. LeRoy Stumpf (DFL-Thief River Falls), allows a local unit of government to petition a state agency for amendment or repeal of an administrative rule if the petitioner shows that since the rule was adopted there is significant new evidence relating to need for or reasonableness of the rule, or a less costly or intrusive method of achieving the purpose of the rule. The bill also establishes that if the agency does not take the action requested in the petition, an administrative law judge must conduct a hearing at which the agency must show the continued need for and reasonableness of the rule. Sen. Dennis Frederickson (R-New Ulm), offered an amendment establishing that the petition from the local unit of

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government is not in compliance if the rule is required to comply with a court order, or the rule is required by federal law or is required to maintain authority to administer the federal program. The amendment also establishes the standards of need and reasonableness in the hearing are the same as those in place when the rule that is the subject of the petition was adopted or amended. The amendment was adopted and the bill was passed.

The Senate also repassed three bills returned from the House with amendments. S.F. 1615, authored by Sen. Dallas Sams (DFL-Staples), creates a day training and habilitation task force to recommend a new payment rate structure for day training and habilitation services. S.F. 1539, authored by Stumpf, regulates limited well/boring contractors and the installation of vertical heat exchangers. S.F. 1645, authored by Sen. Dean Johnson (R-Willmar), exempts vehicles carrying milk from a single point of production to the point of first processing from seasonal weight restrictions imposed by road authorities, and from the statutory restriction of five tons per axle from March 20 to May 15 each year. The bill allows a maximum overweight for these vehicles of two tons per axle on a road posted for five tons per axle.

Two bills were returned from conference committees, the reports adopted and the bills repassed. H.F. 371, carried by Sen. Michelle Fischbach (R-Paynesville), eliminates the limit on a city's contributions for city historical projects and allows a city, county, or town to fund a senior citizen center or youth center. H.F. 60, carried by Sen. Donald Betzold (DFL-Fridley), requires the commissioner of human services to amend the community alternative care waiver to allow spouses to provide private duty nursing care. The CAC waiver allows home and community-based services not normally covered under Medical Assistance to be provided to individuals under age 65 who would otherwise require hospitalization.

Wednesday, May 5

Feedlot bill passed

Four widely divergent issues sparked extensive debate at the Weds., May 5, floor session. At issue were bills easing restrictions on feedlots, regulating the rent to own industry, an omnibus pension bill and a conference committee report

on a bill regulating traditional midwives.

The feedlot bill, S.F. 692, authored by Sen. Steve Dille (R-Dassel), touched off considerable debate. Dille offered an amendment that loosens the environmental restrictions on livestock producers. However, before members voted on the amendment, Sen. Ellen Anderson (DFL-St. Paul), made a motion to send the bill to the Environment and Natural Resources Committee. Anderson argued that the amendment changes the focus of the bill so that it is no longer exclusively an agricultural issue. She said that members of the Environment and Natural Resources Committee had not reviewed the measure, but that provisions in the bill relating to the Minnesota Pollution Control Agency placed the measure under the jurisdiction of the environment panel. Dille countered that the proposals contained both in the bill and in the amendment had been heard by the Agriculture and Rural Development Committee and that it was inappropriate to send the bill to another committee at such a late date.

Sen. Jane Krentz (DFL-May Township) supported the motion to send the measure to committee. She said that the bill is far-reaching and should be heard by the Environment and Natural Resources Committee. Sen. Gen Olson (R-Minnetrista) argued against the motion and said that the bill can be capably discussed on the floor. The motion to send the bill to committee failed on a 21-39 roll call vote. The amendment was adopted.

The bill removes the 14 day annual limit on pumping and agitation of manure storage reservoirs, eases administrative penalties if the fine is used to make environmental improvements, provides for air quality easements for neighbors to grant permission for farmers to exceed hydrogen sulfide levels on the neighbor's property, and repeals rules relating to connected actions. Proponents of the bill argued that the measure provides relief for small operations that are being affected by the current farm crisis. Opponents argued that the bill loosens environmental safeguards without knowing the impact on the environment. The bill was granted final passage on a 39-20 roll call vote.

Members also hotly debated a bill regulating rental-purchase agreements. The measure, H.F. 1163, sponsored by

Sen. Steve Novak (DFL-New Brighton), modifies definitions, provides for the calculation of the cash price, and limits charges for cost of lease services. Novak said the bill gives consumers rights they don't currently have and would be the toughest of its sort in the nation. Novak said that controversy over the measure is the result of a stereotype of "bad people taking advantage of poor people and making too much money." The bill, he said, gives the right to own and sets parameters and limits.

Sen. Ember Reichgott Junge (DFL-New Hope) argued against the bill. "I thought about whether we could amend the bill to improve it, but came to the conclusion that the bill is so deeply flawed it can't be done; the best we can do is reject it." Junge said the bill is designed to help one company, based out of state, that was found by the courts to charge "unconscionable" fees.

Novak responded the bill allows people the opportunity to own goods and services, rather than paying for them monthly for an indefinite time, yet provides people with protection.

Sen. Deanna Wiener (DFL-Eagan), spoke in support of the measure. She said it was "paternalistic" to oppose the measure and that people know the true costs of the goods and services and are able to make their own decisions. However, Sen. Allan Spear (DFL-Mpls.) countered that "We should provide basic consumer protection by making sure people have the tools to make rational decisions."

The bill failed to gain final passage on a vote of 29-37.

Members also debated the conference committee report on a bill regulating the practice of midwifery. S.F. 383, sponsored by Sen. Sandra Pappas (DFL-St. Paul), establishes an advisory council, provides for credentialing, defines traditional midwifery, sets forth the scope of practice, details practice standards and details informed consent requirements. In addition, the bill sets forth limitations of practice, details requirements for a medical consultation plan, sets forth licensure requirements and sets fees.

Sen. Sheila Kiscaden (R-Rochester) made a motion to reject the conference committee report and send the measure back to the conference committee. Kiscaden said the Senate version of the bill contained important safeguards that

were not contained in the compromise measure. She said two major changes in the conference committee report included making lab work that was required in the Senate version, optional and that a required care agreement with a physician or certified nurse practitioner was removed. Pappas responded that measure was a true compromise that maintains sufficient protections for consumers. The Kiscaden motion was defeated and the conference committee report was adopted. The bill then gained repassage on a vote of 51-11.

The final bill considered by the Senate was S.F. 319, sponsored by Sen. Lawrence Pogemiller (DFL-Mpls.), an omnibus pension bill. In describing the contents of the bill, Pogemiller highlighted a provision authorizing much broader prior service credit purchases by teachers in first class cities and members of the Teachers Retirement Association.

Sen. Jane Krentz (DFL-May Township) offered an amendment doubling the cap on allowable income for retired teachers who return to teaching. She said there is an impending shortage of teachers in certain subject areas, and the amendment allows retired teachers to teach part time without losing retirement benefits. Sen. Don Betzold (DFL-Fridley) opposed the amendment. He said it had long term consequences and needed actuarial review. The amendment failed.

Sen. Dave Kleis (R-St. Cloud) offered an amendment removing caps on allowable income for various tiers of retired Public Employee Retirement Association members. He said it allows retired peace officers to be hired for part time work. Pogemiller spoke against the amendment. He said that the Legislative Commission on Pensions and Retirement considered the idea, but decided that if the cap is lifted for one fund, it should be lifted for all funds. The amendment was rejected on a 18-40 roll call vote.

Sen. Edward Oliver (R-Deephaven) offered an amendment opening up supplemental retirement plans to include mutual fund investments. Oliver said that current law fences out the competition and there's no reason why the state should limit the investment options provided by school districts to teachers. Pogemiller said the state is proceeding modestly in that direction, but the employees have not asked for the investment options allowed under

Oliver's amendment. The amendment failed on a 17-37 roll call vote. The bill was given its third reading and passed 60-0.

Finally, three bills were granted concurrence and repassage. S.F. 1047, authored by Sen. Sam Solon (DFL-Duluth), provides that Roth IRAs will be treated identically to other retirement accounts in bankruptcy proceedings. S.F. 626, sponsored by Sen. Steve Murphy (DFL-Red Wing), authorizes the private sale of tax-forfeited land in Wabasha County. S.F. 1585, carried by Sen. Dan Stevens (R-Mora), makes numerous housekeeping changes in provisions relating to human services.

Education Finance

Bonding recs approved

Members of the Education Finance Committee, chaired by Sen. Keith Langseth (DFL-Glyndon), met Thurs., Apr. 29, to evaluate recommendations to be considered for approval in the Senate's 1999 emergency bonding bill.

The bill, S.F. 1058, authorizes a total of \$140.59 million from the sale of bond proceeds to be spent for public purposes such as acquiring and bettering public land and buildings and for other capital improvement projects. Sen. Richard Cohen (DFL-St. Paul) presented the bonding recommendations from the State Government Finance Committee, of which he is committee chair. He said recommendations from his committee include \$24.123 million in flood mitigation grants to be used by nine local units of government for publicly owned capital improvements. The improvements are to alleviate damages caused by flooding in 1997 in the Minnesota and Red River basins. He said the committee recommends \$32.5 million for grants to eligible municipalities for wastewater infrastructure purposes. Of the allocation, \$2.2 million is used as a match for municipalities to obtain federal funds. The committee, he said, also recommends \$1.5 million for the construction of a flood water retention project on Lazarus Creek and \$2.25 million for storm water flood reduction and water quality improvements to Grass Lake. Lazarus Creek is located near the Minnesota River Basin and Grass Lake is in Kandiyohi County. A final environmental related appropriation of \$3 million is recommended for

the city of Perham. The money is to upgrade two solid waste recovery centers in the city that convert 160,000 tons of solid waste per year into usable energy. The facilities, which serve approximately 120,000 people and many area businesses, was shut down in July 1998 because the city was unable to obtain a federal grant. Cohen said the committee also recommends \$10 million for local bridge replacement and rehabilitation and \$3 million for port development in the four main port cities of Minneapolis, St. Paul, Duluth and Red Wing.

Langseth discussed the recommendations made previously by the Education Finance Committee. He said the committee recommends \$3.73 million for blight elimination projects and parking at Moorhead State University. He said the committee also advocates grants of \$7 million to the Southwest Metropolitan Integration magnet school in Edina and \$2.25 million to the Interdistrict Arts and Science Middle School in the East Metropolitan area. Langseth said the grants do not provide total funding for projects at the schools but represent just part of what is necessary. Langseth also said the committee recommends \$39.905 million in maximum effort school loans to four school districts to be used to renovate existing and build new school buildings. Of the almost \$40 million, \$11.166 million is directed to the Red Lake school district, \$7.505 million to the Cass Lake district, \$14.134 million to Caledonia and \$7.1 million to LaPorte.

Sen. Linda Berglin (DFL-Mpls.), chair of the Human Resources Finance Committee, discussed the recommendations from her committee. Berglin said the committee recommends \$4.7 million to the Luverne Veterans Home to fund repairs necessary due to mold contamination in the building. According to previous testimony, mold was discovered in November at the 85 bed nursing facility in the interior walls of the rooms. Since then, no new residents have been accepted and occupancy in the building has dropped to 73. Now, Berglin said, it is estimated that \$6.2 million is needed to rid the facility of the mold. However, she said, the remaining \$1.5 million is to come from the Capital Asset Preservation and Reserve Account (CAPRA) funds of the Veterans Home Board. Berglin stated that no state funds were used to build the Luverne home, which was

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originally paid for with 65 percent in federal funds and 35 percent in local grants. She said that she doubts any federal funds are available to help fix the mold problem since the federal government has already contributed to a large portion of the project. Berglin also said the residents will not be moved during the mold removal due to trauma related concerns. The repair, she said, will be done in stages.

Sen. Leo Foley expressed concerns about leaving residents in the facility while it is being cleaned. He said he hopes the state will not be found liable for any potential medical risks involved with leaving residents in what may be a dangerous living environment.

Berglin said the committee recommends \$1.785 million for capital repairs to the storm and sanitary sewer system of the Minnesota Correctional Facility at Faribault. According to previous testimony, the sanitary sewer and storm systems are mixing, and work needed to be done in the system includes cleaning sanitary waste from the walls and floors of the deep storm tunnel, patching the sanitary line in the tunnel, replacing the worst of the sanitary drops to the tunnel line and rebuilding the worst of the manholes. Berglin also said the committee recommends \$5 million for an empowerment zone in the city of Minneapolis. The grant, she said, provides the local match for up to \$230 million in federal funds for the city. Berglin also said Minneapolis was one of 19 cities in the nation to qualify for federal funds. The empowerment zone project focuses on redeveloping the abandoned Sears store in South Minneapolis, transforming a neighborhood in North Minneapolis, redeveloping an industrial area in Southeast Minneapolis and revitalizing the city's aging commercial corridors.

Sen. Roger D. Moe (DFL-Erskine) offered an amendment to include \$600,000 to the city of St. Paul to construct a holding pond for flood mitigation in the Hoyt Avenue area of St. Paul. The mitigation plan, he said, involves moving 33 homes for the holding pond. Moe also said the money is not all that's needed but will allow the project to move ahead until more money is obtained. The amendment was adopted.

Sen. Dean Johnson (R-Willmar) presented an amendment to establish a

program under which the proceeds from state bonds are authorized to extend credit on real estate security to qualified operators of family farms. The object of the pilot program is to induce the loan from private sources of the full amount needed to restructure and refinance the farmer's existing long term debt. The amendment was adopted and the bill was approved and sent to the Senate floor.

Jobs, Energy and Community Development

Landlord and tenant bill heard

A bill clarifying landlord and tenant law was heard by the Jobs, Energy and Community Development Committee, Mon., May 3. The committee is chaired by Sen. Steven Novak (DFL-New Brighton).

S.F. 2232, authored by Sen. Linda Higgins (DFL-Mpls.) contains provisions relating to leasing and rent, obligations and covenants, building inspection reports, code violations, condemned buildings, tenant rights, utility interruptions, unlawful ouster, residential tenant reports, eviction actions, residential tenant actions, tenant remedies actions, and miscellaneous rights. Higgins said the bill represents the work of a drafting committee comprised of representatives for landlords and tenants. Jack Horner, a member of the committee representing the Minnesota Multi-Housing Authority, said the committee's intent was to modernize the language of the statutes without changing any of the meaning. Paul Birnberg, a member of the committee representing the Community Action for Suburban Hennepin, said committee members operated by consensus and that there were no major conflicts about the content of the bill. The bill was approved and forwarded to the Senate floor.

The committee also discussed the confirmation of several appointments. Lance Teachworth, commissioner for the Bureau of Mediation Services, said the bureau resolves collective bargaining and grievance disputes, resolves issues of representation and bargaining structure, supports and facilitates worksite labor/management committees, provides training and information, and maintains a staff of arbitrators. Teachworth has been the commissioner of the bureau since 1995. Gretchen Maglich, commis-

sioner of the Dept. of Labor and Industry, said the agency strives to promote a safe, efficient and productive work environment for Minnesota's workplaces. Maglich has served as commissioner since 1997. John Swift, commissioner for the Iron Range Resources and Rehabilitation Board (IRRRB), said the IRRRB is an agency charged with the economic development and diversification of northeastern Minnesota. The committee recommended the confirmation of all three commissioners.

The committee also approved the appointment of William Pederson as a judge on the Workers Compensation Court of Appeals, Michael Finch and Pamela Sleet as members to the Minnesota Housing Finance Agency, and Philip Goldman to the Board of Invention.

Judiciary

Appointments okayed

The Judiciary Committee, chaired by Sen. Jane Ranum (DFL-Mpls.), met Weds., May 5, to consider two gubernatorial appointees. The panel recommended confirming the appointments of Janeen Rosas as commissioner of the Department of Human Rights and of Barry Lazarus to the Board on Judicial Standards.

Rules and Administration

Late bill forwarded

The Rules and Administration Committee met briefly Weds., May 5, to approved changes in the employee roster and to take action on a bill that was referred to the panel because it missed the deadlines.

The bill, S.F. 2232, sponsored by Sen. Linda Higgins, is a recodification of the landlord - tenant statutes. Higgins said the bill is simply a recodification effort to update and make more "user friendly" the statutes governing landlord and tenant relationships. She said the bill contained no policy changes, but that it is important that it be acted upon this year because legislation enacted last year takes effect July 1. In order for the new legislation to be as accurate as possible the bill needs to be acted upon this session. The committee, chaired by Sen. Roger D. Moe (DFL-Erskine), voted to forward the bill to the full Senate.

State Government Finance

Wheelock appointment approved

Members of the State Government Finance Committee, chaired by Sen. Richard Cohen (DFL-St. Paul), met Mon., May 3, to recommend the confirmation of Pam Wheelock as the commissioner for the Minnesota Department of Finance.

Wheelock, appointed to the position by Gov. Ventura, graduated in 1981 from the College of St. Catherine with a Bachelor of Arts in History. She also received a Masters degree in Applied Economics—with an emphasis on Public Policy Analysis—from Marquette University in 1986. Most recently, Wheelock has been employed as the director of the St. Paul Department of Planning and Economic Development since 1996, and served as deputy mayor of St. Paul under Mayor Norm Coleman from 1994 to May 1996, budget director under former St. Paul Mayor Jim Scheibel from 1992 to 1994 and executive budget officer with the Minnesota Department of Finance from 1988 to 1992. She also worked in the Senate as a legislative assistant for the Senate Finance Committee during the 1982 legislative session.

Sen. Ember Reichgott Junge (DFL-New Hope) asked Wheelock for her opinion regarding any potential financial risks the state would undergo if the House tax relief and rebate plan were adopted. Also, if the House plan is adopted, Junge asked if the state's credit rating will fall.

Having been in contact with several rating agencies, Wheelock said the agencies are monitoring carefully the three party government now in place in Minnesota. They are watching, she said, to see if the disagreements between House Republicans, Senate Democrats and the governor are ideology or fiscally based. She said representatives with the rating agencies believe some kind of tax relief is necessary, but added that the rating agencies also stated that the state's good credit rating is risked with any indications of fiscal imprudence. Wheelock said the real challenge is the use of one time tobacco money—as proposed by House Republicans—for permanent tax relief. The plan, she said, causes a structural imbalance in the state's budget of \$170 million beginning in 2003. After limited discussion, Wheelock was recommended to be confirmed by the full Senate.

Committee on Taxes

K-12 omnibus bill okayed

The K-12 omnibus bill made its final committee appearance at the Thurs., Apr. 29, meeting of the Tax Committee. The committee is chaired by Sen. Douglas Johnson (DFL-Tower).

Sen. Lawrence Pogemiller, author of the bill and chair of the K-12 Education Budget Division, presented the bill to members. He gave a general overview of the bill, S.F. 2242, and focused on the portions of the bill dealing with taxes and levies. "The governor said in his state of the state address that we should do a few things and do them right. We had that in mind when we put together the K-12 omnibus package," said Pogemiller.

The omnibus bill appropriates a \$7.9 billion education budget for the biennium, said Pogemiller. The bill provides a 7.8 percent increase in the general education formula over the two years. In addition, the bill provides \$64 million that districts can use for class size reduction, all-day kindergarten or to reduce the student/teacher ratio for special education. Pogemiller said the bill fully funds the governor's Fast Break for Learning initiative, providing school breakfast for all children in elementary school. The bill addresses the equity problem under a regional approach and provides \$50 million in equity funding for property-poor districts both in the suburban and rural areas of the state, said Pogemiller.

All of the levies in the bill, except for two, affect single districts, said Pogemiller.

Of particular interest to members was the \$2 million increase in the crime levy. The current amount which may be levied for crime-related costs in schools is \$1.50 multiplied by the population of the school district. The bill increases the maximum amount which may be levied to \$2 multiplied by the population of the school district. The levy proceeds are used for directly funding or reimbursing cities and counties to pay the costs incurred for the salaries, benefits and transportation costs of peace officers and sheriffs for liaison services in the district's middle and secondary schools; drug abuse prevention programs; gang resistance education training curriculum; and other crime prevention and drug abuse and violence prevention measures taken by

the school district. Pogemiller reminded members that the provision in the bill does not mandate a levy, it provides the authority for a district to do so, if needed.

Sen. Pat Pariseau (R-Farmington) asked if there is a group responsible for directing how the crime levy money is spent so that it is used most effectively. Pogemiller said he was not aware of any group, other than the school district, itself, that provides oversight in the decision on how the money is spent. He said the information is of interest to the K-12 division and can be looked at next year.

Pogemiller offered two amendments to the bill. The first, deletes a section of the bill that provides a grant to certain school districts. He said the grant is being handled in a different way, so the section of the bill is no longer needed.

The second amendment provides grants to districts that are disadvantaged by the bill, said Pogemiller. He said that the amendment decreases some of the appropriations made to other areas and provides funding for the disadvantaged districts. "We want to make sure all districts are treated fairly," said Pogemiller. Both amendments were adopted.

He said that there are about 30 districts that are not benefitting from equity, but that most of the districts are non-referendum districts. He said the argument is made that if a district hasn't presented an issue to the voter for a referendum, the district should not expect the state to make up the cost.

The K-12 omnibus bill, S.F. 2242, was recommended to pass and sent to the Senate floor.

Four bills heard

The Committee on Taxes chaired by Sen. Douglas Johnson (DFL-Tower) met Tues., May 4, to hear four bills.

S.F. 263, authored by Sen. Lawrence Pogemiller (DFL-Mpls.), establishes a new retirement plan for local government correctional service officers. The plan provides higher benefits and a lower retirement age than is available to the officers under their current Public Employees Retirement Account (PERA). The plan covers individuals who are public employees but not members of the public employees Police and Fire Fund, and who are employed in a county administered jail or correctional facility

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or in a regional correctional facility, and who spend at least 95 percent of the working time in direct contact with prisoners. Pogemiller said the bill is included in the omnibus pension bill. He offered an amendment deleting a section in the bill providing that the amount levied to pay the employer contribution to the local government correctional service retirement plan be exempt from levy limits. Pogemiller said that under current law, levy limits are scheduled to expire for levies in 1999 and subsequent years and thus the section of the bill is no longer needed. The amendment was adopted. Kevin Corbid, from the Association of Minnesota Counties, spoke in opposition to the bill because of the increased costs to property taxpayers. The bill was approved and sent to the Senate floor.

S.F. 1064, authored by Pogemiller, allows the secretary of state to order corrections to move an affected election district boundary when a municipal boundary that is coterminous with a congressional, legislative, or county commissioner district boundary has changed and the affected territory contains 50 or fewer registered voters. The bill also includes a provision establishing that ward boundary changes by cities that elect its council members by ward become effective on the date of the state primary election in the year ending in two. The bill deletes a provision in current law establishing the effective date of a ward change 90 days after the adoption of the ordinance redefining the ward boundaries. Pogemiller offered an amendment deleting a provision in the bill authorizing a levy of \$1 per capita by a county board to be used by the county and municipality to provide funding for the cost of redistricting. He said the provision is already included in the tax omnibus bill. The amendment was adopted. The bill was approved and sent to the Senate floor.

Pogemiller said S.F. 1424 is the annual bond allocation bill. The bill provides that public facility bonds must be used for new projects rather than for the refinancing of old projects. The bill also modifies the scoring system used for determining which manufacturing projects will be eligible for bond allocations and modifies provisions relating to the housing pool allocation. The bill was approved and

sent to the Senate floor.

S.F. 1876, offered by Pogemiller, amends a series of provisions relating to public debt. Discussion focused on a provision in the bill authorizing the issuance of bonds without an election to fund the cost of reconstruction or repaving of existing paved streets, allowing a local unit of government to spread the costs of reconstruction or repaving projects throughout the entire municipality. An amendment was discussed clarifying that before adoption of a comprehensive plan for reconstruction or repaving, there must be a public hearing on the matter. Sen. Arlene Lesewski (R-Marshall), said that the provision would be costly for smaller communities. She offered an amendment deleting the provision from the bill. The amendment was adopted. Pogemiller offered an amendment clarifying that structured parking facilities immediately adjacent to a development do not require competitive bidding. The amendment was in response to a request from the city of Minneapolis regarding a project in the warehouse district in Minneapolis. The amendment was adopted. The bill was approved and sent to the Senate floor.

The committee also recommended the confirmation of George Perez as a judge to the Tax Court.

Conference Committees

High standards

Profile of learning examined

The conference committee on H.F. 15 met Weds., May 5, to begin working out the differences between the Senate and House versions of the bill. The committee is co-chaired by Sen. Lawrence Pogemiller (DFL-Mpls.) and Rep. Harry Mares (R-White Bear Lake). The bill amends the state graduation requirements.

Analysts from each body described their respective versions of the bill. The Senate version of the bill retains the profile of learning, but makes several changes. The proposed changes to the profile include a provision allowing a district to request a waiver to determine the number of content standards required for graduation for students entering the ninth grade in the 1999-2000 school year. Under the proposal, districts will

determine the method used to assess student achievement of a content standard. The changes specify that a report on the content standards offered at each school site and the required standards for graduation for each district be made available to the public.

The Senate version specifies that students working in groups shall receive separate scores based on individual contributions to the project. Record keeping requirements are repealed from the rules, and a panel of academic experts is established to examine, evaluate and sustain the rigor of the content standards. In addition, the statewide testing statutes are amended to require the level of difficulty in the reading and math basic skills test to be upgraded over time and to make the third and fifth grade test results available for diagnostic and accountability purposes.

The House version of the bill proposes to replace the profile of learning with rigorous academic standards adopted by districts that, at a minimum, must include curriculum and instruction requirements similar to those under the state's compulsory attendance law. Areas of curriculum are expanded in the bill and include geometry and algebra in math instruction, biology and physical science in science instruction, economics in social studies instruction and abstinence-based sex education at all grade levels in health instruction. The bill also adds the subject area of computer science.

The House version of the bill and the Senate version of the bill are similar only in the requirement that the level of difficulty in the basic skills tests be increased over time as students' performance increases.

The House version keeps the eighth grade basic skills test in reading and math and the tenth grade basic skills test in writing. Third and fifth grade students are administered nationally norm-referenced standardized reading and math tests and fifth grade students are administered writing tests. Third, fifth and eleventh grade test results are intended to serve diagnostic and accountability purposes and third and fifth grade test results must be disseminated immediately under the House proposal.

Also in the House version, the profile of learning rules are repealed – as is the rule establishing the implementation

time line and the rule requiring districts to have students develop and maintain a lifework plan.

Representatives from education groups including Education Minnesota, the Minnesota School Boards Association and the Dept. of Children, Families and Learning, testified before the conferees.

Education Minnesota Co-president Judy Schaubach said standards should be set statewide, with curriculum determined district by district. When asked if the profile of learning could be fixed, Schaubach said it could be. She said that Education Minnesota needs the assurance that the tools for implementation will be in place.

Bob Meeks, Minnesota School Boards Association, said his organization supports the profile of learning and that many of the concerns the association had voiced, have been addressed in the changes. Meeks said time is needed to make sure that the students, teachers and parents totally understand the graduation rule. He mentioned a few concerns that the organization still has including the scoring rubric, the need for a minimum number of content standards and a concern that the waiver for the number of content standards be determined by the elected body – the school board – and not the teachers.

Dept. of Children, Families and Learning Commissioner, Christine Jax, told members of the committee that the governor supports uniform, statewide high standards. She said that the department would like to see a minimum number of content standards established to insure that districts who waive the required number of content standards still be required to have some content standards as a requirement for graduation.

Profile debate continues

After a recess, the conference committee on H.F. 15, the profile of learning, reconvened Weds. afternoon, May 5. The conferees continued discussing their respective positions and trying to find areas of agreement.

Commissioner Christine Jax, CFL, returned to answer specific questions members had about the profile of learning and the statute language. Jax said that tension will always exist between statewide standards and local control. She said that bringing in outside experts is beneficial to determine if the

content standards are rigorous enough. "Wherever we are at with our standards, we can always improve," said Jax.

Mares said that his own personal version of a good standard is one that is clear, challenging, understandable and measurable. Pogemiller identified the statement made by Mares as one area that both sides of the table agree on.

In a lengthy discussion on the language of the profile of learning, some members from both bodies agreed that the language is vague at times and that is one area that needs rethinking. Members also agreed that content standards, areas of learning and curriculum are areas that need to be defined so that teachers, administrators and parents have a clear understanding of the difference. Sen. Martha Robertson (R-Minnetonka) said it is very important that everyone speak the same language regarding the profile.

Rep. Marty Seifert (R-Marshall) made a motion to adopt H.F. 15 but deleting language requiring abstinence-based sex education at all grade levels be included in the health subject area. The motion failed on a tie vote. Pogemiller then offered H.F. 15 intact, saying that the calls he and members of the Senate have received requested a vote on an "un-amended version of H.F. 15". The vote on H.F. 15, unamended, also failed on a tie vote.

After the failed vote, Pogemiller asked the House conferees what they would like to accomplish regarding the standards and what changes they would like to see. Mares responded that there are many good standards, but also some weak ones. He said other states have examples of excellent content standards. The House conferees voiced individual areas of concern with the profile. Pogemiller said the discussion gives the Senate a better understanding of the concerns that need to be addressed.

Crime prevention bill

Discussion continues

Conference committee members continued to work through the crime prevention and judiciary omnibus bill at a meeting Tues., May 4. The committee is co-chaired by Sen. Randy Kelly (DFL-St. Paul) and Rep. Sherry Broecker (R-Vadnais Heights).

Judith Zollar, House Research, described some of the differences in the

House and Senate versions of the bill. She said the Senate version provides for the Department of Corrections (DOC) to establish a work program at Camp Ripley for repeat DWI offenders. The House version provides that by June 30, 1999, all offenders sentenced to the current Camp Ripley work program for adult male nonviolent felony offenders must be transferred back to the sentencing county to complete their sentences in a local facility.

Zollar said the bodies also differ in provisions for the Rush City correctional facility. The Senate provides that the Rush City prison may not continue to house inmates beyond July 1, 2001, unless specifically authorized to do so by law. The House bill provides that persons committed to DOC custody may be placed in the Rush City facility and that the general control and management of the facility is under the DOC.

Zollar said the Senate bill requires the commissioner of administration to develop and issue a referral for proposal (RFP) to operate the educational program at Red Wing. The Senate version requires a private vendor be selected to begin operating the program by Jan. 1, 2000. Senate language in the bill requires residents at the Sauk Centre correctional facility be transferred to other facilities by Jan. 1, 2000. Jurisdiction for Sauk Centre is transferred at that time from the DOC to the Department of Administration (DOA). House language repeals the productive day initiative program reporting requirement imposed on Hennepin, Ramsey and St. Louis Counties, and also eliminates the entity of the ombudsman for corrections.

Kenneth Backhus, Senate counsel, said the House version of the bill provides aid for extraordinary local disaster expenses. The Senate version provides for payment of lost wages up to one year, including counseling and medical treatment, for peace officers suffering from post-traumatic stress syndrome. Backhus said the House provides for a demonstration grant program to assist the city of Minneapolis or Hennepin County to implement a coordinated criminal justice system response to the Computer Optimized Development-Focus on Results (CODEFOR) program. Both bodies have a police pursuit provision, with the House requiring in-service training in conducting police pursuits to every full-

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time and part-time peace officer employed by law enforcement agencies. Senate language does not require the training for individuals who do not routinely operate a marked squad car. Backhus said the Senate version of the bill also requires 320 hours of training for part-time peace officers in Hennepin or Ramsey County or a city of the first class.

Vicky Donaldson, House research, said the Senate is adding 18 district court judges, compared to the House's addition of six. She said both bodies provide limitation on an approved release plan for level III sex offenders. The Senate requires the Department of Human Services (DHS) to develop recommended standards for foster care homes that address the components of specialized therapeutic services to be provided by foster care homes with those services. The Senate also requires the courts to state the intended outcome of out-of-home placements in their disposition orders. The Senate version, according to Donaldson, gives the counties responsibility for transitional service plans and requires the DOC and the DHS to report to the Legislature on the extent to which the goals of court-ordered out-of-home placements are being met. Donaldson said the House version transfers the responsibility of mediation programs for crime victims and offenders from the office of the state court administration to the executive director of the Center for Crime Victim Services. Both bodies transfer the operating and funding of battered women's shelters from the DHS to the Center for Crime Victim Services.

Donaldson said the Senate version defines the bargaining units for the state board of public defense, and provides that the state court administrator or a designated representative is the employer of court employees and may enter into collective bargaining agreements with exclusive representatives.

In a discussion regarding part-time peace officer training, Kelly said he believes more training is necessary. "My goal is to raise the standard of these officers," he said. Kelly expressed disappointment that the Senate language was amended to provide additional training only for urban part-time police officers. Rep. Rich Stanek (R-Maple Grove) said that although the part-time peace officers comprise one percent of the total police officers, they account for

14 percent of the complaints.

Sen. Allan Spear (DFL-Mpls.) said he is concerned about the Senate language regarding level III sex offenders, in which an offender released to live in the community must not reside within 1,500 feet of a park zone, school zone or another risk level III offender. Spear said that with these restrictions, he does not know of anywhere in Minneapolis or St. Paul they could live.

Pertaining to police pursuits, Kelly added language to the Senate version that the Peace Officers Standards and Training (POST) board shall seek and consider input of the public when adopting policy. Conference members agreed to delete language requesting the board to invite family members of victims and victims of accidents resulting from police pursuits to serve on an advisory panel.

Stanek said all peace officers, whatever their status, should undergo training in police pursuits. Larry Podany, Anoka County sheriff, agreed. "Those who direct the police pursuits should experience the training, as well as the drivers," he said. Bob Fletcher, Ramsey County sheriff, said he believed only those assigned to squad cars should receive the training within the first year they are assigned to a squad car.

Kathleen Shea, DOA, reported on a statewide task force that developed the statewide master plan for fire and law enforcement training facilities. She said the study looked at the location of training facilities, their cost efficiency, safety and access.

In a discussion of the DWI work program at Camp Ripley, Gary Bloedel of the Department of Military Affairs said there are currently two winterized buildings at the camp. He said the camp was originally built for military training, and some weekends all buildings are full.

"Is there room at the same time for the weekend youth program at Camp Ripley and the DWI work program?" asked Rep. Peg Larson (R-Lakeland). Kelly said that is hard to say. He said the work program is experimental and can be monitored to see how the program is working. "I don't want to displace the juvenile program," Larson said.

Barry Tilly of the Dakota County Board of Commissioners requested funding for a demonstration project on community justice initiatives. Tim

Walsh, Dakota County Deputy of Corrections, said the project hopes to offer people a voice in the community justice process, visibility of community projects, a vote in shaping policy and volunteerism of support when offenders are back in the community.

Kelly said he had contacted the ombudsman for corrections and is proposing a cut in salary rather than demolishing the office. "I think the office provides a worthwhile function for inmates who have lost their civil rights," he said.

The committee adopted Senate language for the transfer of responsibilities for providing a secure crisis shelter, turning the responsibility over to the executive director of the Center for Crime Victim Services.

Differences highlighted

Further discussion was held on the omnibus bill, S.F. 2221, as the crime prevention and judiciary budget conference committee met Weds., May 5. The committee is co-chaired by Sen. Randy Kelly (DFL-St. Paul) and Rep. Sherry Broecker (R-Vadnais Heights).

Kenneth Backhus, Senate counsel, said a Senate provision sets a minimum fine of \$100 to be assessed against a minor who is in possession of or consumes alcoholic beverages. Backhus said the Senate language provides for the fine, money for local compliance and a mandatory civil penalty.

Sen. Dave Kleis (R-St. Cloud) addressed language he authored in the bill regarding taking responsibility for criminal acts. Under the Senate version, a person who promotes, advocates, and assumes responsibility for a criminal act with the intent to instigate the unlawful conduct of others or to obstruct, impede, or prevent a criminal investigation is guilty of a gross misdemeanor. Sen. Allan Spear (DFL-Mpls.) said he does not think the language belongs in the omnibus bill. "It is a subject worthy of consideration, but needs working over," he said. He added that Kleis had withdrawn the amendment from the Senate floor, but another member reinstated it. Kleis agreed the language could be dealt with in the next session. An amendment, offered by Rep. Peg Larson (R-Lakeland) deleted the language. The amendment was adopted.

Other language of the bill Kleis

presented deals with liability for damages with the unauthorized release of animals. A third party who plans or assists in the development of a plan to release an animal lawfully confined for science, or who takes responsibility for such an act, is held liable, according to the Senate language. An amendment, offered by Sen. Thomas Neuville (R-Northfield), deletes language pertaining to a rebuttable presumption that a person or organization who claims responsibility for the act is liable. The amendment prevailed. The Senate language was adopted.

Kleis also proposed, in the Senate version of the bill, that the state and county are equally responsible for 50 percent of the cost of a person's confinement at a state facility or county jail, prior to civil commitment. Kleis said he is concerned that if the state does not share in the cost of confinement, the county may stop making commitments.

Language by the Senate calling for an annual performance report by the Department of Corrections (DOC) and language by the House, regarding correctional fees and collections, was adopted.

Kelly presented Senate language calling for a study the DOC that focuses on the ratio of supervisory officers to nonsupervisory officers, the ratio of officers to inmates and other related matters. An amendment, offered by Neuville, specifies that the staffing system of the DOC must be compared with comparable corrections systems in other states. The amendment prevailed. The language was adopted.

House language setting up aid for extraordinary local disaster expenses was discussed. Paul Aasen, Department of Public Safety (DPS) said he has some concerns about the state setting up a disaster fund. Other language in the bill calls for a study by the DPS and the Department of Finance (DOF) to examine the issues of disasters and extraordinary emergency expenses caused by natural or other disasters. Rep. Mary Murphy (DFL-Hermantown) said she sees the need for a study. "The more discussion we have, the better off our constituents will be," she said.

Sen. Jane Ranum (DFL-Mpls.) discussed Senate language that affects juvenile out-of-home placements. She said the bill develops recommended

standards for foster care homes that address the components of specialized therapeutic services to be provided by foster care homes with those services. She stressed the importance of juvenile screening teams. She said the county responsibility for transitional services plans includes ensuring that after-care services are arranged for and provided to the child. Ranum said the legislative auditor has indicated that there is a real need for more culturally appropriate services in out-of-home placements.

House language in the bill provides that the Supreme Court must establish a program for training, testing, registering and certifying qualified court interpreters. Judith Rehac, of the Supreme Court, said the court helps qualify and administer tests to individuals wanting to serve as interpreters, charging a small fee. "If we are allowed to maintain that fee money, we can expand the number of languages," she said. "We are asking for the authority to keep the fees." The House language was adopted, with the addition that a report be given on the program.

Rep. Rich Stanek (R-Maple Grove) spoke on House language in the bill that orders an offender to provide a biological specimen for the purpose of DNA analysis when the person is convicted of murder, manslaughter, assault, robbery, kidnaping, false imprisonment, robbery, incest, indecent exposure, and criminal sexual conduct. Stanek said DNA testing is the fingerprints of the '90s, and can help clear an individual of a crime as well as link him or her with a crime. Nick O'Hara, superintendent of the Bureau of Criminal Apprehension (BCA), said DNA samples cost about \$50 each.

Kelly addressed a portion of the bill that provides for a peace officer suffering from post-traumatic stress syndrome to be eligible for up to one year's payment of lost wages and medical care, including counseling. Dennis Flaherty, Minnesota Police and Peace Officers Association, said some health providers provide for medical coverage of the disorder, some do not. He said the bill will rectify that. "The main objective is to get an officer who has been involved in a traumatic event back to work," he said. He added that post-traumatic stress disorder is a diagnosable form of mental illness. Spear offered language that provides for a mutually agreed upon licensed psychologist or psychiatrist to diagnose the peace

officer. Senate and House staff agreed to make the language more definitive and bring it back before the conference committee.

Other language presented by Kelly allows the Criminal Gang Strike Force to use up to 50 percent of money received in forfeiture proceedings for gang prevention and intervention. Flaherty, a member of the Minnesota Gang Strike Force, said various community groups want some of the funds used in this way. Stanek said he thought the gang strike force is looking at a different purpose than he was led to believe.

Kelly said lots of communities of color were concerned when the strike force was organized, and he believes using funds for intervention and prevention is a wise choice.

Economic development bill

Identical provisions adopted

The conference committee on H.F. 2390, the omnibus economic development appropriation bill, met Tues., May 5, and adopted the identical non-appropriation provisions found in the versions brought to the conference by each side. In addition, panel members began discussion on the differences in housing related items contained in the two bills. The meeting was chaired by Sen. Jerry Janezich (DFL-Chisholm).

Rep. Dan McElroy (R-Burnsville), chief House conferee, moved adoption of the identical provisions. The provisions include changes in fees paid to the Dept. of Commerce for licensure by various commercial operations; adds "research" as a duty of the Rural Policy and Development Board, permits appropriations to the board to be used for administration, and provides for compensation of board members; requires microenterprise technical assistance grant applicants to identify in the project goals the number of businesses eligible for the assistance; allows the commissioner of the Dept. of Labor and Industry to apply for and accept grants and gifts; permits the Housing Finance Agency to spend money for the full cycle home ownership program; and waives a Minnesota investment fund limit for a grant to Grant County.

The panel then began a discussion of housing issues. Jacqueline Cavanagh, a Senate analyst, presented a comparison of

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housing issues contained in the two versions of the bill. The Senate proposes a challenge grant program appropriated from the general fund to provide housing in areas of economic development. In contrast, the House proposes using federal Temporary Aid to Needy Families (TANF) grant money for various housing projects. Rep. Steve Trimble (DFL-St. Paul) said he preferred to see the program tied to a livable wage requirement. He said "the problem with poor people is that they have no money," and that spending money on homelessness when the jobs don't pay higher wages won't reduce the homelessness problem. Janezich said that the Senate wanted to provide as much flexibility to the program as possible with the expectation that communities would leverage the best employment opportunities possible.

Both sides fund the Family Homeless Prevention program, but the House uses a combination of TANF money and the general fund for the program while the Senate uses general fund money exclusively. The Senate also establishes a program to help renters rehabilitate bad rental histories. The House also uses TANF money to fund rental assistance for the family stabilization program while the Senate uses general fund money. The Urban Indian Housing program is fully funded with general fund money by the Senate whereas the House makes no appropriation for the program. Instead, the House authorizes the program to use accumulated reserves and intends to restore funding to the program in the next biennium. Both sides provide funding for the school stability program, but the Senate uses money set aside from the affordable rental investment fund.

Both sides have similar provisions for the community rehabilitation program, including provisions for providing housing for people with HIV/AIDS. The Senate also includes language for a housing program for the city of Hilltop and home ownership counseling services for people with mental illness. Sen. Dave Johnson (DFL-Bloomington) moved the House language and Senate funding levels. The motion was adopted.

An Inclusionary Housing program is also proposed by both sides. The House provides funding for at least three, but no more than six housing developments, to provide housing for a variety of income levels. On the other hand, the Senate

proposes reducing housing development regulatory barriers for developments that have units that are affordable at lower income levels. The Senate also proposes a mortgage assistance pilot program for people who meet specified criteria.

The House includes a provision the cancels previous appropriations for various programs that are unused and transfers the money to the full cycle homeownership services program and the community rehabilitation and accessibility program. Both sides propose funding an awareness campaign aimed at "mortgage flipping." However, the Senate also includes a penalty for engaging in the practice. Sen. Linda Runbeck moved the House appropriation transfers and McElroy moved the Senate mortgage flipping provision. Both motions were adopted.

In the discussions of the alternative housing proposals, Tanja Orr, Housing Finance Agency, said that under the House proposal to use TANF funds, money distributed meets the definition of "assistance," and counts against the five year lifetime limit. Using general fund money under the Senate plan avoids the TANF regulations, she said. Steve Nelson, Dept. of Human Services, said that non-citizens don't qualify for TANF, and thus the assistance given to them would have to come from exclusively state sources. Orr added that although the agency can use the TANF money, there are federal reporting requirements on people who participate in the program that make use of the funds difficult.

The committee planned to finish its discussion of housing issues at its next meeting and begin discussion on the Senate's workforce development fund proposal.

Job training discussed

The conference committee on H.F. 2390, the omnibus economic development budget bill, met Weds., May 6, to continue their work on reaching a compromise on the alternative versions of the bill. The panel concluded discussions on housing issues and began discussions on jobs and training issues. Specifically at issue is the Senate proposal to use the re-employment insurance tax to fund the workforce development fund.

Rep. Dan McElroy (R-Burnsville), chair of the meeting, gave an overview of

the current law. He said that currently the tax is one-tenth of one percent on wages, but drops to five-one hundredths of one percent once the fund balance reaches \$30 million. McElroy said that the House proposes lowering the tax while the Senate maintains the tax and raises the cap that triggers the lower tax rate so that the money can be used for uses other than the dislocated workers fund.

Sen. Dave Johnson (DFL-Bloomington) said that in recent biennia, money in the dislocated workers fund has been transferred to things unrelated to dislocated workers. Under the Senate proposal, Johnson said, the more than 60 work force development funds are consolidated into one. The program uses the Job Skills Partnership program model and transfers administration of the Dislocated Workers fund to the Dept. of Trade and Economic Development (DTED). Johnson said the proposal maintains the Senate's commitment to jobs and training programs.

Rep. Bob Gunther (R-Fairmont) said the funding mechanism is a tax and is applied to all companies regardless of the seasonality of their employees or layoff history. He said that the Senate is trying to raid the Dislocated Workers fund just as previous administrations have done and it is being funded by businesses that are good corporate citizens. Johnson said that businesses are saying they can't find skilled workers yet the governor eliminated job training programs. He said that the proposal addresses the need for trained workers.

Sen. Steve Novak (DFL-New Brighton) added that the governor's budget eliminated many public/private partnerships that were formed as part of the welfare reform efforts. He said that some of those programs employed people that are the hardest to employ. Novak said that the state is just now seeing the results of those programs and they have been tremendously successful.

Dept. of Economic Security Commissioner Earl Wilson said the Legislature needs to look at the right way to train and retrain workers. McElroy said the outstanding issues are the funding mechanism for training programs, and the effect of changing the programs on welfare-to-work programs.

Gunther reiterated that he didn't like the Senate funding mechanism. He said

that he is a small business operator and that he shouldn't have to pay the re-insurance tax if he doesn't lay employees off. He asked if the tax would be increased in the event of an economic downturn.

Janezich responded to Gunther's statements. He said that the House lowers the cap on the Dislocated Workers fund to \$13 million before the tax is turned off. Under the Senate plan, Janezich said, half the proceeds still go to the fund. Even if the current \$30 million cap were kept in place, \$15 million would still go to the fund which is more than the House proposes. He said there is a need for one program to keep track of what's going on and the Senate position provides an umbrella structure that has all the players under it. He said the conference committee is sitting on a great opportunity. The committee took no action on the job training proposals.

Environment and agriculture

Bills compared

Conference committee members began discussing the environment and agriculture omnibus bill, H.F. 2226, Tues., May 4. Sen. Jane Krentz (DFL-May Township) and Rep. Mark Holsten (R-Stillwater), the committee co-chairs, went through the bill highlighting the differences between the House and Senate versions.

Krentz distributed a spreadsheet to committee members showing that the Senate appropriates a total of \$523 million over the next biennium, the House \$535 million, with the governor's proposal at \$527 million. One of the biggest differences between the House and Senate is that the Senate has provided for full funding of all of the Legislative Commission on Minnesota Resource (LCMR) recommended projects while the House has modified funding for many of the projects. Krentz said that the Senate thought it was important to respect the LCMR process which involves citizen participation and input. Holsten said that the House believes that the Legislature should consider the recommendations and evaluate them.

In addition to funding all the recommended LCMR projects, the Senate also provides full funding of \$371,000 over the biennium for the Minnesota-Wisconsin Boundary Area Commission. Both

the House and the governor have proposed eliminating the commission. Krentz said it was an effective citizen's group that has worked well and that it is a good example of the governor's message of the citizenry becoming more involved in the process. Holsten said the House has followed the governor's recommendation on the commission agreeing it duplicates existing services. "We recognize the value it has had in the past," he said, "Times have changed. All things have a life cycle." The Senate agrees with the governor in providing \$1.5 million over the biennium for the Sustainable Forest Resources Act and to extend the sunset of the Forest Resources Council. Krentz said it was encouraging to see all the sides come together after it appeared that disagreements would lead to the possible end of the council. The House version of the bill sunsets the council at the end of this year and appropriates \$5,000 for end costs. Holsten said that amount was put in the bill as a "placeholder" until the future of the council was better established.

Another major difference is a provision in the House version of the bill requiring the city of Minneapolis, upon completion of an environmental assessment worksheet, to approve variances and to grant the American Iron & Supply company permits to construct and operate a metal mill, or Kondirator, on the Mississippi River. Sen. Gary Laidig (R-Stillwater), questioned whether it was appropriate for a finance bill to contain the provision. "Anyone in this room who is holding their breath thinking that this will be in the conference committee report will die," Laidig said. Holsten said he didn't think that it was appropriate for conference committee members to become entrenched on any provision and take a no compromise position. "I really wouldn't hesitate in holding my breath," Rep. Dennis Ozment (R-Rosemount) said.

The House and the governor agree on repealing the personal watercraft surcharge at a cost of \$900,000 over the biennium. The Senate's version of the bill maintains the surcharge. The House also repeals the Minnesota Pollution Control Agency's (MPCA) Listed Metal Program. The Senate follows the governor's recommendation, maintaining the program and raising the fee submitted by users from \$295 to \$750 to make up a

\$117,000 hole in the program's budget. Krentz said the increased fee is fair because it collects the money from the manufacturers rather than taking money from the general fund. The House includes a provision not provided for by the Senate, for \$1 million to acquire a portion of the Trout Brook Corridor located in St. Paul. Rep. Tom Osthoff (DFL-St. Paul), said the provision is supported by the St. Paul School District, the St. Paul City Council, and the Ramsey County Board of Commissioners. The Senate includes a provision appropriating \$4.3 million to the Dept. of Natural Resources for asset preservation for repair and restoration of the department's buildings throughout the state. Krentz said the Senate thought it was a wise investment to prevent damage now rather than pay higher costs to fix problems further in the future. Both the Senate and House have provisions in the bill calling for new studies. The House requires the Metropolitan Airports Commission to determine the costs and what sources are available to the commission to provide mitigation of all adverse environmental effects of airport noise and requires that the commission consults with the MPCA and the cities of Bloomington, Richfield, Minneapolis, Mendota Heights, Inver Grove Heights, St. Paul, Burnsville, and Eagan, to determine the areas within each of the cities that are adversely impacted by airport noise. The Senate establishes an advisory task force appointed by the DNR including representatives of the department, the Dept. of Transportation, the Association of Minnesota Counties, the Minnesota United Snowmobilers Association, the snowmobile manufacturers, the snowmobile stud manufacturers, the Minnesota Parks and Trails Council, the Minnesota Bicycle Business Council to make recommendations regarding the prioritization of repairs to snowmobile trails.

Comparison continues

The environment and agriculture conference committee spent much of its Weds., May 5, meeting discussing the agricultural sections of the omnibus appropriations bill. The conference committee is co-chaired by Sen. Jane Krentz (DFL-May Township), and Rep. Mark Holsten (R-Stillwater).

Rep. Robert Ness (R-Dassel), provided

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a handout showing areas that the House and Senate are in agreement, where different approaches are taken, and where one side has a provision that has no comparable section in the other side's bill. Ness said agriculture is big business in the state, generating 25 percent of Minnesota's economy. Among the provisions agreed upon are adding organic farmers to state panels reviewing grants and loans and urging the Dept. of Agriculture to encourage organic farming. Both the Senate and House have also agreed that municipal airports should be allowed to apply for clean-up funds from the Agricultural Response, Cleanup, and Compliance Account if the liable parties for a pesticide spill cannot cover costs. Both versions of the bill also include provisions creating a new \$75 fee related to inspections and the cost of issuing new certificates which are required for most export sales, Ness said.

He said the House has required daily reporting by meat-packers of all prices paid for cash and contract purchases. The Senate requires each meat-packer to purchase at least 25 percent of its livestock on the cash market, instead of from contract suppliers. Ness said he was concerned the Senate requirement is too burdensome. The Senate also requires daily price reporting on cash and contract purchases, quarterly reports on contracts used in the past quarter and all proposed contracts to be used in the next quarter, and makes it a misdemeanor for each knowing violation of those requirements. The Senate provision instructs the Dept. of Agriculture to inform the attorney general of violations. The attorney general then may seek both criminal penalties and restraining orders. Jerry Schoenfeld, representing the Minnesota Pork Producers, said the organization supports both the House and Senate provisions. He said he did not share Ness' concern that the 25 percent livestock on cash market provision would be a hindrance. Schoenfeld recommended eliminating confidentiality clauses in contracts because it would provide for more ability to analyze the markets. Sen. Dallas Sams (DFL-Staples) said that both the House and Senate approaches indicate that there is an understanding that the issues need to be addressed on the federal level to make it fair for all farmers, but since that is not occurring, the state needs to show

initiative in addressing the problem.

Ness said the House and Senate have also taken different approaches to proposals to impose new regulations and fees on livestock farmers. He said the House requires the Minnesota Pollution Control Agency (MPCA) to delay the imposition of new or amended fees or rules on livestock, poultry, or feedlot production until at least 60 days after the proposed changes have been reviewed by a majority vote of both the House and Senate agriculture policy committees. The House also deleted the proposal to increase fees on feedlot producers by \$1.6 million in the next fiscal year. The Senate delays the implementation of new MPCA rules on feedlots until April 1, 2000 and delays fee increases until a joint report by the MPCA and the Dept. of Agriculture is accepted by the Senate and House policy committees on environment and agriculture.

Ness said among the provisions of the House bill not included in the Senate bill is a provision authorizing up to ten farmers to raise cervidae as livestock and to open preserves in which the animals may be hunted. The House also allows an exemption to laws involving the Prairie Island power mandate for the Minnesota Valley Alfalfa Producers (MNVAP) to allow Northern States Power Company to satisfy 75 megawatts of its biomass commitment with MNVAP. Sen. Ellen Anderson (DFL-St. Paul), said the Senate heard the proposal in committee and that further discussion was needed to discuss the House's decision to incorporate the provision into the omnibus bill. Sams expressed concern over the House proposal to cancel the Dairy Producers' Board and to not fund a new program for the Dairy Leaders' Roundtable. He said the Senate appropriates \$50,000 to continue the Dairy Producers' Board and adds \$50,000 for the new Dairy Leaders' Roundtable program.

The conference committee also heard testimony on the House provision to repeal the MPCA's Listed Metals Program, and a provision to eliminate a requirement scheduled to take effect on July 1, 1999, that retailers who sell over 1,000 motor oil filters per year to "do it yourselves" to collect or contract for free collection of the used motor oil and motor oil filters. Tom Newcombe, representing the Coatings Council of

Minnesota, said that the Listed Metals Program began in 1991 but was drastically changed in 1997. He said originally the law applied to 982 inks, dyes, paints, pigments and fungicides but that 615 products were reformulated or discontinued and that 146 others were granted exemptions. Newcombe said of the 220 remaining specified products, 72 are used by auto refinishers, some for primers to prevent rust and corrosion. He said Minnesota is the only state with such a program, and that the program is much more stringent than the Environmental Pollution Agency's laws and regulations. Bill Dunn, from the MPCA, said the program has been effective and that the program takes the approach of considering whether or not alternative products are commercially available and if the alternative product provides an economic benefit to the state.

Tim Scherkenbach, manager of the Policy and Planning Program of the Minnesota Pollution Control Agency (MPCA), said the MPCA and the Office of Environmental Assistance have worked toward establishing a statewide network of free public and private collection sites for used motor oil and used motor oil filters. He said both agencies support delaying the mandate that is eliminated in the House version of the bill, to July 1, 2001 to provide an incentive to move the program forward. He said the MPCA believes that it is important to continue the development of educational materials on automotive wastes and to not change the goals as stated in current law.

Family and early childhood education bill

Child care changes discussed

The conference committee on H.F. 1467, chaired by Sen. Pat Piper (DFL-Austin) and Rep. Barb Sykora (R-Excelsior), met Wed., May 5, to discuss a House proposal to make changes regarding child care assistance programs. The discussion was part of the larger debate on the Family and Early Childhood Education omnibus bill.

According to Rep. Richard Mulder (R-Ivanhoe), the proposal is based on the recommendations of a working group on child care that consisted of House members, Children's Defense Fund

representatives and representatives from the Minnesota Department of Children, Families and Learning, among others. He said one recommended change involves raising the co-pay required by families to receive sliding fee child care. As examples, the monthly co-payment for a two person family with a yearly income of \$10,850 is raised from \$5 to \$7.50 in the measure and the monthly payment for a two person family making \$28,665 yearly is raised from \$411 to \$478. This increases the yearly co-pay from \$60 to \$90 and \$4,932 to \$5,736, respectively. Mulder said the increases produce approximately \$6 million more in revenue each year for the program which would enable 1,200 more families to be served. The proposal, he said, is an excellent way to reduce the huge waiting list for child care.

Deb Kotilinek, a representative from the Department of Children, Families and Learning, addressed the proposal to raise the co-payment fees. She said when considering raising co-pays to serve more families a variety of issues must be balanced. She said it is desirable for families to save more money when their income rises and not just use it to pay added expenses, such as an increased co-pay. However, she said, a higher co-pay is a better alternative than a lower program exit level. Kotilinek said the main priority should be to control costs of the program to keep it affordable. This, she said, prevents families from being forced out of child care or making the choice to leave their children unattended.

Pat Connely, from the Association of Minnesota Counties, said her association basically is neutral regarding the raising of co-pays. Increasing the payment to serve more families has been a long term subject of debate, she said, with no real consensus among county representatives. She said proponents say increasing the fee is the only way to add child care slots and opponents say it adds an undue burden on low income families.

Sykora said the group also recommends changing the formula used to allocate child care assistance dollars to counties in the state. Under the current formula, she said, many counties with no waiting list have extra money while counties with a waiting list have no money. Therefore, she said, it makes sense to change the formula to allow more money to be given

to the counties that need it. She said this uses available funds more efficiently. Sykora used the example of Benton County, which, last year, had no waiting list for sliding fee child care but had \$10,138 available to be used for child care. As another example, Mulder said Cook County was allocated \$28,180 last year but only expended \$15,724. He said that counties like Cook that don't need to use what they are given should be given a little less. This causes no harm to the counties, he said, because the money allocated to them was not being used anyway.

Sen. Becky Lourey (DFL-Kerrick) asked if many of the counties who receive less under the proposal have no waiting list. She pointed to Crow Wing County, which had a waiting list in 1998 but receives less money under the House proposal. Responding, Mulder said it is impossible to create a perfect formula that reduces the allocation for all counties with no waiting list and raises the allocation for all with a waiting list. He said, however, that the proposal improves the current system and is the best that can be done.

Carol Miller, program manager of Hennepin County Child Care Assistance and Licensing, said the new allocation formula is not the best solution for her county. She said Hennepin County spends more than is allocated already and can't afford to be given less. Also, she said the formula change causes budgeting problems because although more money can be obtained later in a year, the county can't plan with money it does not yet have. Regarding the co-pay, Miller said the increase will have only a minor effect on some families, but for some the increase has a significant impact on their lives. She agreed, however, that the increase stretches available money to serve more families.

Finally, Mulder also said the working group recommends promoting the establishment of child care pre-tax accounts at businesses. This involves printing promotional materials such as brochures to facilitate the spread of information and providing incentives and technical assistance to employers to encourage the use of child care tax accounts. Mulder said he has heard from many businesses who don't know much about setting up the accounts but would do so if they had more information.

The only decision made during the meeting was to approve the identical policy and technical language in the omnibus plans. The rest of the omnibus proposal will be discussed at a later meeting.

Government operations bill

Bills compared

The conference committee on S.F. 2223, the state governmental operations budget bill, convened Tues., May 4. The committee is co-chaired by Sen. Leonard Price (DFL-Woodbury) and Representative Philip Krinkie (R-Shoreview).

The conferees heard the Senate and House versions of the bill compared and contrasted by fiscal analysts and legal counsel from each body. The money to fund state government is appropriated primarily from the general fund. Additional appropriations are from other funds including special revenue, health care access, environmental, solid waste fund, lottery prize fund, highway user tax distribution fund, trunk highway fund and the workers' compensation fund.

The Senate version of the bill appropriates \$650 million and the House version appropriates \$610 million from the general fund. The Senate and House versions of the bill differ on the amounts appropriated from other funding sources. The Senate appropriates \$27.870 million from the state government special revenue fund and the House appropriates \$26.498 million. The Senate appropriates \$110,000 from the lottery prize fund, for a grant to Project Turnabout in Granite Falls to provide compulsive gambling treatment and education. The House does not fund the project. The Senate appropriates \$78,000 from the trunk highway fund and the House appropriates \$74,000. The total amount, from all funds combined, appropriated to fund state government for the next biennium is \$701.984 million in the Senate version of the bill, and \$660.970 million in the House version.

Both versions of the bill fund the House at the requested amount, but the House version reduces funding to the Senate in both years of the biennium. The Senate includes funding to produce and distribute, along with a teacher guide, a videotape on the legislative process. The videotape production is not funded in the House version of the bill.

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A major provision included in the House version that is not included in the Senate version, is an initiative to consolidate the Senate and House administrative services. The offices combined under the House provision include the House Public Information Office and Senate Publications, the House Television Services Office and Senate Media Services and the offices in each body that provide payroll, purchasing, information systems and human resources.

The Senate version includes funding for community based planning, a generic environmental impact statement on urban development and a wind monitoring project in southwest Minnesota. The House version does not fund these items. The House proposal requires that the Office of Strategic and Long Range Planning inventory all land owned by the state and report the findings to the Legislature by Jan., 2001.

Both versions of the bill appropriate money for a contribution toward a national World War II memorial, and the Senate version also funds the design and construction of a memorial to Hubert H. Humphrey. Funding is appropriated in the Senate bill to correct inaccurate historical information presented on a Spanish-American War commemorative plaque currently in the Capitol. The House version of the bill does not fund the correction, it specifies that the plaque be removed from the Capitol and donated to the Minnesota Historical Society.

The Humanities Commission receives an appropriation in the Senate bill of \$1 million over the governor's request. The money is directed to the Motherhead/Fatheread program. The House version did not fund the program at that level, and the House specifies that the commission develop a plan for the selection of a Minnesota Poet Laureate. The House bill also transfers the Humanities Commission to the Dept. of Children, Families and Learning.

Price, who chaired the committee, suggested that members hear testimony from the Dept. of Revenue about the income tax reengineering initiative, which is funded in the Senate version, but not in the House version. John Lally, Dept. of Revenue, explained that the system currently used to process income tax is antiquated. He said that often,

when replacement parts are needed, they must be custom made. He said the current system is inflexible and in order to manage the department responsibly, a new system is needed. He said the department needs a system that is responsive, accurate and efficient.

Krinkie asked why the department is seeking the funding this year and what will happen if the request is not funded. Lally responded that several years ago, the department assessed the systems they use. It was determined at that time to reengineer the sales tax system first, he said. Now that the sales tax system has been reengineered, it is time to do the same with the income tax system, said Lally. He said that if the funding isn't provided, the department will continue using a "band-aid" approach to problems that arise in the system.

Testimony was also given regarding the Board of Government Innovation and Cooperation. Jim Gelbmann, director, explained the purpose and duties of the board. He told the committee about the board being selected as one of 100 finalists to win an innovation award from the Kennedy School of Government at Harvard University. Pam Wheelock, commissioner of finance, explained the governor's rationale for eliminating funding for the board. She said that the governor, before he determined his budget proposals, was rethinking the state's priorities. The governor realizes the program has merit, but there are other areas of the budget with higher priorities, said Wheelock.

The conferees discussed language in the House bill that sets a salary cap for public employees and specifies methods of meeting budget reductions. According to the House provision in the bill, to the extent practical, required budget reductions should be accomplished by not filling vacancies or by replacing employees who leave state service with lower paid employees. Krinkie made a motion to accept the three sections of the bill relating to the discussion.

Price asked how the policy would affect the agencies. He asked if a reduction in staff would affect the services provided by the agencies. Sen. James Metzen (DFL-South St. Paul) said that the language represents major public policy. He said the Senate Governmental Operations and Veterans Committee has not heard any testimony on the effect the proposed

change would have on the agencies. Metzen requested a roll call vote. The motion to adopt the three sections failed on a tie vote.

Health and family security bill

Bills compared

Members of the Conference Committee on S.F. 2225, the health and human services omnibus appropriations bill, chaired by Sen. Don Samuelson (DFL-Brainerd) and Rep. Kevin Goodno (R-Moorhead), met Tues., May 4, to review the different versions of the bill.

Both bills appropriate a total of approximately \$5.8 billion over the 2000-01 biennium, with the Senate appropriating \$5.239 billion to the Minnesota Department of Human Services and the House appropriating \$5.257 billion to the department. The version also includes approximately \$1.27 million and \$1.51 million to the Minnesota Department of Health from the Senate and House, respectively, as well as smaller appropriations to the Veterans Home Board, Council on Disability, Emergency Services Board and Ombudsperson for Families. While the two plans are similar in the amount appropriated, each has several differences in policy and in the amount assigned to the various programs.

One major difference in funding between the Senate and the House is in the establishment of endowments with the \$1.3 billion one time tobacco settlement money. The Senate creates four endowment funds—the medical education and research endowment, the tobacco prevention endowment, the health care fund and the senior prescription drug endowment—as well as the Minnesota Families Foundation with payments from the tobacco settlement. Of the \$1.3 billion, 50 percent is earmarked to the tobacco endowment for tobacco prevention programs, 20.25 percent to the medical education and research endowment for medical education and research purposes and \$38 million to the Health Care fund for various medical purposes. Also, 23 percent is allocated to the Minnesota Families Foundation for self-sufficiency programs and 6.75 percent is allocated to the senior drug endowment to provide additional funding for the senior drug

program. The House, however, includes no such provision, but allocates \$13.2 million over the biennium from the general fund for tobacco use reduction and prevention grants. The House also continues the senior drug program and expands it to include disabled people on Medicare, which the Senate does not.

Another major difference in the two versions concerns the subject of abortion. The House includes provisions that prohibit partial birth abortions, require informed consent before abortions can be performed and require the reporting of certain abortion related information. The measures include funding over the biennium of \$27,000, \$377,000 and \$490,000 respectively. The Senate includes no similar provisions.

The Senate version contains several exemptions to the 60 months time limit for receiving Minnesota Family Investment Program (MFIP) assistance that the House plan does not. The Senate exempts from the time limit care givers who are suffering from a certified permanent injury or required to care for a member in the household who has a certified illness or injury that is expected to last more than 30 days and extends the time limit on assistance by one month for each month a student participant maintains a 2.5 grade point average. The Senate also prohibits months that care givers who are working the required number of hours from counting toward the 60 month limit. To pay for the exemptions, the Senate appropriates \$9.546 million in fiscal year 2003. The Senate also adds a good cause exemption from sanctions for individuals whose mandatory MFIP meeting conflicts with a judicial proceeding or a participant's work schedule and ensures that MFIP participants do not lose eligibility until their income reaches at least 120 percent of the federal poverty level. Among other MFIP related provisions, the Senate strikes the requirement that counts \$100 of the value of public rental subsidies as unearned income and expands post-employment education and training if a job counselor determines that a care giver is not likely to exit MFIP within twelve months. The initiative includes funding over the biennium of \$3.428 million to increase the MFIP exit level, \$2.77 million to increase the MFIP exit level for child care purposes, \$35.698 million to eliminate the \$100 subsidy provision

and \$35.92 million in federal Temporary Assistance for Needy Family (TANF) support for increased employment services. The Senate also expends \$2.172 million over the biennium to eliminate the sunset of the food assistance for non-citizens program and \$2.210 million for refugee services. The House includes no such provisions, but does include separate initiatives of \$10 million of the TANF funds over the biennium for increased MFIP employment services, \$327,000 for a truancy pilot program and \$1.025 million in refinanced TANF funds for refugee language grants. The House also extends the availability of optional case management services from six months to twelve months after a participant leaves MFIP.

Among provisions relating to MinnesotaCare, the House phases out the provider tax used to help fund the health care program. Under current law, the tax is 1.5 percent but rises to 2 percent in fiscal year 2000. Through the House plan, however, the tax remains at 1.5 percent in 2000, lowers to .5 percent in 2001 and is eliminated to following year. The Senate keeps the provider tax, but eliminates the 1 percent premium tax also used to help fund MinnesotaCare until 2003. The Senate plan expands single adults and households without children eligibility for MinnesotaCare from 175 percent of the federal poverty level to 275 percent and eliminates co-payments for parents and relative caretakers of children under 21 in households below 175 percent of the poverty level, pregnant women and children under 21. The Senate plan also reduces the reserve limit for the health care access fund from \$150 million to \$80 million and allocates \$3 million in TANF funds over the biennium for health care worker training and retention. The House version includes none of these provisions.

There are many other differences in the two versions. The House plan establishes a loan forgiveness program for pharmacists in rural and under served urban areas, authorizes a project to reconfigure two existing intermediate care facilities in Carver County, requires counties to take steps to increase the availability of services to the mentally retarded and eliminates senior drug program premium rebates. The House also expends \$2.6 million over the

biennium for community clinic grants, \$1 million for an organ, eye and tissue donation initiative, \$1 million for colposcopy services and \$755,000 for breast and cervical cancer screening. The Senate plan includes no similar provisions, but provides \$250,000 over the biennium for STD screening and \$300,000 for adolescent HIV and STD prevention grants. The only decision made during the meeting was to approve the identical policy and technical language in articles one through five of the two plans that do not include funding. The rest of the proposal will be discussed again at a later meeting.

Higher education bill

Omnibus bill studied

Higher education conference committee members began discussing the higher education omnibus bill, H.F. 2380, at a meeting Tues., May 4. The committee is co-chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls) and Rep. Peggy Leppik (R-Golden Valley).

Douglas Berg, House legislative analyst, presented an overall comparison of the funding appropriations by the two bodies. He said that under Higher Education Services Office (HESO), the Senate provides \$18.9 million for student share of costs and \$28.5 million to cover increased student grants, based on changing the status of a full-time student from 15 credits to 12 credits. The total appropriation from the Senate for HESO is \$338.7 million, according to Berg, and the House appropriation is \$285.4 million.

Berg said the Minnesota State Colleges and Universities (MnSCU) budget is fairly evenly funded by the House and Senate. The Senate funds student success programs with \$9.5 million and individual programs in technology and economic development. The House funds technology and institutional competitiveness with appropriations that can be used in a variety of programs. The total funding appropriation for MnSCU is \$1.109 billion by the Senate and \$1.133 billion by the House.

The University of Minnesota receives appropriations of \$1.171 billion from the Senate, including appropriations for primary care physicians and lottery research. The House appropriates \$1.204 billion to the U of M. Both bodies offer

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appropriations of \$3.183 million to Mayo Clinic. Berg said the difference in funding appropriations for the omnibus bill is \$10 million, with the Senate appropriating a total of \$2.615 billion and the House, \$2.625 billion.

Kerry Fine, House researcher, examined some of the House appropriations to HESO more closely. She said the House directs HESO to collect data on work study and child care grant awards. She said the House also permits regional organizations receiving grants under the Learning Network to consider proposals from competing vendors.

Senate Counsel Christopher Stang said the Senate version of the bill appropriates money for the National Service Scholars program and for the Health Care and Human Services Education Grant program. He said the Senate version provides for HESO to enter into a contract for up to eight years with a third party vendor to start the Edvest program.

Fine said that the House version of the MnSCU appropriation requests the board to reduce the minimum campus reserve from 5 to 3 percent; directs that all money be allocated to the campuses; and specifies that campuses have broad spending discretion, but report on their spending choices. She said the House funds improvements in education including academic programs, advising, libraries, course size and availability. The MnSCU board is requested to add resources to Central Lakes College under the House version. The House permits the board to waive tuition for eligible Southwest Asia vets, and the Senate appropriates \$15,000 annually for the same purpose. Fine said the House appropriates \$300,000 to reimburse Bemidji State University (BSU) for information system costs and provides \$100,000 to Southwest State for a rural research center. The House also authorizes the sale of a small parcel of Winona State University land and authorizes MnSCU to use system and campus reserves to replace the boilers at Winona State and work on a property site at Moorhead State University (MSU).

The MSU project is in the Senate capital bonding bill, according to Stang, and the Senate version of the bill appropriates \$400,000 to BSU for a Research and Innovation Center. He said the Senate also appropriates \$100,000 to the Staples campus for agriculture

programs. Stang said the Senate directs the commissioner of finance to withhold \$2 million until MnSCU submits a system-wide space utilization report. Metropolitan State is allowed to retain any savings from lease costs in Minneapolis under the Senate version of the bill. Stang said the Senate version authorizes a classroom addition and a child care addition at Itasca Community College, and construction of a technology center at Pine Technical College. While the House version of the bill increases access to the farm business management programs by expanding capacity, the Senate version provides for \$400,000 each year to increase tuition assistance.

Regarding the U of M, Fine said the House requests development of a higher education policy research center and funds the expansion of upper division and graduate programs in Rochester. The House version specifies purposes of funding including improving undergraduate education, providing repair and betterment, and competitive compensation. Fine said the House directs the Academic Health Center to consult with the health care community and report to the Legislature on the strategic direction of its programs with a plan to meet state health education needs. The House version of the bill passes any increases in Pell grants, after the 1999-2000 year, to the students directly by capping the amount of the Pell that is subtracted in state grants calculations. The minimum state grant is reduced from \$300 to \$200. Both the House and Senate versions of the bill state that standardized assessment results may not be used to prohibit a student from enrolling in a certificate or diploma program. Fine said the House version directs MnSCU to submit a master academic plan for the Metro Area to the Legislature by Sept. 15, 1999.

Under the Senate version of the bill, the first \$250,000 of permanent U of M fund income from royalties for mining under state mineral leases in FY 2000 must be allocated to the Department of Landscape Architecture to develop a long-range plan for the reclamation of taconite mining lands. Stang said the Senate version provides that \$150,000 from the lottery prize fund is appropriated on a one-time basis for a treatment effectiveness follow-up study for compulsive gambling. An appropriation of

\$100,000 from the lottery prize fund must be used to reimburse drug expenses associated with patients undergoing clinical trials for treatment of compulsive gambling at a Minnesota hospital. Senate language provides that all public and private post-secondary educational institutions must furnish information regarding the transmission, treatment and prevention of hepatitis A, B and C to all first-time enrollees. Stang said the Senate version of the bill provides that applicants are eligible for child care, even if receiving assistance through the Minnesota Family Investment Program (MFIP).

Leppik asked for a clarification on child care eligibility. Sen. Deanna Wiener (DFL-Eagan) said those individuals receiving daytime child care through MFIP can qualify for evening child care if they are attending college classes to better their situation. Leppik said she will seek a clarification to make sure the Department of Human Services (DHS) is continuing to fund the daytime child care.

Tax bill

Omnibus bill discussed

A comparison of provisions of the Senate and House versions of the tax omnibus bill was heard, Weds., May 5, by the Tax Conference Committee. Sen. Douglas Johnson (DFL-Tower) and Rep. Ron Abrams (R-Minnetonka), are the co-chairs of the conference committee.

Matt Smith, commissioner of the Dept. of Revenue, said that although the Senate and House versions of the bill contain major differences, both bills provide for a major tax reduction for Minnesota taxpayers.

Keith Carlson, Senate tax analyst, and Joel Michael, House tax analyst, went through provisions of the bill highlighting the differences. Michael said the House provides for an income tax rate reduction in all three brackets. The rate of the lowest bracket is reduced from 6 percent to 5.5 percent, the rate of the middle bracket from 8 percent to 7 percent, and the rate of the highest bracket from 8.5 percent to 8 percent. Carlson said the Senate provides for a .5 percent reduction in the middle and lower bracket. The House also expands the width of the married joint return brackets to be twice that of the single bracket to eliminate the marriage

penalty. The Senate expands the width of the married joint return bracket for the first rate to be 1.5 times the width of the single bracket.

Michael said the House allows the shareholder of a bank "S" corporation a credit equal to 85 percent of the corporate franchise tax paid by the "S" corporation bank. The House also allows a corporation to claim a credit for taxes paid to another state, if the other state treats the income as non-business income, assigns it to the state, and Minnesota treats it as business income and apportions it. The credit is equal to the amount of tax paid to the other state multiplied by the corporation's apportionment percentage. Carlson said the Senate has no comparable provisions. The Senate increases the working family credit for taxpayers with children by increasing the credit rate applicable to the first bracket approximately ten percent. The House directs the Dept. of Revenue to construct tables for taxpayers to use in determining the working family credit. Michael said the department used this approach in administering the changes made to the working family credit in 1998.

There are different provisions in each version regarding the education tax credit. Michael said the House expands the credit to amount paid for education services for a nondependent child by the custodial parent. Carlson said the Senate expands the credit to services provided by a member of the Minnesota Music Teachers Association.

Among the House's provisions in the sales tax article of the bill is an expansion in the definition of farm machinery to include machinery and equipment used to produce trees and shrubs as nursery stock. The Senate provides rules for the approval, use, and termination of local sales taxes by requiring voters to approve a local sales tax imposition at a general or special election.

In the special taxes article of the bill, Carlson said the Senate provides that all assessments including the insurance guarantee association assessment, are not to be included in the retaliatory tax calculation for purposes of the insurance premium tax. Michael said the House reduces the lawful gambling tax from 9.5 percent of gross profit to 8.5 percent.

Carlson said the Senate provides a reduction in the ad valorem portion of

the motor vehicle registration rate from 1.25 percent to 1.2 percent of the vehicle's base value, which is essentially the sticker price. He said the provision also increases the depreciation applied to the base value for each year of the vehicle life. The House has no provision reducing the motor vehicle registration tax. Michael said the House has included a provision stating that the MinnesotaCare program is not an entitlement and prohibits the Dept. of Human Services from expending more funds than the appropriations made available by the Legislature. He said the House has included a provision in the property taxes article in the bill establishing target class rates as state policy goals as 3 percent for upper-tier commercial industrial property, 2 percent for apartment property, and 1.5 percent for the upper-tier of other residential property. Carlson said the Senate has provided that local governments are permitted to certify to the county auditor for collection through the property assessment and taxation process an unpaid, overdue penalty imposed for violation of an ordinance enacted under protection of water resources. He said the Senate has also provided a repeal in 2000 of the local performance aid which is folded into the local government aid for cities that received aid in 1999 and the HACA for counties that received the aid in 1999. Michael said the House has a provision reducing the levy limit bases for counties to reflect the state takeover of additional court costs. He said the levy limit base for taxes payable in 2000 only includes one-half of the court adjustment allowing the counties to levy for court costs for the first six calendar months of 2000. The rest of the adjustment occurs in 2001. The Senate has no comparable provision in the bill. The House also limits the increase in market value to 7 percent of the preceding year's assessment. The limit is 15 percent of the difference between the current assessment and the preceding assessment, when that computation yields a higher amount.

The committee adopted several provisions in the bill that were identical in both the House and Senate versions of the bill. The committee agreed to appoint Sen. John Hottinger (DFL-Mankato), Sen. William Belanger (R-Bloomington), Rep. Dan McElroy (R-

Burnsville), and Rep. Ann Rest (DFL-New Hope) to a subcommittee to come up with recommendations for the tax increment financing article of the bill. Johnson said that he hoped the conference committee could also quickly agree on the sales tax rebate provided by both the House and Senate, so the department could begin preparing for the mailing of rebate checks to get them out as quickly as possible.

Transportation bill

Omnibus bill language discussed

Members of the transportation conference committee addressed language variances in the House and Senate versions of the omnibus appropriations bill at a meeting Mon., May 3. The conference committee is co-chaired by Sen. Janet Johnson (DFL-North Branch) and Rep. Carol Molnau (R-Chaska).

In looking at disability parking, John Williams, House Research, said that both the House and Senate versions provide for disabled parking for an unlimited amount of time in metered or unmetered spaces restricted to a maximum period of time. The Senate version offers a degree of local option in that unlimited parking is not allowed when time restrictions are separately posted. Williams said the House language provides parking exemptions for pregnant women whose condition may be aggravated by walking. That condition is addressed in another bill in the Senate, according to Williams.

Bonnie Berezovsky, Senate counsel, said the Senate version of the bill specifies that a lighting device mounted on top of a vehicle making deliveries to residences may project a white light to the rear or to the front if the sign projects one or more additional colors. The bill also provides for a study of vehicle lighting. Berezovsky said the Senate language also provides for a vehicle combination length of 65 feet. Major Gene Halverson, state patrol, said that North Dakota recreation vehicle lengths can reach 75 feet, and that Minnesota's current allowed length matches Iowa and Wisconsin at 60 feet.

Berezovsky said the Senate language requires that driver's license applicants have to hold an instructional permit at least six months before taking their driver's test, unless previously licensed. Katherine Burke Moore, Driver and

Conference update

Vehicle Services, said that many adults come to take their driver's test, not knowing how to drive, and retest many times. She said they use the test as a form of driver training.

A home-school student may be issued a permit and complete driver education classroom training in home-school, according to Senate wording in the bill. Williams said the House version provides for a reduced price identification card for persons suffering from mental illness. The Senate version also defines directional signs and public authorities. Berezovsky said the Senate version of the bill specifies that the required local match for public transit operators in large urbanized areas is 50 percent rather than the current 55 percent. Berezovsky said the Senate portion of the bill creates a mobility fund to include proceeds of the motor vehicle sales tax. The money in the fund, she said, is for transit capital costs.

The House version of the bill provides for public safety radio system agreements, according to Williams. He said this allows for maximum use of existing towers. Williams said both versions of the bill provide that different percentages of gasoline tax revenues are used in snow-mobiles operated in Minnesota. The House specifies 1 percent and the Senate, .75 percent.

Williams said House language provides that the commissioner of public safety may accept paid advertising for departmental publications, specifically the state driver's manual. Molnau said some concern has been expressed whether this is a break-even issue. Burke Moore said the Department of Natural Resources (DNR) contracts out advertising for publications and more than covers the cost. She also said the DNR does not allow advertising for tobacco in its publications, responding to a concern Molnau raised about who may advertise in the driver's manual.

Berezovsky said the Senate requires the Metropolitan Radio Board to report to the Legislature by March 1, 2000, concerning the status of the 800 megahertz system. The report must include the projected cost of the system, identification of who will pay for each part of the system, the number of radios purchased by any government unit and an identification of manufacturers that may deliver radios to the state or any government

unit in connection with the 800 megahertz project.

Rep. Tom Workman (R-Chanhassen) said he has grave concerns about the megahertz system to date. William Schreiber, Department of Transportation (MnDOT), said that one needs to keep in mind changing technology. "We won't know what all the vendors have until they send in the criteria for bids."

Workman said he wants good technology and good products. "My problem is that I have not yet seen whether the 6,500 radios now in the works received a proper request for proposal (RFP)."

Sen. Dean Johnson (R-Willmar) said he shares Workman's concerns about the RFP.

Schreiber said that Minnesota public safety employees have the most advanced technology in the region. He said MnDOT did not want to put out bids without having subscriber equipment that can work with the current technology. He said Motorola demonstrated that its equipment works with the rest of the system.

Carrier dereg discussed

Members of the transportation omnibus appropriations bill conference committee devoted the entire Tues., May 4, meeting to a discussion of provisions in the Senate version of the bill relating to passenger carrier deregulation. The House version of H.F. 2387 does not contain the provisions.

Ward Briggs, from the Dept. of Transportation, highlighted each of the provisions in the bill. Briggs said the Senate language alters the definition of "motor carrier" by deleting language relating to operating authority. Under the Senate version, "motor carrier" refers to a person engaged in for-hire transportation of property or passengers, except those providing building mover service, limo service or several other services defined in statute. According to Briggs, the provision adds a new definition of "motor carrier of passengers" that restricts the category to transportation in vehicles designed for eight or more persons, including the driver. In addition, another provision adds a new definition of "small vehicle passenger service" that restricts the category to transportation in vehicles designed for seven or fewer persons, including the driver.

The Senate language goes on to

establish a passenger carrier registration system and sets forth the duties of the commissioner in regard to the registration system. The measure also sets forth the criteria for a certificate of registration, provides for the suspension of the registration with an unsatisfactory rating and imposes a \$1,000 annual registration fee. Further, Briggs said the provisions require cities that license and regulate small vehicle passenger service to do so by ordinance and allows the Metropolitan Airports Commission (MAC) to regulate ground transportation to and from the airport.

Briggs said that much of the controversy surrounding the language relating to passenger carrier deregulation centers on the annual registration fee and the provision allowing the Metropolitan Airports Commission to regulate ground transportation. Briggs said that the department had prepared some amendments to help ease concerns about the provisions, particularly on the part of taxicab drivers. One of the amendments, he said, details the process the Metropolitan Airports Commission must undertake if the commission wants to change any of the concession agreements. Elizabeth Hoium, representing the Metropolitan Airports Commission, said that the measure does not give the commission any new authority. Instead, she said, the measure clarifies MAC's role with ground transportation and allows MAC to focus on safety, convenience and customer service.

Sen. Randy Kelly (DFL-St. Paul) appeared before the panel to speak on the issue. He said that there was consternation among taxicab drivers that the language was too broad and could allow MAC to eliminate small companies. A taxi driver said that the drivers would be more comfortable if taxis were governed by ordinance.

The panel, chaired by Sen. Janet Johnson (DFL-North Branch) and Rep. Carol Molnau (R-Chaska), took no formal action on the provisions.

Carrier deregulation debated

Discussion continued on passenger carrier registration at the transportation conference committee meeting Weds., May 5. The committee, which is considering the transportation omnibus appropriations bill, is co-chaired by Sen. Janet Johnson (DFL-North Branch) and Rep.

Carol Molnau (R-Chaska).

Joe Beaton, representing the Minnesota School Bus Operators Association, suggested several language changes to the bill. He recommended lowering the initial registration fee for carriers from \$1,000 to \$75 and not subjecting motor carriers of passengers to an annual vehicle registration fee. He also recommended the Department of Transportation (MnDOT) conduct audits and inspections, as much as possible, by Internet. "We don't want government inspectors coming out unless they have to, and everything in this area should ultimately be on the Internet," Beaton said.

Betsy Parker, MnDOT, said the department and the Department of Public Safety (DPS) are both trying to computerize as many functions as possible, although she is not sure whether audits can be computerized.

Beaton suggested all vehicle inspections be done statutorily, so there is no

duplication. He said inspections should be conducted by the DPS and vehicles inspected and found satisfactory as buses for motor carriers of passengers and that are also school buses should only have one annual inspection. Parker said she believes Beaton is talking about a self-inspection, and she disagrees on this point. "Carriers should not stop doing their own inspection, but government should oversee an inspection once a year," she said.

Beaton also recommended a ten-day permit be provided for a vehicle licensed as a school bus to be used as a vehicle licensed as a charter bus for not more than two times per year. He said the fee for the permit should be \$75. He suggested random inspections of carriers. "It's horrible for a carrier to have a bus show up with a problem during a random inspection," he said. "The bus cannot be moved until it is repaired." Beaton recommended an operating limitation on motor carriers of passengers, saying they

must not transport students to and from school or to and from extra-curricular activities unless they are inspected and found satisfactory as school buses or have a manufacturer's rated seating capacity of 47 passengers or more.

Parker said she believed the school bus protections are as much for competition as safety. Beaton said he resented that, and the proposals he has suggested do not restrict competition. He said the most important thing the Legislature can do is pick up the increased insurance limits, so the public is adequately covered.

Rep. William Kuisle (R-Rochester) said he believed the operating limitations might be controversial to school board associations. He said the school districts might have higher costs.

Major Glen Halverson, state patrol, said every school bus has to be inspected at least once, including school buses used as charter buses.

No action was taken on any of the proposed language.

Chapters

Bills signed into law this week:

No.	Senate File	Senate Author	House File	House Author	Description	Signature date
113	1463*	Krentz	1538	Vandever	Towns capital reserve funds.	5/3/99
114	480*	Murphy	1161	Dempsey	Port authorities commercial navigation projects lease or management contract revenues retention.	5/3/99
115	1012*	Lessard	673	Solberg	Itasca County unorganized townships road and bridge fund tax money expenditure authority.	5/3/99
116	1368*	Knutson	1622	Gerlach	Architects, engineers, surveyors, landscape architects, geoscientists and interior designers professional services state procurement or building and construction contracts payment requirements exemption.	5/3/99
117	496*	Knutson	1169	Holberg	Financial institution search warrants time period extension.	5/3/99
118	283*	Betzold	489	Carruthers	Civil commitment procedures modifications and clarifications.	5/4/99
119	595	Stevens	585*	Erickson	Independent School District #473, Isle; school building conversion grant appropriation reduction and match and program requirements modifications.	5/4/99
120	1675	Scheid	1708*	Seifert, J.	Minnesota FAIR plan act provisions modifications.	5/4/99
121	1075	Hottinger	1106*	Larsen, P.	Life or health insures HIV vaccine research health information underwriting decisions use restriction.	5/4/99
122	834*	Knutson	863	Tingelstad	Putative fathers adoption registry and communication or contact agreements provisions modifications and intercountry adoptions postadoption reports recognition.	5/4/99
123	296*	Robertson	483	Tuma	Modifies special education provisions.	5/4/99

Floor action

Friday, April 30

Bills granted final passage under suspension of rules

H.F. 2420-Johnson, D.J.: Omnibus tax bill. 41-20

Conference committee reports adopted and repassed

S.F. 2234-Cohen: Makes deficiency appropriations for state government operations. 62-0

Monday, May 3

Bills granted final passage under suspension of rules

H.F. 2333-Pogemiller: Omnibus K-12 education omnibus appropriations bill. 65-0

S.F. 1058-Langseth: Omnibus emergency capital improvements bill. 52-11

Conference committee reports adopted and repassed

H.F. 174-Fischbach: Authorizes the Paynesville area hospital district to annex the city of Richmond to the district. 63-0

H.F. 70-Pariseau: Authorizes law enforcement agencies to sell forfeited firearms, ammunition and firearm accessories to firearms dealers. 53-10

S.F. 1330-Solon: Omnibus banking bill. Regulates fees, charges and time periods and authorizes certain part-time banking locations. 64-0

S.F. 1471-Murphy: Requires certain limitations on tenant screening fees. 64-0

Tuesday, May 4

Bills granted final passage on Special Orders

S.F. 1636-Stumpf: Allows local governments to petition to amend or repeal state agency rules. 60-0

H.F. 1414-Wiger: Makes changes to deaf and hard of hearing services division and modifies interpreter services. 58-0

S.F. 1721-Flynn: Ratifies public employment labor agreements and modifies PELRA provisions. 50-14

S.F. 1762-Flynn: Modifies transportation and highway provisions. 52-8

S.F. 615-Higgins: Adds the position of assistant superintendent for development for the Minneapolis Park and Recreation Board. 59-0

Bills granted concurrence and repassage

S.F. 1615-Sams: Establishes a task force to develop a new day training and habilitation payment rate structure with technical assistance from the commissioner of human services. 60-0

S.F. 1539-Stumpf: Provides for a new license category under the well code for a vertical heat exchanger contractor and establishes training requirements for well contractors installing vertical heat exchangers. 60-0

S.F. 1645-Johnson, D.E.: Exempts vehicals carrying milk from seasonal weight restrictions under certain circumstances. 60-0

Conference committee reports adopted and repassed

H.F. 371-Fischbach: Removes the limit on the amount a local government may contribute for historical work and permits contributions to public or private, nonprofit senior centers or youth centers. 58-0

H.F. 60-Betzold: Allows reimbursement for supplemental private duty nursing services supplied by spouses. 58-0

Wednesday, May 5

Bills granted concurrence and repassage

S.F. 1047-Solon: Provides that Roth IRAs be treated the identically to other retirement accounts for purposes of creditor's remedies. 61-0

S.F. 626-Murphy: Authorizes private sale of state lands. 62-0

S.F. 1585-Stevens: Makes technical changes to human services statutes. 56-0

Conference committee reports adopted and repassed

S.F. 383-Pappas: Provides for the regulation of the practice of midwifery.

Bills granted final passage on Special Orders

H.F. 1235-Dille: Modifies animal feedlot regulation provisions. 39-20

S.F. 319-Pogemiller: Omnibus pension bill. Makes changes to various public employee pension plans. 60-0

Conference committees

H.F. 7-Termination of the motor vehical emissions inspection program.

Members:

Metzen	Haake
Pariseau	Ozment
Price	Johnson

H.F. 15-K-12 education high standards.

Members:

Pogemiller	Mares
Scheid	Pelewski
Johnson, D.E.	Olsen
Robertson	Siefert, M.
Laidig	Erickson

H.F. 1467-Omnibus early childhood and family education appropriations bill.

Members:

Piper	Sykora
Lourey	Nornes
Higgins	Mulder
Robling	Abeler
Lesewski	McGuire

H.F. 2205-Omnibus emergency bonding bill.

Members:

Langseth	Knoblach
Ten Eyck	Dempsey
Berglin	Daggett
Terwilliger	Rifenberg
Dille	Kalis

H.F. 2333-Omnibus K-12 education appropriations bill.

Members:

Pogemiller	Seagren
Scheid	Mares
Pappas	Kielkucki
Scheevel	Wolf
Robertson	Dorn

H.F. 2380-Omnibus higher education appropriations bill.

Members:

Stumpf	Leppik
Larson	Tuma
Wiener	Dehler
Solon	Seifert, M.
Kelley, S.P.	Carlson

H.F. 2387-Omnibus transportation appropriations bill.

Members:

Johnson, J.B.	Molnau
Langseth	Kuisle
Ourada	Lieder
Flynn	Dehler
Johnson, D.E.	Kalis

H.F. 2390-Omnibus economic development appropriations bill.

Members:

Janezich	McElroy
Novak	Gunther
Johnson, D.H.	Dauids
Runbeck	Lindner
Pariseau	Trimble

H.F. 2420-Omnibus tax bill.

Members:

Johnson, D.J.	Abrams
Vickerman	McElroy
Murphy	Kuisle
Hottinger	Van Dellen
Belanger	Rest

S.F. 2221-Omnibus crime prevention and judiciary appropriations bill.

Members:

Kelly, R.C.	Broeker
Spear	Larsen, P.
Neuville	Holberg
Knutson	Murphy
Ranum	Stanek

S.F. 2223-Omnibus state government appropriations bill.

Members:

Price	Krinkie
Metzen	Osskopp
Cohen	Rhodes
Frederickson	Reuter
Stevens	Kahn

S.F. 2225-Omnibus health and human services appropriations bill.

Members:

Samuelson	Goodno
Berglin	Bradley
Kiscaden	Seifert, J.
Junge	Boudreau
Oliver	Greenfield

S.F. 2226-Omnibus environment and agriculture appropriations bill.

Members:

Krentz	Holsten
Laidig	Finseth
Lessard	Ozment
Anderson	Ness
Sams	Osthoff

Committee roster

Policy Committees

Agriculture and Rural Development (13)

Chair: Sams

Vice Chair: Hanson

Office: 328 Capitol

Phone: (651) 296-7405

Meets: Tues., Thurs., 2-3:45 p.m. Room 107

Members:

Berg	Johnson, D.E.	Lourey	Scheevel
Dille	Lesewski	Murphy	Vickerman
Fischbach	Lessard	Piper	

Children, Families and Learning (34)

Co-Chairs: Piper, Pogemiller, Stumpf

Meets: Tues., Weds., Fri., 8-9:45 a.m. Room 15

Office: 235 Capitol

Phone: (651) 296-7809

Members:

Foley	Kleis	Murphy	Scheid
Hanson	Knutson	Neuville	Solon
Higgins	Krentz	Olson	Ten Eyck
Janezich	Langseth	Pappas	Terwilliger
Junge	Larson	Ranum	Wiener
Kelley, S. P.	Lesewski	Robertson	Wiger
Kierlin	Lourey	Robling	Ziegler
Kiscaden	Marty	Scheevel	

Commerce (16)

Chair: Solon

Vice Chair: Wiener

Meets: Tues., Thurs., 2-3:45 p.m. Room 112

Office: 303 Capitol

Phone: (651) 296-5776

Members:

Belanger	Kleis	Novak	Scheid
Cohen	Larson	Oliver	Spear
Day	Marty	Runbeck	
Hottinger	Metzen	Samuelson	

Crime Prevention (16)

Chair: Spear

Vice Chair: Johnson, D.H.

Meets: Mon., Weds., Fri., 2-3:45 p.m. Room 15

Office: 120 Capitol

Phone: (651) 296-4191

Members:

Anderson	Junge	Krentz	Ranum
Belanger	Kelly, R.C.	Laidig	Ten Eyck
Berglin	Kleis	Limmer	
Foley	Knutson	Neuville	

Election Laws (11)

Chair: Marty

Vice Chair: Junge

Meets: Mon., Weds., 12 noon-1:45 p.m. Room 112

Office: 326 Capitol

Phone: (651) 296-5712

Members:

Flynn	Johnson, D.J.	Ourada	
Frederickson	Larson	Sams	
Johnson, D.E.	Moe, R.D.	Scheid	

Environment and Natural Resources (18)

Chair: Lessard

Vice Chair: Anderson

Office: 111 Capitol

Phone: (651) 296-1113

Meets: Mon., Weds., Fri., 12 noon-1:45 p.m. Room 107

Members:

Berg	Johnson, J.B.	Olson	Samuelson
Dille	Krentz	Pariseau	Stevens
Frederickson	Laidig	Pogemiller	Stumpf
Higgins	Novak	Price	Vickerman

Governmental Operations and Veterans (14)

Chair: Metzen

Office: 303 Capitol

Phone: (651) 296-4175

Meets: Tues., Thurs., 12 noon-1:45p.m.; Weds., 10-11:45 a.m. Room 15

Members:

Berg	Kierlin	Runbeck	Wiener
Betzold	Pogemiller	Stevens	Wiger
Cohen	Price	Stumpf	
Fischbach	Robertson	Terwilliger	

Health and Family Security (16)

Chair: Hottinger

Vice Chair: Lourey

Office: 120 Capitol

Phone: (651) 296-1323

Meets: Tues., Thurs., Fri., 10-11:45a.m. Room 15

Members:

Berglin	Foley	Sams	Ten Eyck
Betzold	Kiscaden	Samuelson	Terwilliger
Dille	Piper	Solon	
Fischbach	Robertson	Stevens	

Jobs, Energy and Community Development (19)

Chair: Novak

Vice Chair: Kelley, S.P.

Office: 322 Capitol

Phone: (651) 296-1767

Meets: Tues., Thurs., Fri., 10-11:45 a.m. Room 123

Members:

Anderson	Johnson, D.J.	Metzen	Runbeck
Frederickson	Johnson, J.B.	Murphy	Scheevel
Higgins	Kelly, R. C.	Oliver	
Janezich	Lesewski	Ourada	
Johnson, D.H.	Limmer	Pariseau	

Judiciary (13)

Chair: Ranum

Vice Chair: Betzold

Office: 306 Capitol

Phone: (651) 296-0249

Meets: Mon., Weds., Fri., 12 noon-1:45 p.m. Room 15

Members:

Berglin	Foley	Limmer	Ten Eyck
Cohen	Kiscaden	Neuville	Wiener
Fischbach	Knutson	Spear	

Local and Metropolitan Government (16)

Chair: Vickerman

Vice Chair: Higgins

Office: 226 Capitol

Phone: (651) 296-4150

Meets: Mon., Weds., Fri., 2-3:45 p.m. Room 107

Members:

Day	Kierlin	Olson	Robling
Flynn	Langseth	Pappas	Scheevel
Hottinger	Lessard	Pariseau	Wiger
Kelley, S.P.	Lourey	Price	

Rules and Administration (24)

Chair: Moe, R.D.

Vice Chair: Junge

Office: 208 Capitol

Phone: (651) 296-4196

Meets: On call

Members:

Belanger	Frederickson	Lessard	Samuelson
Berg	Johnson, D.E.	Metzen	Solon
Berglin	Johnson, D.J.	Novak	Spear
Cohen	Laidig	Olson	Stumpf
Day	Langseth	Piper	
Flynn	Larson	Pogemiller	

Transportation (17)

Chair: Flynn

Vice Chair: Murphy

Office: 120 Capitol

Phone: (651) 296-5099

Meets: Tues., Thurs., 12 noon-1:45 p.m.; Weds. 10-11:45 a.m. Room 112

Members:

Belanger	Johnson, D.H.	Laidig	Robling
Day	Johnson, D.E.	Langseth	Sams
Hanson	Johnson, J.B.	Ourada	Ziegler
Janezich	Kelly, R.C.	Pappas	

Budget Divisions

Crime Prevention and Judiciary Budget Division (12)

Chair: Kelly, R.C.

Office: 323 Capitol

Phone: (651) 296-5285

Meets: Mon., Weds., Fri., 2-3:45p.m. Room 15

Members:

Anderson	Junge	Limmer	Spear
Belanger	Knutson	Neuville	Ten Eyck
Betzold	Laidig	Ranum	

Economic Development Budget Division (13)

Chair: Janezich

Office: 328 Capitol

Phone: (651) 296-8017

Meets: Tues., Thurs. 2-3:45 p.m. Room 123 Capitol

Members:

Anderson	Kelly, R.C.	Murphy	Ourada
Higgins	Larson	Novak	Runbeck
Johnson, D.H.	Lesewski	Oliver	Wiener

Environment and Agriculture Budget Division (12)

Chair: Krentz

Office: 235 Capitol

Phone: (651) 296-7061

Meets: Mon., Weds., Fri., 12-1:45p.m. Room 107

Members:

Anderson	Frederickson	Lessard	Stumpf
Berg	Johnson, J.B.	Pariseau	Vickerman
Dille	Laidig	Price	

Family and Early Childhood Education Budget Division (10)

Chair: Piper

Vice Chair: Foley

Office: G-9 Capitol

Phone: (651) 296-9248

Meets: Tues., Weds., Fri., 8-9:45 a.m. Room 15

Members:

Higgins	Lesewski	Marty	Terwilliger
Janezich	Lourey	Robling	Ziegler

Governmental Operations Budget Division (11)

Chair: Price

Office: 235 Capital

Phone: (651) 297-4158

Meets: Tues., Thurs., 4-6 p.m.; Weds., 2-4 p.m. Room 125

Members:

Betzold	Marty	Runbeck	Wiger
Cohen	Metzen	Scheid	
Frederickson	Robertson	Stevens	

Health and Family Security Budget Division (13)

Chair: Samuelson

Office: 124 Capitol

Phone: (651) 296-4875

Meets: Tues., Thurs., Fri., 4-6 p.m. Room 123

Members:

Berglin	Foley	Lourey	Solon
Dille	Hottinger	Piper	Stevens
Fischbach	Kiscaden	Sams	Terwilliger

Higher Education Budget Division (10)

Chair: Stumpf

Vice Chair: Ten Eyck

Office: G-24 Capitol

Phone: (651) 296-8660

Meets: Tues., Weds., Fri., 8-9:45 a.m. Room 107

Members:

Kelley, S.P.	Kiscaden	Larson	Solon
Kierlin	Kleis	Murphy	Wiener

K-12 Education Budget Division (15)

Chair: Pogemiller

Vice Chair: Wiger

Office: 235 Capitol

Phone: (651) 296-7809

Meets: Tues., Weds., Fri., 8-9:45 a.m. Room 112

Members:

Hanson	Krentz	Pappas	Scheid
Janezich	Langseth	Ranum	
Junge	Neuville	Robertson	
Knutson	Olson	Scheevel	

Property Taxes and Local Government Budget Division (15)

Chair: Pappas

Office: 120 Capitol

Phone: (651) 296-1802

Meets: Mon., Tues., Weds., Thurs., Fri. 4-6 p.m. Room 15

Members:

Day	Kelley, S.P.	Olson	Scheevel
Flynn	Kierlin	Pariseau	Vickerman
Hottinger	Novak	Pogemiller	
Johnson, D. J.	Oliver	Price	

Transportation Budget Division (10)

Chair: Johnson, J.B.

Office: G-9 Capitol

Phone: (651) 296-5419

Meets: Tues., Thurs., 12-1:45 p.m.; Weds. 10-11:45 a.m. Room 112

Members:

Belanger	Hanson	Langseth
Day	Johnson, D.E.	Ourada
Flynn	Johnson, D.H.	Sams

Taxes and Finance Committees

Committee on Taxes (23)

Chair: Johnson, D.J.

Vice Chair: Scheid

Meets: Mon., Tues., Weds., Thurs., 4-6 p.m. Room 15

Office: 205 Capitol

Phone: (651) 296-8881

Members:

Anderson	Hottinger	Novak	Price
Belanger	Kelley, S.P.	Oliver	Runbeck
Berg	Knutson	Olson	Vickerman
Betzold	Lesewski	Pappas	
Day	Marty	Pariseau	
Flynn	Murphy	Pogemiller	

Education Finance Committee (12)

Chair: Langseth

Office: 122 Capitol

Phone: (651) 296-3205

Meets: Mon., Tues., Weds., Thurs., 4-6 p.m. Room 123

Members:

Foley	Johnson, D.E.	Piper	Scheevel
Hanson	Larson	Robertson	Wiger
Higgins	Moe, R.D.	Robling	

Human Resources Finance Committee (15)

Chair: Berglin

Office: 309 Capitol

Phone: (651) 296-4151

Meets: Mon., Tues., Weds., Thurs., 4-6 p.m. Room 112 Capitol

Members:

Janezich	Kiscaden	Ranum	Ten Eyck
Johnson, D.H.	Kleis	Samuelson	Terwilliger
Kelly, R.C.	Lourey	Spear	
Kierlin	Neuville	Stevens	

State Government Finance Committee (16)

Chair: Cohen

Office: 317 Capitol

Phone: (651) 296-5308

Meets: Mon., Tues., Weds., Thurs., 4-6 p.m. Room 112

Members:

Dille	Junge	Limmer	Stumpf
Fischbach	Krentz	Metzen	Wiener
Frederickson	Laidig	Ourada	Ziegler
Johnson, J.B.	Lessard	Solon	

Minnesota Senate 1999

Party	Phone	Name	Room	Dist.	Party	Phone	Name	Room	Dist.
DFL	296-5537	Anderson, Ellen R.	G-24 Cap.	66	DFL	6-5645	Marty, John	325 Cap.	54
DFL	6-5713	Beckman, Tracy L.	124B Cap.	26	DFL	6-4370	Metzen, James P.	303 Cap.	39
R	6-5975	Belanger, William V.	113 SOB	41	DFL	6-2577	Moe, Roger D.	208 Cap.	2
IND	6-5094	Berg, Charles A.	G-51 SOB	13	DFL	6-5649	Morse, Steven	G-24 Cap.	32
DFL	6-4261	Berglin, Linda	309 Cap.	61	DFL	6-4264	Murphy, Steve	301 Cap.	29
DFL	6-2556	Betzold, Don	306 Cap.	48	R	6-1279	Neuville, Thomas M.	123 SOB	25
DFL	6-5931	Cohen, Richard J.	317 Cap.	64	DFL	6-4334	Novak, Steven G.	322 Cap.	52
R	6-9457	Day, Dick	147 SOB	28	R	6-4837	Oliver, Edward C.	121 SOB	43
R	6-4131	Dille, Steve	103 SOB	20	R	6-1282	Olson, Gen	119 SOB	34
R	6-2084	Fischbach, Michelle L.	149 SOB	14	R	6-5981	Ourada, Mark	145 SOB	19
DFL	6-4274	Flynn, Carol	120 Cap.	62	DFL	6-1802	Pappas, Sandra L.	120 Cap.	65
DFL	6-4154	Foley, Leo T.	G-9 Cap.	49	R	6-5252	Pariseau, Pat	109 SOB	37
R	6-8138	Frederickson, Dennis R.	139 SOB	23	DFL	6-9248	Piper, Pat	G-9 Cap.	27
DFL	6-3219	Hanson, Paula E.	328 Cap.	50	DFL	6-7809	Pogemiller, Lawrence J.	235 Cap.	59
DFL	6-9246	Higgins, Linda I.	226 Cap.	58	DFL	7-8060	Price, Leonard R.	235 Cap.	57
DFL	6-6153	Hottinger, John C.	120 Cap.	24	DFL	7-8061	Ranum, Jane B.	306 Cap.	63
DFL	6-8017	Janezich, Jerry R.	328 Cap.	5	R	6-4314	Robertson, Martha R.	125 SOB	45
DFL	6-9261	Johnson, Dave	111 Cap.	40	R	6-4123	Robling, Claire A.	151 SOB	35
R	6-3826	Johnson, Dean E.	117 SOB	15	R	6-1253	Runbeck, Linda	107 SOB	53
DFL	6-8881	Johnson, Douglas J.	205 Cap.	6	DFL	7-8063	Sams, Dallas C.	328 Cap.	11
DFL	6-5419	Johnson, Janet B.	G-9 Cap.	18	DFL	6-4875	Samuelson, Don	124 Cap.	12
DFL	6-2889	Junge, Ember Reichgott	205 Cap.	46	R	6-3903	Scheevel, Kenric J.	129 SOB	31
DFL	7-8065	Kelley, Steve	321 Cap.	44	DFL	6-8869	Scheid, Linda	317 Cap.	47
DFL	6-5285	Kelly, Randy C.	323 Cap.	67	DFL	6-4188	Solon, Sam G.	303 Cap.	7
R	6-4848	Kiscaden, Sheila M.	135 SOB	30	DFL	6-4191	Spear, Allan H.	120 Cap.	60
R	6-6455	Kleis, Dave	143 SOB	16	R	6-8075	Stevens, Dan	105 SOB	17
R	6-4120	Knutson, David L.	133 SOB	36	DFL	6-8660	Stumpf, LeRoy A.	G-24 Cap.	1
DFL	6-7061	Krentz, Jane	235 Cap.	51	DFL	6-4913	Ten Eyck, David J.	G-24F Cap.	4
R	6-4351	Laidig, Gary W.	141 SOB	56	R	6-6238	Terwilliger, Roy	115 SOB	42
DFL	6-3205	Langseth, Keith	122 Cap.	9	DFL	6-5650	Vickerman, Jim	226 Cap.	22
R	6-5655	Larson, Cal	153 SOB	10	DFL	7-8073	Wiener, Deanna L.	303 Cap.	38
R	6-4125	Lesewski, Arlene J.	131 SOB	21	DFL	6-6820	Wiger, Charles W.	325 Cap.	55
DFL	6-4136	Lessard, Bob	111 Cap.	3	Capitol address: 75 Constitution Avenue				
R	6-2159	Limmer, Warren	127 SOB	33	State Office Building address: 100 Constitution Avenue				
DFL	6-0293	Lourey, Becky	G-9 Cap.	8	St. Paul, MN 55155				

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Long hours in the Senate Chamber are a hallmark of the closing days of the 1999 Legislative session.

Photo by David J. Oakes



May 18, 1999

Senate Highlights

Senate adjourns

The first portion of the 81st Legislative Session came to a close just before midnight, Mon., May 17. Senators devoted the final day of the session to consideration of several of the large appropriations bills and completed their work at 11:59 p.m. The waning hours of the session saw the passage of a \$2.9 tax relief bill—the largest tax cut package in Minnesota history, a \$5.37 billion health and human services appropriations bill, and a \$7.9 billion K-12 education appropriations bill. In his closing remarks, Majority Leader Roger Moe (DFL-Erskine), said that the experiment in tri-partisan government had met with success and that the citizens of the state were well-served by the work of the Legislature during the 1999 session. “We met the test of working together and responding to what Minnesotans asked for—permanent tax relief, more funding for K-12 education and opportunities for individuals to succeed,” Moe said.

This issue of *Briefly* contains summaries of the conference committee and floor action for the period May 6-17. In addition, the final page contains a subscription renewal form for next year's *Briefly*. Please return the form by 6/11/99.

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Major spending bills okayed

Senate members met for a final, all day floor session Mon., May 17, to consider the 1999 omnibus appropriations bills.

Sen. Janet Johnson (DFL-North Branch) carried S.F. 2387, the transportation omnibus appropriations bill, which allocates a total of \$3.283 billion for transportation purposes in the state. Major appropriations in the bill include \$1.836 billion for state roads—which includes \$1.038 billion for state road construction, \$25.047 million for research and investment management, \$139.503 million for central engineering services \$163.838 million for design and construction engineering, \$431.264 million for state road operations and \$11.227 million for electronic communications. The bill appropriates \$944.63 million over the 2000-01 biennium for local roads, \$109.902 million for public safety purposes and \$220.822 million for Metropolitan Council Transit. The bill states that the council may not spend more than \$38.1 million for Metro Mobility purposes in the biennium except for proceeds from bond sales when use of the proceeds for Metro Mobility capital expenditures is authorized by law.

The bill appropriates \$77.891 million

over the biennium for driver and vehicle services—which includes \$30.779 million for vehicle registration and title purposes, \$3.197 million for interstate registration and reciprocity, \$1.31 million for driver and vehicle services support and \$42.605 million for licensing drivers. Also, the bill appropriates \$38.737 million over the biennium for aeronautic purposes—which includes \$27.896 million for airport development and assistance and \$10.576 million for aviation support. The bill appropriates \$30.812 million over the biennium for greater Minnesota transit assistance and \$3.188 million for railroads and waterways.

Sen. Jane Ranum (DFL-Mpls.) raised concerns regarding the amount of money in the bill spent for roads related purposes. She called the bill a roads bill that supports a roads only program and not a transportation and transit program. Because of the emphasis on roads, she said, the bill only quickens the movement of urban sprawl. Ranum also said she is concerned because there is not enough funding for transit on the Metropolitan Area. This, she said, feeds the fears of opponents of light rail because in order for light rail to be successful, the full transportation system must be funded. She said a balance must be reached that meets the needs of both the Metropolitan and rural areas of the state.

Responding, Johnson said there is a great deal of funding for Metro transit on the bill. Most of the larger appropriations, she said, fall into the area of transit and she added that the bill is the result of work spent on Metro Area issues. The bill was approved and given final passage by a vote of 61-3.

Sen. Douglas Johnson (DFL-Tower) carried S.F. 2420, the omnibus tax bill. Key to the bill is the sales tax rebate, which returns an amount of up to \$1.25 billion in surplus funds to taxpayers in the state. If it is determined by July 1, 1999, that fiscal year 1999 surplus funds are available to increase the rebate, the total will swell to \$1.3 billion. Eligibility for the rebate is based on income and property taxes filed on or before June 15, 1997, as well as the amount of property taxes abated in 1997 as part of a flood relief law. The bill also reduces income tax rates in all three tax brackets in the state. The bill decreases income tax rates, from the lowest bracket to the

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highest, from 6 percent to 5.5 percent, 8 percent to 7.25 percent and 8.5 percent to 8 percent. The new tax rates are effective June 30, 1999. The bill also increases the working family credit for taxpayers with children and provides a non-refundable credit for working married couples filing joint returns.

Among other provisions, the bill continues the health care provider tax to fund MinnesotaCare, but leaves the rate at 1.5 percent of services rendered. Current law had the tax increasing to 2 percent. The bill also requires that a general fund surplus that exceeds 0.5 percent of the general fund biennial revenues is available for a tax rebate. If the surplus is less than 0.5 percent, the bill requires the money is to be deposited in a tax relief account. The automatic rebate is effective September 1, 1999. Johnson said the bill represents \$2.9 billion in tax relief spread evenly to all Minnesotans. Not all provisions, he said, are approved of by all of the parties included in the construction of the bill—the Senate Democrats, House Republicans and Gov. Ventura—but most of the bill is favorable to all.

Sen. Janet Johnson asked Douglas Johnson what happened to the proposed reduction in motor vehicle registration fees. Responding, Douglas Johnson said the Senate version originally had a reduction of \$100 million in registration fees and raised the reduction to \$160 million in conference committee. However, he said, the provision was given up in order to seek further middle income tax relief. Sen. Gary Laidig (R-Stillwater) asked Douglas Johnson what will happen if the federal government declares the sales tax based refund eligible for federal taxes. He asked if that causes a large problem or a small problem. Johnson said he doesn't believe the rebate will be declared taxable. However, if it is declared taxable, he said, it will only cause a minor predicament.

Bonding, HFS bills passed

Sen. Keith Langseth (DFL-Glyndon), said that H.F. 2205, the omnibus capital investment conference committee report, contained all of, or a portion of funding for many of the Senate's provisions. He said that the Senate version of the bill contained \$141 million in projects but the conference committee was given a \$90 million target excluding \$60 agreed

upon to fund the Hiawatha Corridor light rail project. Langseth said that one of the few Senate projects not agreed upon by the conference committee was a provision for \$5 million to the cities of Minneapolis and St. Paul for empowerment zones. "That was probably the only disappointment of any size," Langseth said.

Sen. Don Samuelson (DFL-Brainerd), said he was disappointed that an appropriation of \$4.7 million for the abatement and repair of a veterans nursing home in Luverne was not included in the bill. He said the project involves repairing the structure of a new building that has run into severe mold problems. Langseth said that it was the committee's understanding that \$3 million included in the bill from CAPRA funding matched with \$2 million from operating funds would cover the costs of the necessary repairs.

Sen. Dick Day (R-Owatonna), criticized the bill's inclusion of money for light rail transit. "This will be the largest boondoggle the governor sees during his administration," Day said. He said the number of riders that will be served by the project will not justify the costs. Sen. Carol Flynn (DFL-Mpls.) praised the governor for his support of light rail transportation and his leadership on the issue. "I want to thank him for helping us look to the future," she said. She said the state will save money by looking at implementing transportation alternatives and that the costs of building and expanding the Metropolitan Area's road system would prevent building more roads in Greater Minnesota. The bill was repassed on a 48-18 roll call vote.

Next, the Senate took up the health and family security omnibus conference committee report, S.F. 2225, carried by Samuelson. Samuelson said the bill appropriates over \$5.3 billion over the next biennium, the same budget target as the bill that left the Senate. He said the bill provides for a four percent salary increase in 2000 and a three percent increase in 2001 for nursing home, group home, and home health workers. "The cornerstone of the bill was to make sure that health care workers receive a fair amount of recognition for their hard work," Samuelson said, "It is extremely important that providers understand that we want to keep good workers." He said the bill also increases provider payments

to hospitals, physicians and dental services by \$20.5 million over the next biennium. The senior prescription drug program is fully funded at \$18.9 million, Samuelson said.

The bill establishes two endowment funds with the one time tobacco payment of \$968 million. Forty percent of the total, about \$387 million, will go for a statewide tobacco use prevention program administered by the Dept. of Health. Thirty-nine percent of the total, or \$378 million, will go for a medical education endowment. The funds will be divided between the existing medical education and research fund and the University of Minnesota's Academic Health Center. Twenty-one percent, or \$203 million is for a community tobacco use prevention fund.

Sen. Thomas Neuville (R-Northfield) offered a motion to reject the conference committee report, and appoint new conference committee members. "I am under no illusion that this motion will pass. But it's a protest vote," he said, "There were eight pro-life positions in the House bill, and not one of them survived this conference committee report." Neuville said the media labels pro-life advocates as "extremists" when it is the pro-choice advocates that take a no compromise approach in the debate. He said the Senate is "dogmatic" in its dealing with the issue, failing to recognize concerns from the majority of Minnesotans about abortions. Sen. John Hottinger (DFL-Mankato), said that the eight pro-life positions had received a thorough hearing during the committee process and it was unfair to label the Senate process as unfair. Neuville's motion did not prevail by a 28-30 roll call vote.

Sen. Ember Reichgott Junge (DFL-New Hope) spoke in favor of the bill and praised its establishment of the tobacco endowment funds. She said the endowments will save future generations billions of dollars in health care costs by lowering the use of tobacco by youth. The bill was repassed 51-16.

Sen. Sheila Kiscaden (R-Rochester), moved to take H.F. 1426, a Dept. of Health technical bill from the table. Kiscaden said the bill had been laid on the table after the House had made amendments to the bill and she needed time to check with the department on the changes. She said the bill modifies

Senate Highlights

well sealing fees charged and makes changes to several rural health grant programs operated by the department. The bill was passed.

Sen. Leonard Price (DFL-Woodbury), offered S.F.2223, the state government appropriations conference committee report. The bill appropriates \$729 million to fund the general legislative and administrative expenses of state government. Price said the bill is \$300,000 below the budget target and that conferees adopted both the Senate's dollar amounts, and language in the bill with the addition of six House provisions. The adopted House language authorizes an industrial hemp study, names the new revenue building in honor of Harold Stassen, specifies that the loan made by the Minneapolis Community Development Agency to the Minneapolis Park and Recreation Board may not be repaid by any funds from the state or from political subdivisions of the state, and requires local units of government that avail themselves of loans from the revolving fund established in the bill must repay the loans by June 30, 2001, Price said. Sen. Gen Olson (R-Minnetrista) spoke in favor of the provision in the bill imposing new building code standards for bleachers. "This bill ensures that we will have the safest bleachers of any state in the nation," she said. The bill was repassed on a 60-6 roll call vote.

Session wraps up

As the minutes ticked by, members continued working at a steady pace to finish the Senate's business and end the 1999 session on time.

Sen. Lawrence Pogemiller (DFL-Mpls.) told members that H.F. 2333, the K-12 omnibus funding bill, provides the largest increase in education funding in over a decade. The bill provides \$7.9 billion for K-12 education for the biennium.

Pogemiller said the key provisions of the funding package are the increase on the general education funding formula, the equity funding provision and funding for class size reduction. The bill provides a general education formula funding increase of 4.7 percent in FY 00 and 3.2 percent in FY 01. In FY 01, \$50 million is contingent on the November revenue forecast.

The equity funding provision in the bill appropriates an additional \$40

million to help close the gap between property poor districts and the more wealthy districts. The bill creates two regional equity districts, one metropolitan and one rural, excluding cities of the first class. Pogemiller said the bill is a bill for the suburbs – helping to fill in the funding gaps that exist.

The bill funds the governor's fast break to learning school breakfast initiative on a sliding fee scale. Only those families who demonstrate need receive a subsidy for the program. Money is appropriated to aid districts with declining enrollment, including the districts impacted by the tornado and floods the last few years.

Few individual programs received funding in the bill, with the general education formula receiving the largest share of the funds. Sen. Martha Robertson (R-Minnetonka) said that because every district in the state receives a substantial increase in funding, the hope is that every district spend the money wisely. The conference committee report on H.F. 2333 was adopted and the bill repassed on a 67-0 vote.

In the final minutes of the 1999 session, Sen. Douglas Johnson (DFL-Tower) moved that the conference committee report be adopted on H.F. 2420, the tax bill. The bill was discussed earlier in the day on the floor and the Senate was waiting for the conference committee report from the House. The conference committee report was adopted and the bill was repassed on a 65-1 vote. Sen. Roger Moe (DFL-Erskine), majority leader of the Senate, used the closing minutes of the session to thank members and staff for a job well done. He spoke to the public and said the Senate responded to the desires of the people. "You wanted us to set aside politics and do what was right for the state of Minnesota. We've done just that," said Moe. "This is the triple crown of tax cuts. In addition to the \$1.6 billion permanent tax cut, this is the third year that a tax rebate is provided," he said. Moe said the Legislation passed by the Senate this year funds education, housing, smoking prevention aimed at children and invests in the future of the state. He said the state will be positioned for the next century of transportation. "The bipartisan effort has paid off," said Moe.

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Committee update

Children, Families and Learning

Appointees confirmed

Members of the Children, Families and Learning Committee, chaired by Sen. Pat Piper (DFL-Austin), Sen. Larry Pogemiller (DFL-Mpls.) and Sen. LeRoy Stumpf (DFL-Thief River Falls), met Wed., May. 12, to discuss the confirmation of several appointees made to positions by Gov. Ventura.

The appointees are Christine Jax, for the commissioner of the Minnesota Department of Children, Families and Learning; James Bowlus, Ellen Palmer, Julie Nash, Ruth Grendahl and John C. Kim, for the Perpich Minnesota Center for Arts Education; and Michelle Connors and Patricia Hugoson for the state Board of Teaching. All appointees were recommended to be confirmed by the full Senate.

Governmental Operations and Veterans

Appointments confirmed

The Governmental Operations and Veterans Committee, chaired by Sen. James Metzen (DFL-South St. Paul), met briefly, Fri., May 7, to approve several appointments made by the governor.

Appointee David Fisher, Dept. of Administration, briefed members on his background and experience, including his work in telecommunications. He said his background in telecommunications is important especially now, since the governor has recommended transferring the Office of Technology into the Dept. of Administration. Fisher said he hopes to identify opportunities to help state agencies that the department works with and also the citizens of the state.

Sen. Charles Wiger (DFL-North St. Paul) spoke in support of the confirmation, saying that when he served with Fisher on the Metropolitan Council, Fisher was one of the hardest-working members of the council. Wiger made the motion that the committee approve the appointment and recommended that the full Senate confirm the appointment of David Fisher as Commissioner of the Dept. of Administration. The motion prevailed.

Dept. of Employee Relations appointee

Karen Carpenter also appeared before the committee. The governor is reappointing Carpenter for another term as Commissioner of the Dept. of Employee Relations. She said one of her goals for the department is to help the state become an employer of choice – one that is able to compete with the private sector to retain good staff members. Carpenter also said the department would like to see the self-insurance initiative approved this year. The committee approved the appointment of Carpenter and recommended that the Senate confirm the appointment.

Bernard Melter, recommended for reappointment as Commissioner of the Dept. of Veterans Affairs, told members that the department is one of the smallest state agencies, but serves an important purpose. He said that with the declining number of surviving World War II veterans, Vietnam veterans are the largest group of veterans in the country today. He said that the services provided to the veterans in the state, including the veterans medical facilities, are rated very high by national standards.

The appointment of Melter as commissioner was approved and the committee recommended that the Senate confirm the appointment.

Additionally, two appointments to the Minnesota Veterans Home Board of Directors were approved by members. Dr. Harvey C. Aaron, St. Paul, was recommended for reappointment by the governor. Aaron's term expires Jan., 2002. Dr. Frank Budd, Duluth, was recommended by the governor for a first term on the board. Budd's term also expires Jan., 2002. Both appointees have previous military experience and are currently practicing physicians.

The committee approved both appointments and recommended that the Senate confirm the appointments.

Jobs, Energy and Community Development

Appointments approved

The Jobs, Energy and Community Development Committee held a confirmation hearing Thurs., May 6, for several gubernatorial appointees. The appointees were Gregory Scott, as a member of the Public Utilities Commission (PUC); Gerald Carlson as commissioner of the

Dept. of Trade and Economic Development (DTED); Earl Wilson as commissioner of the Dept. of Economic Security (DES); and Katherine Hadley as commissioner of the Housing Finance Agency (HFA).

Scott said that he sees the PUC as a dispute resolution body and his experience as a trial lawyer will be helpful in that role. Sen. Steven Novak (DFL-New Brighton), chair of the committee, said the commission is a quasi-judicial body. He asked Scott what the commission's role will be in the deregulation of the telecommunications and energy industries and where it fits between the Legislature and the administration. Scott replied that many of the utility companies regulated by the PUC also do business in other states, and must respond to other state's laws. He said awkward situations may develop because of that, but the PUC can make recommendations to the Legislature on those matters. Scott also said that the PUC has made a preliminary decision to add two new area codes to the Metro Area, but that should be enough. Scott's appointment was recommended for confirmation.

Sen. Warren Limmer (R-Maple Grove) said that the HFA has grown from an agency that focused on helping people get mortgages to one that has gotten involved with other programs that deal with urban sprawl and low income housing. He asked Hadley where the agency was going. Hadley agreed with Limmer's observation and said that the HFA has gotten involved in housing issues that are connected to other state policy directions. She said that the agency sees itself as part of the team that responds to policies of the Legislature, and coordinates the state's response to federal programs. Hadley's appointment was recommended for confirmation.

Wilson said he wants a task force to address the issue of workforce development and hopes to make some recommendations this fall. He said that many programs under the DES were developed during a time of high unemployment, but now the opposite is true. Wilson said that the DES needs to do a better job of getting people with disabilities in the workforce and take better advantage of getting more women in the workforce through the use of telecommuting. Wilson's appointment was recommended for confirmation.

Conference update

Carlson said that he wants DTED to focus on six areas: business development, community development, workforce development, technology commercialization, trade, and tourism. To do that, he said, DTED needs to work in concert with other agencies and objectively develop goals and strategies. Carlson said that the best thing the state can do is to set the conditions for economic development. Among those conditions, he said, are a strong higher education system, venture capital, a trained workforce, and a political environment that is sensitive to business and business growth. Carlson's appointment was recommended for confirmation. The appointments now go to the Senate floor for final confirmation.

Bonding bill

Proposals offered

Conferees on the bonding bill, H.F. 2205, met for the first time Fri., May 14. Sen. Keith Langseth (DFL-Glyndon), chair of the meeting and chief Senate conferee, announced that the target amount for the bill is \$150 million. However, he said, \$60 million of that is dedicated to funding the light rail transit system (LRT), so only \$90 million is left for other projects. He added that the Senate came to the conference with \$141 million in other projects.

Langseth presented the Senate's first offer toward reaching a compromise. For educational needs, the proposal included \$3.73 million for the Minnesota State Colleges and Universities (MnSCU) to clean up blighted areas and build a parking ramp at Moorhead State University. The offer reduced the grant to the Southwest Metropolitan Integration Magnet School down to \$5 million while a grant to the Interdistrict Arts and Science Middle School remained at \$2.25 million.

For natural resources needs, flood hazard mitigation grants to Red River Valley cities were reduced to \$18.373 million, while a grant to the city of Perham for a solid waste processing facility remained at \$3 million. A \$2.2 million appropriation to the drinking water fund to leverage federal money also remained. However, the wastewater infrastructure fund appropriation was reduced by \$2 million to \$28 million. Langseth said that already \$170 million

in assistance from the fund has been received. "Obviously we need more money," Langseth said. An appropriation of \$3.75 million to the Board of Water and Soil Resources for projects on Lazarus Creek and Grass Lake remained. In addressing transportation needs, the Senate retained a \$10 million appropriation to fund bridge replacement. However, the ports assistance fund appropriation was cut in half to \$1.5 million.

A \$4.7 million appropriation for the Luverne Veterans Home to deal with a mold and moisture problem was cut out of the offer. Langseth said the Dept. of Administration is proposing alternative ways to fund the project. A \$1.785 million appropriation to repair the storm sewer system at the Faribault Correctional Facility remained in the proposal. A \$5 million matching appropriation for grants in Minneapolis empowerment zones remained in the offer. However, a \$595,000 appropriation for a St. Paul flood mitigation project found only in the House version was added.

Other House provisions added into the Senate offer were a \$3 million appropriation to the Capital Asset Preservation and Replacement (CAPRA) fund, a \$250,000 appropriation for a World War II memorial, and half of the initial \$2.8 million appropriation for planning a direct reduction iron (DRI) mill in Itasca County. Project totals when added to the LRT projects and bond sale costs came to slightly under \$150 million.

In response, Rep. Jim Knoblach (R-St. Cloud), chief House conferee, presented the House's counter offer. The House proposed using from the bond sale proceeds fund \$250,000 for a building acquisition at Metro State University and \$6.1 million to repair boilers at Winona State University. Other repairs in the MnSCU system would be funded through the Higher Education Asset Preservation and Replacement (HEAPR) fund. Rep. Steve Trimble (DFL-St. Paul) explained that the building acquisition money was his idea. Trimble said that when a school announces plans to acquire a block of properties, property values rise. With an available source of money, he said the school can act quickly to purchase property as it becomes available at a lower price.

Knoblach said that no money was included for the Southwest Metropolitan Integration Magnet School because of a

pending lawsuit. However, Sen. Roy Terwilliger (R-Edina) said the appropriation is not a response to the lawsuit, but is an emergency need because the proposed site is only available for a limited time. Repairs to school buildings in the Cass Lake/Bena and Caledonia school districts would be funded through the Maximum Effort School Loan program. Sen. David Ten Eyck (DFL-Cass Lake) asked why the House decided to fund just two of four requests, and use the maximum effort school loan fund instead of bond funds. Knoblach said that those two projects stood out as being especially needy. Langseth added that there is more resistance to a bonding bill this year, and that the committee needed to look at doing more in the interest of taxpayers.

The House appropriates over \$18 million, although slightly less than the Senate, for flood mitigation grant money. The House agreed with the Senate's offer on appropriating money for the Perham waste processing facility. The House also agreed with the Senate's \$2.2 million appropriation to the drinking water fund, but only funds the Wastewater Infrastructure Fund at \$5 million. Knoblach said the House started at \$2 million, but added an additional \$3 million to the appropriation. The House appropriation for the Lazarus Creek project through BWSR stood at \$1 million. Knoblach said that amount is 75 percent of the project cost.

For transportation needs, the House includes \$60 million for the LRT, \$10 million for bridges, \$440,000 for a pedestrian bridge in Brooklyn Park, and \$10 million to the Transportation Revolving Loan Fund.

The House also matches the Faribault correctional site sewer system appropriation and the St. Paul flood mitigation grant appropriation, but adds \$4 million to acquire a right-of-way in the St. Paul Phalen corridor. To the Dept. of Administration, the House appropriates \$2.75 million for the Hastings Veterans' Home, \$250,000 for a WW II memorial, and \$2.8 million for the DRI mill in Itasca County.

Left out of the House proposal was an appropriation for grants in the Minneapolis empowerment zones. Cathy O'Brien, of the Minneapolis Community Development Agency, said that leaving the appropriation out puts available

federal money at risk. Knoblack asked why the Minneapolis empowerment zone should be a state obligation. O'Brien replied that empowerment zones in other states frequently involved state-city partnerships. She added that the city of Minneapolis has already made a significant contribution.

Rep. Henry Kalis (DFL-Walters) asked what the effect of a bonding bill would be on the state's future bonding capacity. Peter Sausen, Dept. of Finance, said that the state's bonding capacity is projected to be over \$1 billion for the 2000 and 2002 capital budgets. Kalis asked if the tax cuts were factored into that projection. Sausen replied that the state's revenues would have to drop by a huge amount for the bonding capacity to drop below \$600 million, the anticipated bonding amount for next year. Langseth added that the philosophy previously used is that cash should be used for projects during good economic times so that the bonding capacity is sufficient during bad economic times to stimulate the economy.

The committee recessed to consider the two proposals and eventually adjourned without any further action.

Agreement reached

The conference committee on H.F. 2205, the emergency bonding bill, reached agreement on the allocation of \$150 million in bonding revenues. The agreement was reached late Sun., May 16, as the Legislative session drew to a close. Sen. Keith Langseth (DFL-Glyndon) and Rep. Jim Knoblack (R-St. Cloud) chair the committee.

Conferees decided to appropriate a total of \$11.08 of bond proceeds to the Minnesota State Colleges and Universities (MnSCU) with \$3.73 million to clear blighted areas at Moorhead State University, \$6.1 million to repair boilers at Winona State University, and \$1.25 million to repair the heating and cooling system at Ridgewater Community College.

Use of bond funds is authorized for Metro Area Magnet Schools. The Southwest Metro Integration school receives \$4 million and the East Metro school receives \$1.3 million under the bill. However, the panel rejected the Senate proposal to authorize Maximum Effort school loans for the Red Lake, Cass Lake/Bena, Caledonia and LaPorte school districts.

The flood hazard mitigation grant program receives \$18.373 in bond funds, an amount below the initial positions of both sides. A grant for a solid waste processing facility in Perham receives \$3 million in bond sale proceeds, exactly what both sides proposed going to conference. The drinking water fund receives the Senate recommended appropriation of \$2.2 million from bonds, while the wastewater infrastructure fund receives \$20.5 million. The bill contained language authorizing the use of \$1.785 million to repair the sanitary sewer system at the Faribault Correctional Facility. The Board of Water and Soil Resources receives bonding proceeds of \$1.375 million for the Lazarus Creek project and \$1 million for the Grass Lake project.

Conferees authorized to fund local bridge projects with \$10 million in bond sale proceeds to be credited to the transportation fund. Light rail transit receives \$60 million, the transportation revolving fund receives \$10 million, and a pedestrian bridge in Brooklyn Park receives \$440,000 in appropriations from the bond sale fund. The Senate proposal to use \$3 million for port development was omitted as was a \$5 million bonding appropriation for empowerment zones in Minneapolis.

The package also appropriates \$150,000 for design costs for a World War II memorial and \$3 million for repairs of the Hastings Veterans Home from the bond fund. However, a Senate proposal to use \$4.7 million in bond proceeds to abate mold and moisture in the Luverne Veterans Home was not included. The bill also authorizes \$1 million in bond proceeds for a direct reduction iron mill in Itasca County. With bond sale expenses, the bill authorizes total spending of \$149.948 million.

Crime prevention and judiciary appropriations bill

Negotiations continue

Senate and House conferees on the crime prevention and judiciary conference committee continued to work towards resolution on the omnibus appropriations bill as they met Weds., May 12. The committee is co-chaired by Sen. Randy Kelly (DFL-St. Paul) and

Rep. Sherry Broecker (R-Vadnais Heights).

The committee considered the disposition of forfeiture of proceeds going to the Criminal Gang Task Force. Sheriff Bob Fletcher of Ramsey County said that currently a certain percentage of the money goes to the county attorney filing for forfeiture, and the remainder is distributed to participating agencies on a pro-rated basis.

Senate language provides for a criminal gang prevention and intervention grant program. The language also provides that up to 50 percent of forfeiture funds may be used for expenses related to the operation of the strike force or the Criminal Gang Oversight Council, and a minimum of 50 percent of the money be forwarded to the commissioner of finance. The Senate language requires the commissioner to deposit the money into the gang prevention and intervention account. Fletcher said he prefers leaving the current law in place. An amendment, offered by Rep. Mary Murphy (DFL-Hermantown) requires the forfeiture funds to be distributed as described in the Senate language, with 70 percent of the money forwarded to the appropriate agency to be distributed pro rata to the law enforcement agencies with members on the strike force. The amendment failed.

Sen. Rich Stanek (R-Maple Grove) offered an amendment that the Department of Public Safety (DPS) must consider using a portion of federal Byrne grant funds for criminal gang prevention and intervention activities to help gang members separate from gangs and to help individuals from becoming affiliated with gangs. The amendment prevailed. Kelly's motion to adopt the above-mentioned Senate language on the gang strike force failed. An amendment, offered by Stanek, calling for a report to the Legislature by the Criminal Gang Oversight Council was adopted.

House language dealing with prosecution for fleeing a peace officer and DNA sampling was adopted. Also adopted was an amendment, offered by Sen. Jane Ranum (DFL-Mpls.), providing that DNA evidence may be used to establish a petitioner's actual innocence. Stanek moved to adopt the House language that provides that the third time an offender commits a violent felony, he or she is imprisoned for life. Sen. Allan Spear

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(DFL-Mpls.) spoke against the policy. "There is a problem with the concept," he said. He said exclusion of certain crimes tends to be arbitrary. Spear also said Minnesota is second in the United States in respect to time served by criminals. The language was not adopted.

The closing of the Sauk Centre corrections facility for juvenile female offenders was debated. Murphy said the juvenile female offenders are being abandoned by the closure. Rep. Stephen Wenzel (DFL-Little Falls), testifying before the committee, asked that Sauk Centre not be closed. Sen. Thomas Neuville (R-Northfield) said that Legislators from the Sauk Centre area support the closure. "We are not totally abandoning the community," he said. "There are plans for a residential academy there."

Conferees voted to adopt the House language providing for the closure of the Camp Ripley work program by June 30, 1999, with all offenders being transferred back to the sentencing county to complete their sentences in local facilities.

An amendment, offered by Neuville, requires the DOC and Department of Administration to obtain authorization by law before expending any money relating to new correctional facilities or expanding an existing one by more than 75 beds. "We still want to pursue some privatization in the future," Neuville said. Spear spoke in favor of the amendment, adding that it helps the privatization issue stay alive.

Sheryl Ramstad Hvass, DOC commissioner, said it is her intention to expand the public-private prison issue. "I see the amendment as continuing that dialogue," she said. Neuville offered the amendment, in connection with House language providing for the control and management of Rush City prison by the DOC. The amendment failed. A move to adopt only the House language also failed.

Spear offered an amendment regarding sex offenders released to the community, removing language that prohibits them from residing near a park or school zone or near other offenders. The amendment provides that the agency responsible for the offender's supervision will mitigate the concentration of sex offenders in a community. The amendment prevailed.

A discussion ensued on operation of the correctional facility at Red Wing.

Senate language in the bill calls for the development of a request for proposals (RFP) from private vendors across the country to operate the educational program at Red Wing, with selection of a vendor by Jan. 1, 2000. Ramstad Hvass said there is some concern about the timing of the RFP. Kelly said the report on education at Red Wing, requested by the DOC, was one of the worst reports he has ever seen.

"What we're asking is imminently fair," he said. "We want to turn the Red Wing program into a premier program." He said the juveniles being served at the facility are not being served by the current education system in place. Ramstad Hvass said there is a task force, headed by Lt. Gov. Mae Schunk, studying the curriculum. Neuville said that the DOC has accomplished a lot of things in recent years and has as good a chance or better to compete with an RFP. "Why are you afraid to have the DOC compete?" Rep. Peg Larsen (R-Lakeland) said she has faith in the DOC, but is asking for time for the education system to be improved. Stanek said the commissioner took action as soon as she came on board. Kelly said a vote against the RFP is a vote against kids. No action was taken on the Senate language.

"We're not going to get issues resolved this way," Spear noted. "We need to try and work out an overall compromise. Neither the House nor the Senate will win everything."

Omnibus bill adopted

Members of the crime prevention and judiciary conference committee, co-chaired by Sen. Randy Kelly (DFL-St. Paul) and Rep. Sherry Broecker (R-Vadnais Heights) reached an agreement on the omnibus appropriations bill at the meeting Thurs., May 13. Several hours of negotiation resulted in a \$1.1 billion bill with compromises by both bodies.

Thirteen new district court judgeships were funded at \$4.7 million. Kelly said the Senate acceded to the House language on the Rush City corrections facility. The bill provides that the general control and operations of the facility is under the jurisdiction of the Department of Corrections (DOC).

Kelly also said the residents of the Sauk Centre Juvenile Corrections Center will be transferred to other facilities before Jan. 1, 2000. At that time, responsibility

for the center will be turned over to the Department of Administration (DOA). Kelly said it is hoped that Sauk Centre can be utilized as a residential academy; \$200,000 is allocated for severance costs to employees at Sauk Centre. Rep. Mary Murphy (DFL-Hermantown) asked what will happen to the juvenile females currently housed at Sauk Centre. Dennis Benson, assistant commissioner of the DOC, said it is the department's goal to pursue a facility at the Old Shakopee site, making it a permanent home for juvenile female offenders.

Appropriations of \$5.1 million were awarded to the Gang Strike Force. The bill calls for a report to the Legislature that includes information on the types of crimes on which the strike force and the Gang Oversight Council have focused their investigative efforts, an accounting of spending of funds and donations and long-term goals.

An amendment adopted earlier at this meeting, offered by Rep. Peg Larsen (R-Lakeland), resolves some of the earlier debate about privatization of educational services at the Red Wing correctional facility. The amendment requires the DOC to appoint the Assessment for Excellence Task Force to develop criteria for a request for proposals (RFP) from vendors to operate the educational program at Red Wing. The amendment allows current teachers at the Red Wing facility to respond to the RFP.

The bill provides appropriations to fund grants for implementing a coordinated criminal justice system response to the Computer Optimized Development-Focus on Results (CODEFOR) law enforcement strategy. An amendment adopted earlier, offered by Rep. Rich Stanek (R-Maple Grove), designates \$285,000 the first year for a one-time grant to the city of Minneapolis; \$795,000 the first year for a one-time grant to Hennepin County; and \$420,000 the first year for a one-time grant to the Fourth Judicial District's Public Defender's Office.

The Ombudsman for Corrections, originally appropriated \$1.2 million by the Senate and nothing by the House, received funding of \$870,000.

Some other major funding in the bill include \$3.38 million for a new Bureau of Criminal Apprehension (BCA) facility in St. Paul and \$1 million for training for peace officers in police pursuits. The

conference committee also provided funding intended to reduce caseloads for probation officers. Although several attempts were made in committee by both bodies to provide lifetime probation for certain dangerous repeat offenders, the amendments were never adopted.

"This is a very difficult bill for me to vote for," Murphy said. "We're setting up extremely difficult challenges for the DOC," she said, indicating she was also unhappy with the level of salary increases. "I will not vote yes on this bill," she said.

Kelly said the bill has met a variety of needs. "It's a bill to be proud of, and one that we can defend." Broecker added "We did our best."

The bill was approved by the conference committee on a divided voice vote.

Economic and community development bill

Tourism, IT discussed

The conference committee on H.F. 2390, the omnibus economic and community development appropriations bill, met Fri., May 7, to continue discussions in order to reach a compromise. Discussion centered around funding for tourism marketing and information technology for the Dept. of Trade and Economic Development (DTED) Office of Tourism, the Minnesota Historical Society, and the Dept. of Commerce. Funding levels for the Board of Electricity and the Board of Boxing cost assessments charged by the Public Utilities Commission (PUC) were also discussed.

Much of the discussion centered on the general topic of tourism, specifically as it relates to the budget of the Office of Tourism. Rep. Dan McElroy (R-Burnsville) asked about a request for \$874,000 for the journey travel destination system. Steve Markuson, DTED Office of Tourism, said the appropriation is not for a website, but to redesign and re-engineer the internal operating system. He said the plan is to integrate the department's four databases into one relational database. Markuson said that the new database can speed up information retrieval time and will serve as the web site's backbone. He said that the people who call the department's travel counselors are individuals looking for a travel agent or recreational service

provider. Sen. Linda Runbeck (R-Circle Pines) said she was concerned that the service would infringe on the private sector, but Markuson said the service advises customers on the availability of what they are looking for. He added that 90 percent of the inquiries come from out of state and the goal of the service is to refer the customer to a business that can make the sale. Runbeck asked if the private sector would provide the service if the office didn't. Markuson said that probably wouldn't happen because no business has comprehensive data like the department. He added that if the private sector did offer the service, the level of quality would probably decline.

The panel also discussed funding for the Minnesota Historical Society (MHS). David Kelliher, MHS, said the governor recommended \$736,000 for information technology acquisition. He said the appropriation would be used to provide online access to the society's resources for education. McElroy said that the society has a base budget of \$4.3 million and the House position is that the society could fund the project from there. He added that the House sees the housing and job training needs of the state as a higher priority.

Sen. Jerry Janezich (DFL-Chisholm), chief Senate conferee, asked what would happen if the request was not funded. Nina Archibal, MHS director, said the society's collections would be an under utilized resource. Janezich then argued that by putting the MHS materials online, it is a form of tourism marketing. However, McElroy said that when people can see a Minnesota historic site online, they will stay at home. Sen. Dave Johnson (DFL-Bloomington) argued that by seeing a historic site online, it may pique a person's interest to come visit Minnesota. Archibal added that next to fishing, visiting historic sites is the most frequent reason tourists give for visiting Minnesota.

Patrick Nelson, from the Dept. of Commerce, appeared before the panel to discuss the department's appropriation request for information technology improvements. Nelson said the plan is to allow online registration by businesses regulated by the department. He added that the affected businesses will be notified of the online registration system when it is in place.

The panel also briefly discussed a

House provision exempting local governments from being assessed for costs incurred by the PUC during rulemaking procedures and right-of-way complaint investigations. Jerry Knickerbocker, representing the Minnesota Telephone Association, recommended removing the exemption because local governments may enact outrageous right-of-way ordinances. However, McElroy said that the thinking behind the House provision was to set up the system so that those who want to get into the telephone business pay the costs of resolving disputes, but that local governments shouldn't have to pay just because a right-of-way runs through their community.

The budget of the Board of Electricity was also discussed by the panel. McElroy said that the governor had recommended an increase in the inspection fee charged by the board, but the House was concerned about a large accumulation in the board's fund balance. He said that there is an imbalance between the inspection fee and the board's administrative costs. As a compromise, McElroy said, the House will propose moving the board's fees from rule to statute effective July 1, 2000 with rider language requiring the board to examine its fees and administrative costs and report to the Legislature.

The Board of Boxing was also the subject of conference committee discussion. McElroy said the House position is to sunset the board in 1 year. He said that Minnesota is the only state in the surrounding 10 with a boxing board. However, Jim O'Hara, executive director of the board, said that boxers are in danger of getting hurt if the board doesn't supervise bouts. He said that in 22 years the board has not gone over its budget.

PUC assessments discussed

The conference committee on the omnibus economic and community development appropriations bill, H.F. 2390, met briefly Mon., May 10, to continue discussing fees charged by the Public Utilities Commission (PUC) and update interested parties in the negotiations toward a compromise.

Going into the conference, the House bill contained a provision exempting local government units from assessment costs incurred by the PUC during rulemaking proceedings or right-of-way complaint investigations. Conferees were

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considering removing the provision and discussed the impact of that action. Rep. Dan McElroy (R-Burnsville), chief House conferee, said the committee was considering providing \$30,000 to reimburse local governments for assessments if the House provision were removed. Steve Minn, a member of the PUC, said the problem with having the local government unit pay the cost is that it is passed on to the ratepayers along with administrative costs, and suggested it would be better to just assess it directly to the ratepayers.

Ann Higgins, representing the League of Minnesota Cities, said that removing the exemption could have a “chilling effect” on the participation of cities in proceedings and that small cities would have particular difficulty paying the fees. Sen. Linda Runbeck (R-Circle Pines) asked if a city would ever be a plaintiff in an investigation. Higgins said that cities would be defendants in complaint investigations, and Minn agreed. McElroy asked if a city would ever be an innocent bystander in an investigation. Minn said that it’s possible, but the cost assessment would discourage the city from filing a brief in the matter.

Earlier, conferees gave an update on the status of their negotiations. McElroy said they have a target of \$354.7 million for their bill, but the use of federal Temporary Aid to Needy Families (TANF) money was still undecided. Sen. Jerry Janeczich (DFL-Chisholm) said that they agreed on many of the housing policy issues, but much depended on other budget target numbers and the TANF use question.

Numerous provisions adopted

The conference committee on H.F. 2390, the economic and community development omnibus appropriations bill, adopted numerous provisions at the Tues., May 11, meeting. Rep. Dan McElroy (R-Burnsville), chair of the meeting, said that only the language of the provisions was adopted, and the appropriation amounts are still subject to negotiation.

The panel distributed a list of items to be adopted, and House staff explained each one. Senate provisions on the list include authorization for the Public Facilities Authority to pay administrative costs of loans; a matching grant to the Rural Policy Development Center,

authorization for the Minnesota Trade Office to promote Minnesota internationally; a grant to the Minnesota Inventors Congress; an appropriation to the youthbuild program, including the youthbuild technical program; an appropriation for youth violence prevention programs; an appropriation for a mortgage foreclosure prevention program; an appropriation to the housing trust fund; a grant for homeownership services for people with developmental and other disabilities; an appropriation for the housing rehabilitation and accessibility program; an appropriation for an affordable housing employer matching grant program; an appropriation to the Bureau of Mediation Services; funding for the Workers’ Compensation Court of Appeals; funding for the Public Utilities Commission and the Dept. of Public Service; an appropriation to the Minnesota Historical Society to act as the fiscal agent to refurbish the Fridley Historical Museum; and appropriations to the Minnesota Municipal Board, the Council on Black Minnesotans and the Indian Affairs Council, and the Office of Strategic and Long-Range Planning.

In addition, other Senate provisions include a prohibition against the Dept. of Trade and Economic Development (DTED) operating as a travel agency; authorization for DTED to provide grants for technical assistance to microenterprises; authorization for a process to reimburse providers of employment services to people with mental illnesses; a requirement that workforce centers attempt to provide interpreters for non-English speakers; authorization for a system to award grants to providers of employment services to people with mental illnesses; a requirement for a program to teach computer technical skills under the Youthbuild program; clarification that the full-cycle homeownership services program include counseling services for seniors; authorization for a loan program for businesses on Upper Red Lake; authorization for a study of the effectiveness of pass-through grant recipients; authorization for a task force to study the low-income energy assistance program; and authorization for a study of the impact of regulations on the state’s business climate.

Items on the list coming from the House version of the bill include a grant to the Camp Heartland Center; a grant

to the city of Lake Benton for planning a new visitors’ center and railroad depot; a grant to the Chatfield Brass Band lending library; a grant to the city of Lanesboro for planning a regional arts center; grants to county and district fairs; an appropriation to enhance the journey travel destination system; a grant to the Minnesota Cold Weather Research Center; an appropriation to the State Services for the Blind to convert the operation to digital technology; a requirement that the Dept. of Economic Security plan to reduce the number of line managers at workforce centers; and an appropriation for the Tribal Indian Housing Program.

Other House provisions include an appropriation to fund a mortgage “flipping” educational effort; an appropriation for the Dept. of Health to regulate health maintenance organizations; an appropriation to the Dept. of Commerce to re-engineer its database; appropriations to the Board of Accountancy, Board of Architecture, Engineering, Land Surveying, Landscape Architecture and Interior Design, and Board of Barber Examiners; an appropriation to the Minnesota Historical Society to act as the fiscal agent for various historic sites; an authorization for the Office of Tourism to market tourism-related materials; a provision for compensation to members of the Job Skills Partnership Board; an increase on the limit of grants that may be awarded under the Pathways program; a term length increase for loans under the HIRE program; a removal of the administrative cost limit for the Housing Finance Agency along with a requirement that the agency report its operating costs to the Legislature each year; and authorization to plan for the housing needs for people with HIV/AIDS.

When the committee returned after a recess, McElroy announced that a target of \$358.7 million had been set by the Legislative leadership for the bill, and that \$31 million from the general fund for housing programs had been approved. In addition, McElroy said that \$22 million in a one time appropriation was available for the workforce development fund. The committee adopted an amendment that corrected drafting errors in a previous amendment establishing penalties for engaging in the practice known as “mortgage flipping.” The committee also adopted amendments that allow the Public Utilities Commis-

sion to use part of its general fund appropriation to pay the costs incurred by local governments in right-of-way rulemaking proceedings and freezing fees assessed by the Board of Electricity.

Projects discussed

The conference committee on H.F. 2390, the economic and community development omnibus appropriations bill met briefly Weds., May 12, to discuss various funding proposals before the committee.

At the outset of the meeting, Sen. Jerry Janezich (DFL-Chisholm), chief Senate conferee, announced that Legislative leadership had decided that \$10 million in federal Temporary Aid to Needy Families (TANF) is available to the conference for appropriation.

Later Janezich said that one proposed grant recipient, WomenVenture, encourages women to seek employment in non-traditional trades.

Rep. Steve Trimble (DFL-St. Paul) asked if historic appearance of a building on the campus of Pipestone Community College would be maintained. The Senate proposed selling the building to the city of Pipestone. Rep. Dan McElroy (R-Burnsville), said that the city has a good track record of maintaining the historic appearance of their buildings. The committee took no formal action on any outstanding matter.

Agency operations discussed

Members of the conference committee on H.F. 2390, the omnibus economic and community development appropriations bill, discussed the operations of the Dept. of Commerce and the Housing Finance Agency (HFA) at the Thurs., May 13, meeting. The budgets of the two agencies are funded in the bill.

Proposed changes in fees charged by the Dept. of Commerce prompted Sen. Dave Johnson (DFL-Bloomington) to ask how the revenue collected by the department compared to the cost of the department's operations. David Jennings, commissioner of commerce, said that overall, the department raises three and a half times its operational costs in fees. He said that although revenues exceed the cost, the surplus goes into the general fund, from which the commerce budget comes. Jennings said that the whole structure of Commerce Dept. fees needs to be examined, and there shouldn't be a

cap placed on any single fee before the examination because it could create a hole in the state budget. Jennings added that the department wasn't designed to raise money, but to protect consumers and regulate financial industries.

Discussion turned to the challenge housing grant program proposed by the Senate. The program provides housing development funding when contributions are available from local governments, employers, and philanthropic organizations. Rep. Dan McElroy (R-Burnsville), chief House conferee, said the problem with the program is that it ties the Dept. of Trade and Economic Development (DTED) to philanthropic housing organizations. Kathryn Hahne, representing the National Association of Housing Redevelopment Authorities (NAHRA), said that many suburban NAHRA members are concerned that they may be excluded from eligibility for the program because the philanthropic housing organizations tend to concentrate on the inner cities. McElroy suggested that the program be designed so that maximum credit is given to applicants that can leverage all three funding sources, but won't exclude applicants that can only leverage two. Tanya Orr, HFA, said that Family Housing Fund, a non-profit low income housing organization, has agreed to expand their efforts to the suburbs. She said that the HFA believes that requiring all three funding sources will maximize the government money. Orr added that without requiring employer participation, the housing organizations fear they may be the only money source used for the program. Rep. Steve Trimble (DFL-St. Paul) suggested that some job training money be required with the program. Sen. Jerry Janezich (DFL-Chisholm), chief Senate conferee, said that when the bill is complete, there will be good jobs training and housing pieces in the bill, but they are separate.

The panel also questioned witnesses on the support from the city of Maplewood and the Maplewood Historical Society for a Senate proposal to relocate the Bruentrup Farm. George Rossbach, mayor of Maplewood, said the city is prepared to cover the operating costs of project.

The committee also adopted an amendment that deleted a House proposal to transfer regulation of health maintenance organizations to the Dept.

of Commerce from the Dept. of Health and authorizes a study of the issue by the two departments.

Agreement announced

Members of the conference committee on H.F. 2390, the omnibus economic and community development appropriations bill, met Fri., May 14, to announce that a compromise agreement had been reached. Sen. Jerry Janezich (DFL-Chisholm) and Rep. Dan McElroy (R-Burnsville), chief conferees for their respective sides, listed the provisions in the compromise package. A spreadsheet with the final appropriation amounts was also distributed at the meeting.

Among the major items in the compromise announced by the conferees is the Senate proposal for the new Workforce Development Fund. Under the bill, the dislocated worker assessment on gross wages will drop from 0.1 percent on gross wages to 0.07 percent effective July 1, 1999. However, there is no cap on the fund balance to trigger a rate reduction. The fund will be used for various job training programs operated by the Dept. of Trade and Economic Development (DTED), the Dept. of Labor and Industry, the Dept. of Economic Security (DES), and the Dept. of Military Affairs. The bill also transfers \$29 million from the Dislocated Workers Fund to the Workforce Development Fund on June 25, 1999, and the remaining balance on July 1, 1999.

The accord also includes the House position of using \$10 million of federal Temporary Aid to Needy Families (TANF) money for several state programs. The bill allocates the TANF money so that \$3 million goes to the Pathways program in DTED, \$500,000 goes to the extended employment welfare-to-work program under the DES, \$4.25 million goes to the rental assistance for family stabilization program under the Housing Finance Agency (HFA), and \$2.25 million goes to the Family Homeless Prevention program also administered by the HFA.

Funding for housing is included in the package. The bill contains \$31 million in one-time appropriations, including \$20 million for the Senate proposal's Challenge Grant program. The bill also appropriates \$8 million for the Senate initiated Innovative and Inclusionary Housing program.

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Conferees also agreed to fund the Office of Tourism in DTED at \$4.801 million, \$1,000 above the governor's recommendation. In addition, the bill appropriates \$2 million for contaminated site clean up and \$3 million for community redevelopment. The bill also creates the Minnesota Minerals 21st Century fund to invest in mineral processing facilities. Projects receiving specific grant appropriations include Camp Heartland, the Lake Benton Visitors' Center, the Chatfield Brass Band Lending Library, the Root River Regional Arts Center, the Grimm Farmstead, the Perham Business Technology Center, the Bruentrup Farm relocation, and the Little Falls Fishing Museum.

Policy items in the bill include a restructuring of the Iron Range Resources and Rehabilitation Board. The board will consist of thirteen members, five of which will be members of the House of Representatives, five from the Senate, and three non-elected members to be appointed individually by the Speaker of the House, the Senate Majority Leader and the governor. Decisions of the board will be made by a simple majority. The panel decided against transferring regulation of health maintenance organizations (HMO) to the Dept. of Commerce from the Dept. of Health. Instead, the two departments will jointly study the issue of HMO regulation and jointly report to the Legislature next year.

Environment and ag bill

Kondirator issue discussed

Whether or not the state should further involve itself in an issue requiring the city of Minneapolis to issue permits allowing the American Iron & Supply company to construct and operate a metal shredder on the Mississippi River, was discussed Mon., May 10 by the conference committee on S.F. 2226, the omnibus environment and agriculture appropriations bill. The conference committee is co-chaired by Sen. Jane Krentz (DFL-May Township), and Rep. Mark Holsten (R-Stillwater).

The House version of the bill includes a provision requiring Minneapolis, upon completion of an environmental assessment worksheet, to issue permits to allow the metal shredder, known as a Kondirator, to be built. The provision

further requires that the issuance of the permits may not be stayed in any manner by litigation or appeal unless the court of appeals finds clear and convincing evidence that a stay is necessary to prevent substantial damage to the environment. Sen. Linda Higgins (DFL-Mpls.) said that the provision not only takes away local government control, but also undercuts the legal process. "The city has heard the message from the Legislature that the Kondirator issue needs to be resolved," she said.

Larry Redmond, representing American Iron and Supply, said that the state got involved in the issue in 1994 when legislation was passed requiring the company to complete an environmental impact statement, which is more extensive than the environment impact worksheet that the company had just completed. John Isaacs, the chief executive officer of the company, said that the Minnesota Pollution Control Agency has determined that the Kondirator poses no environmental threats, and that the Dept. of Health has determined that it causes no health threats. "The company has met or exceeded every standard the city has required," Isaacs said.

Sen. Ellen Anderson (DFL-St. Paul) said she was concerned about the Legislature interfering in the court process. "This is not just trying to change environmental rule," she said, "It's trying to control the abilities of the parties to get their day in court. It's basically telling the court here's your decision."

Rep. Dennis Ozment (R-Rosemount), said he supported the 1994 legislation but it is now time to get the state out of the process. "It's important to raise the bar for good environmental reasons," he said, "But the company has done everything required. It has made it over the bar we set." Rep. Tom Osthoff (DFL-St. Paul) said he too has opposed the Kondirator project but that it is time to let the project proceed. "The city of Minneapolis is perilously close to losing a lawsuit that may cost the taxpayers of the city over \$100 million," Osthoff said, "The city is very vulnerable to the lawsuit, and a big one at that. We need to be responsible before we bankrupt the city of Minneapolis." Holsten said he remains skeptical that the city of Minneapolis will try to resolve the issue without further pressure from the Legislature.

Sen. Gary Laidig (R-Stillwater), said he was concerned that the provision violated the single subject rule pertaining to omnibus bills. Laidig distributed a letter from House research staff stating that the State Supreme Court has issued warnings about the tendency of the Legislature to enact omnibus bills containing provisions with tenuous connections to one another. Laidig said it wasn't clear how the provision pertaining to the Kondirator relates to the finance bill.

The committee also continued to discuss the agricultural provisions in the bill. Among the provisions that members adopted was a repeal of the licensing requirement for weather modifiers. Rep. Dan McElroy (R-Burnsville), said that no one had applied for the license during the three decades of the regulation.

Omnibus bill approved

The conference committee on S.F. 2226, the environment and agriculture budget bill, approved the bill early Sat. morning, May 15. The conference committee was co-chaired by Sen. Jane Krentz (DFL-May Township) and Rep. Mark Holsten (R-Stillwater).

The conferees compromised on several highly publicized issues, including the surcharge on personal watercraft, the snowmobile stud sticker fee, provisions regarding fees and rules relating to feedlot regulations, and changes to the state's used oil collection program. Many of the more controversial measures that received lengthy debate during the conference committee process were not included in the final version of the bill, including a provision by the House to require the city of Minneapolis to issue a permit to the American Iron and Supply company, a Senate provision to restrict the use of underwater cameras for fishing, and a House provision allowing the hunting of farmed cervidae on licensed shooting preserves.

After not meeting for two days, the committee adopted a spreadsheet containing the bulk of the bill's funding issues. The bill appropriates approximately \$126 million for agricultural related initiatives including \$68.4 million in subsidies to ethanol producers. Among other agricultural appropriations in the bill are \$900,000 to the Dept. of Agriculture for programs to promote, develop, expand, and enhance the

marketing of agricultural products from Minnesota producers and processors; \$300,000 for grants to the Minnesota Agricultural Education Leadership Council for the planning and implementation of initiatives enhancing and expanding agricultural education in rural and urban areas of the state; \$200,000 to the Dept. of Agriculture for a grant to the Minnesota Turkey Growers Association for assistance in construction of a electricity generating facility that uses poultry litter as fuel; \$100,000 for activities related to reform of the federal milk marketing orders system and for activities opposing interstate dairy compacts; and \$15,000 for a study of the business climate for dairy farmers to determine the impact of current trends in the dairy industry on the economic, social, and environmental conditions in rural Minnesota and the long term viability of the dairy processing industry in Minnesota.

Sen. Dallas Sams (DFL-Staples), offered an amendment restricting the approval of additional fees on animal feedlot operations until July 1, 2001, and requiring that implementation of new fees on animal feedlots be submitted to the legislative committees with jurisdiction over agriculture policy and finance before they are adopted. The amendment also changes the effective date of updated feedlot permit rules submitted by the Minnesota Pollution Control Agency (MPCA) from no later than June 1, 1999 to no sooner than the approval by the Environmental Quality Board of the final generic environmental impact statement (GEIS) on animal agriculture or July 1, 2001, whichever is earlier. Rep. Tim Finseth (R-Angus) and Rep. Robert Ness (R-Dassel), said they both strongly supported the amendment. Krentz moved that the amendment be divided so that the first part dealing with fees could be discussed separately from the second part dealing with the delay of rules. She said the second part of the amendment had not been included in either the House or Senate version of the bill and needed further discussion. The motion was adopted and the first part of the amendment approved.

Karen Studders, commissioner of the MPCA, said that the rules portion of the amendment was "problematic" and that it would mean a delay in the implementation of feedlot rules for a couple of years.

She said the agency had already spent over a quarter million dollars working on updating feedlot rules and needed direction from the Legislature. "If you don't want the MPCA enforcing the laws protecting the environment, take the laws off the book," Studders said. Sen. Gary Laidig (R-Stillwater), said that although he didn't disagree with the second part of the amendment, he thought it was more appropriate to include the provision in a policy bill and not the omnibus finance bill. Sams said the delay in the implementation of rules was important. "I don't know why we should be putting onerous rules on family farms before we know what the GEIS is going to say," he said, "We're supposed to represent the people, not the departments." Finseth said the delay was reasonable. "The world won't come to an end if we put this off for a couple of years," he said, "We've got to do something. The rules will probably cost more than the fees will. The rules themselves will drive these guys out of business." The second part of the amendment was not adopted.

A compromise was reached on a House provision in the bill eliminating the MPCA's mandatory used oil collection program, scheduled to take effect on July 1, 1999, requiring retailers that sell more than 1,000 motor oil filters per year at a single location to provide free collection of used motor oil and used motor oil filters. The compromise reached requires that if the MPCA determines that motor oil and motor oil filter manufacturers and retailers have not met the goals of the program by May 31, 2001, then beginning July 1, 2001, the mandatory program takes effect. The bill also requires the Office of Environmental Assistance, in coordination with the MPCA, county solid waste administrators, used motor oil and used motor oil filter collection site operators, and manufacturers and retailers of motor oil and motor oil filters, to establish a program to educate the public and businesses on the proper management of used motor oil, used motor oil filters, and other automotive wastes.

The conferees also had a lengthy discussion on an amendment offered by Holsten to an amendment offered by Rep. Tom Osthoff (DFL-St. Paul). Osthoff's amendment transferred \$1.75 million from the solid waste fund for a grant to the city of St. Paul and the city

of Stillwater for environmental investigation and remediation costs of landfills in the two cities. The \$1.75 million appropriation begins in FY 2000 and continues during each of the following fiscal years until 2003. Holsten's amendment modified the House provision in the bill dealing with the controversial Kondirator issue. The original House provision in the bill establishes that all negative declarations and permits issued by the MPCA and all other permits and licenses may not be stayed in any manner by litigation or appeal of any action of the agency unless the Court of Appeals finds clear and convincing evidence that a stay is necessary to prevent substantial damage to the environment. The amendment eliminates the clear and convincing evidence requirement. The original House provision also established that a person aggrieved by a final decision of the MPCA may obtain judicial review in the Court of Appeals rather than the State District Court and the standard of review by the Court of Appeals is in regard to factual issues whether the agency's decision is arbitrary or capricious without a rational basis, and in regard to legal issues whether the agency's decision is in violation of constitutional provisions in excess of statutory authority or jurisdiction of the agency. The provision applied to any actions pending in State District Court. The amendment clarified that the pending actions in State District Court related only to challenging the MPCA's decision and applied to only those actions that began after the effective date of the section of the bill. Sen. Ellen Anderson (DFL-St. Paul), said she questioned why the two amendments were tied together. Holsten said the House was compromising in essentially accepting the Senate position on the solid waste fund. Krentz said that it would be more appropriate to separate the two amendments and that she would not sign off on a bill that contained the Kondirator provision. The amendment to the amendment was not adopted and Osthoff withdrew his amendment. Anderson then re-moved the Osthoff amendment. The amendment was not adopted.

The amount of surcharge for personal watercraft and the fees for snowmobile stud stickers were also discussed. The House version of the bill eliminated the surcharge on personal watercraft alto-

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gether while the Senate version maintained the current surcharge of \$62. Krentz offered an amendment that she said was a compromise between the two positions and addressed the \$900,000 hole the repeal would leave in the budget. The amendment establishes a new \$25 fee for personal watercraft and varying increases for license fees on boats depending on the boat size. Holsten said the increase for boat licenses was the first since 1981. The amendment establishes that for boats 17-19 feet long, licenses would increase from \$12 to \$18. For boats 19-26 feet, the fee would increase from \$20 to \$30. The largest boats would see increases from \$40 to \$60. The amendment was adopted. The Senate version of the bill proposed a \$15 fee for snowmobile stud stickers. The money from the fees collected is dedicated to the repair of paved public trails, for the grant-in-aid snowmobile trail system, and for the development and construction of nonpaved alternate snowmobile trails adjacent to paved trails. The House provision established a \$10 fee dedicated solely for use to repair damage to public paved trails and for the grant-in-aid system. Osthoff said that he opposed the Senate provision because he felt that neither fee amount would adequately address the repairs needed, and therefore the limited money collected should not be used for developing more trails. Krentz said that in hearing testimony Senate members were told that the grooming of nonpaved trails parallel to the paved trails would encourage snowmobilers to stay off the paved trails. She moved to adopt the Senate's provision of the \$15 fee. The motion did not prevail. Holsten moved what he said was a compromise position, adopting the majority of the Senate language of that portion of the bill along with the House's proposed \$10 sticker fee. That motion also did not prevail.

Sen. Bob Lessard (DFL-Int'l Falls), offered an amendment he said was a compromise to the use of underwater cameras for fishing. The Senate's version of the bill restricted anglers to catch and release if they have a camera in their boat or ice house. The House proposed a Dept. of Natural Resources study on the use of electronic devices for consumptive activities on fish and wildlife resources. Lessard said the amendment adopted the House's provision calling for a study of

the issue but would ban the use of the cameras as of July 1, 2001. Osthoff said that the amendment was not a compromise because it presumed the results of the study. The amendment was not adopted.

Before the final bill was voted on, Holsten made a motion to adopt a \$12 snowmobile sticker fee with the money collected from the fees to be used only for the repair of paved public trails and for the grant-in-aid snowmobile trail system. The motion was adopted and the bill unanimously approved.

Family and early childhood education bill

Integrated services examined

Members of the conference committee in H.F. 1467, the family and early childhood education omnibus bill, chaired by Sen. Pat Piper (DFL-Austin) and Rep. Barb Sykora (R-Excelsior), met Fri., May 7, to discuss a provision in the House plan to integrate and coordinate various services for children ages 0 to 3. The plan allocates \$1 million each year of the biennium to integrate the services.

Todd Otis, a lobbyist for Head Start issues in the state, said he is concerned that the \$2 million for the coordination of services will not be used for programming purposes. He said money for co-ordination may take away from money that could be spent on existing programming. While not opposed to co-ordinating services, he said he also does not want to take funds that can be used for children. Otis also said many agencies are already working to integrate their services.

Rep. Mary Jo McGuire (DFL-Falcon Heights) asked Otis why the House provision is problematic if services are already being coordinated. Responding, Otis said he is worried that the measure forces Head Start agencies to quantify in dollar terms the value of their collaborations. He also said the unintended consequence of the legislation may be to obligate staff to use their time for additional tracking and documentation that takes away from time spent with children. Otis also reiterated that the initiative subtracts from money already used for various programs.

Sykora said the \$2 million is designed to be used for programs. "What else would it be used for?" she said. Sykora

said she has heard the concern that the provision takes money away from children, but added that she has also heard otherwise. Otis said the measure takes away from existing programs because it asks child care agencies to perform a new task with the money. He also said the legislation is vague in what the House wants accomplished with the measure. Sykora said the legislation is not definitive because the House trusts Head Start agencies to be creative and use the money well. She expects, she said, that more money will result in more services. Sykora also told Otis that he totally misinterpreted the House provision, which, she added, is simply asking Head Start to continue the collaborations they are already conducting. She said she has trouble understanding the opposition to the measure, especially since there was no opposition when it was first discussed in the House Family and Early Childhood Education Finance Committee. She said Otis should have been up front with his concerns from the beginning. The initiative was not acted upon and will be discussed further.

House members also brought forth an amendment detailing which provisions they will accept in the bill. Among other things, the amendment deletes the Senate section that eliminates transition year families from the basic sliding fee priority list, accepts the House proposal to direct more resources to counties with unmet child care assistance needs, deletes the Senate provision to remove the prohibition against lowering parent fees for child care with the addition of family members and deletes the Senate measure that removes child care programs from a statute that imposes penalties for persons found guilty of child care assistance fraud. The amendment also accepts the House plan to establish a pre-tax child care account, accepts the Senate plan to study the consolidation of Minnesota Family Investment Plan (MFIP), sliding fee and transition year child care and accepts the House plan changing the requirements to teach English as a second language in Adult Basic Education programs. No action was taken on the amendment, and the omnibus bill will be discussed again at a later meeting.

Offers made to omnibus bill

Members of the Conference Committee on H.F. 1467, the family and early

childhood education omnibus appropriations bill, chaired by Sen. Pat Piper (DFL-Austin) and Rep. Barb Sykora (R-Excelsior), met Mon., May 10, to consider different proposals made to the budget bill.

Members first adopted certain provisions from both the House and Senate versions of the bill that were the same or similar. The committee adopted the House provision modifying the allocation formula for the basic sliding fee program in order to direct more funds to counties with unmet needs. The formula distributes additional money to counties based on sliding fee expenditures, number of families in transition year child care, number of families on the waiting list in the second and third priority and total number of families on the waiting list. The committee adopted House provisions increasing from 12 to 24 months the amount of time a provider must stay in child care for their loan to become forgivable and directing the commissioner of the Department of Children, Families and Learning to draft legislation for the integration of child care and early childhood education programs and services. Also, the committee adopted House provisions providing incentives for employers to establish pre-tax child care accounts and changing the requirements necessary to teach English as a second language in adult basic education settings.

The committee deleted Senate provisions that eliminate transition year families from the basic sliding fee child care priority list, remove the prohibition against lowering parent fees for child care with the addition of family members and remove child care programs from a statute that imposes penalties for persons found guilty of wrongfully obtaining child care assistance. The committee also adopted Senate provisions requiring the study of ways to consolidate the Minnesota Family Investment Plan (MFIP), transition year and basic sliding fee child care programs into one child care assistance program and requiring adolescent parenting programs to provide transportation options for parents and their children.

The Senate members then made an offer dealing with the rest of the unadopted provisions. Regarding appropriations, the Senate's offer included \$44.498 million for basic sliding

fee child care assistance, which is an increase from the original Senate position of \$41.052 million and matches the original House appropriation. The offer includes \$174.761 for MFIP child care assistance, which is a decrease from the original Senate position of \$177.757 million and matches the original House increase. Also, the offer contains a federal Temporary Assistance for Needy Families (TANF) transfer of \$77.16 million to the child care development fund for basic sliding fee child care, which is a decrease from their original proposal of \$88.98 million and higher than the House proposal of \$65.251 million. The Senate proposal contains a TANF transfer for transition year child care of \$1.25 million, which originally was not part of the Senate plan and is lower than the House recommendation of \$2.509 million.

The Senate offer also contains \$12.858 million for after school enrichment grants, which is a decrease from their original proposal of \$13.358 million and above the House position of \$10.520 million. The enrichment grant program also contains appropriation riders of \$2.338 million for adolescent parenting grants, \$500,000 for male responsibility grants and \$400,000 for state armories. The House proposal contains only the grant for state armories as well as a \$300,000 appropriation to a Ramsey County crime prevention program. The Senate offer includes \$5.384 million for transitional housing, which is a decrease from their original proposal of \$6.284 million and above the House proposal of \$3.584 million. Finally, the Senate offer contains \$2 million for emergency shelters, which is down from the original Senate position of \$3 million. The House plan contains no funding for the shelters. In total, the Senate appropriates from the general fund \$460.053 million, the same as their original plan, and the House appropriates \$465 million. The Senate also transfers \$80 million in TANF funds, down from their original proposal of \$90.825 million, and the House proposes a transfer of \$70 million. The proposal was not acted on.

House members also made an offer to deal with unresolved issues. Regarding appropriations, the offer includes \$174.761 million for MFIP child care assistance, which matches the Senate offer; \$41.841 million for Early Child-

hood Family Education (ECFE) programs, which is above the original House proposal of \$40.035 million and above the Senate's offer of \$37.73 million; and \$4.6 million for early childhood health screening, which is below the original House proposal of \$5.095 million and above the Senate offer of \$4.1 million. The House proposal transfers \$72.59 million in TANF funds for basic sliding fee child care, which is above their original proposal of \$62.251 million and below the Senate offer of \$77.16 million and transfers \$2.5 million in TANF funds for basic sliding fee transition year child care, which is just under their original proposal of \$2.509 million and above the Senate's proposal of \$1.25 million. The House offer also contains several appropriation riders of \$300,000 for child care development grants, \$270,000 for forgivable loans, mentoring and training, \$540,000 for child care development facility improvement and business planning and \$30,000 for pre-tax child care accounts. All are included in the original House proposal and none are included in the Senate offer.

The House offer contains \$11.02 million for after school enrichment grants, which is above the original proposal of \$10.52 million and below the Senate offer of \$12.858 million as well as \$4.99 million for community crime grants. The appropriation is consistent with the original House offer and is not contained in the Senate offer. The House offer includes \$3.73 million for adult basic education per capita population aid, which is just below the original appropriation of \$3.95 million and above the Senate offer of \$1 million. The House proposal also contains \$2 million for transitional housing, which is below their original proposal and the Senate's offer of \$3.584 million but does include a TANF transfer of \$2 million for transitional housing purposes. The House also includes \$150,000 for emergency shelters, an appropriation that is not included in the original House proposal but that is well below the Senate appropriation of \$2 million. The House also includes \$1 million for the family assets program. The House proposal was not acted upon.

Omnibus offers considered

Members of the conference committee on H.F. 1467, the family and early childhood education omnibus appropria-

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tions bill, chaired by Sen. Pat Piper (DFL-Austin) and Rep. Barb Sykora (R-Excelsior), met Tues., May 11, to consider two offers to amend unresolved issues in the budget bill.

The first offer, proposed by the Senate members, includes a new appropriation of \$4.6 million for an early childhood family education (ECFE) fee mandate. Together with the appropriation is language requiring the development of a sliding fee for the program in lieu of a flat fee per participant. The House proposal includes no such provision. The Senate offer includes \$5.1 million for early childhood health screening, which is above the earlier Senate proposal of \$4.1 million and the House proposal of \$4.6 million. Also, the Senate proposal contains a transfer of \$74.31 million in federal Temporary Assistance to Needy Families (TANF) funds for basic sliding fee child care and \$2.5 million in TANF funds for basic sliding fee transition year child care. The amounts are below the earlier Senate proposal of \$77.16 million and above the earlier Senate proposal of \$1.25 million, respectively. The Senate offer includes \$2 million for adolescent parenting grants—which replaces the appropriation riders for the grants in the earlier Senate proposal totaling \$2.338 million—as well \$11.02 million for after school enrichment grants. The enrichment grant dollars are below the earlier Senate proposal of \$12.858 million but the same as the earlier House proposal.

The Senate offer also contains \$39.622 million for adult basic education services, which is below the earlier Senate proposal of \$41.648 million and below the House offer of \$42.199 million. Included in the Senate offer is a TANF transfer of \$2 million for adult basic education services to address MFIP participants who need literacy and English as a second language training. Also, the Senate offer includes \$5 million for transitional housing—which is below the earlier Senate offer of \$5.384 million and well above the House offer of \$2 million—as well as \$1.748 million for emergency shelters. The appropriation is below the earlier Senate offer of \$2 million but well above the House offer of \$150,000. The Senate offer was not acted upon.

Members of the House also made an offer to amend the unresolved issues in the budget bill. Included in the House

offer is an appropriation of \$43.428 million for basic sliding fee child care assistance, which is below both the previous House and second Senate proposal of \$44.498 million. The House offer includes \$41.841 million for ECFE, which is the same as that appropriated in the earlier House offer but still higher than the Senate offer of \$37.730 million, as well as \$4.1 million for Head Start, which is below the second Senate proposal of \$5.1 million and the earlier House proposal of \$4.6 million. However, the House offer also contains a \$2 million appropriation rider for Head Start, which is included in the Senate plan but was not included in earlier House offers. The House offer contains TANF transfers of \$73.7 million for basic sliding fee child care, \$2.5 million for transition year child care and \$1.3 million for child care development purposes. The transition year figure is the same as that appropriated by the Senate, the basic sliding fee amount is below the Senate proposal of \$74.31 million and the development money is below the Senate offer of \$1.59 million.

The House offer eliminates the appropriation riders from earlier offers of \$300,000 for child care development grants and \$270,000 for forgivable loans, mentoring and training. The proposal also lowers the amount in the riders from \$540,000 to \$200,000 for child care facility improvement and from \$30,000 to \$20,000 for child care pre-tax accounts. The House offer also contains \$11.52 million for after school enrichment grants, which is just above the earlier House and Senate offers of \$11.02 million. The House proposal includes \$42.199 million for adult basic education services, which is below their earlier offer of \$41.622 million and above the Senate offer of \$39.622 million. Also, the House offer contains \$2.5 million for transitional housing—which is above their earlier proposal of \$2 million but well below the Senate offer of \$5 million—but includes a TANF transfer of \$1.5 million for transitional housing. The TANF transfer is below the earlier House proposal of \$2 million and is not utilized in the Senate proposal. The House includes \$200,000 for emergency shelters, which is an increase from the earlier House offer of \$150,000, but still far below the Senate offer of \$1.748 million. The House also includes \$500,000 for the

family asset program, which is a decrease from the earlier appropriation of \$1 million, and is also not funded in the Senate plan. Both the House and Senate offers total \$460.053 million from the general fund. The House offer was also not acted upon.

Members also heard testimony regarding the use of TANF dollars for literacy issues among MFIP participants and housing purposes. Carly Peterson, manager of Adult Literacy with the Minneapolis Public School system, said not all of her adult learners are MFIP participants. The Senate provision using \$2 million for MFIP participant literacy issues, she said, may force her to separate those benefitting from the money and those who are not. She said this is because she believes the TANF money can only be used for those who meet certain eligibility requirements. She does not know, she said, if those not meeting the requirements can mingle with those who do.

Michael Dahl, from the Minnesota Coalition for the Homeless, spoke regarding the House provision using \$1.5 million in TANF funds for transitional housing purposes. Dahl said only 34 percent of the heads of households in transitional housing qualify for TANF eligibility so the money for housing may not match the population. Also, he said certain activities offered in transitional housing—such as mental health services—do not qualify for TANF money. He said using TANF money also requires additional tracking, which forces staff to spend time on administrative duties rather than with families. Dahl also said agencies must spend money and are then given a TANF refund, which, he added, places severe financial burdens on smaller housing agencies. Dahl said he, of course, does not want to turn down more money, but he also wants to ensure funds are used to help people.

Steve Nelson, from the Minnesota Department of Human Services, spoke regarding TANF eligibility rules. Nelson said he knows of no restriction on using TANF dollars for adult basic education purposes, but is concerned with combining state and TANF funds for the same purpose. He is unsure, he said, if the mingling of participants who meet TANF eligibility requirements with those who do not is allowed. However, Nelson also said that the state can receive large

penalties if TANF dollars are expended and it is discovered they were used for ineligible purposes. The state, he said, would at least have to repay the amount of the misused funds, although if the funds are knowingly misused, he said, the penalty would be even greater. He advised the members to have another plan in mind if it is discovered later on that TANF dollars cannot be used for the literacy and transitional housing purposes. The committee will meet again to further discuss the omnibus bill.

Omnibus bill approved

Members of the conference committee on H.F. 1467, the family and early childhood education omnibus appropriations bill, chaired by Sen. Pat Piper (DFL-Austin) and Rep. Barb Sykora (R-Excelsior), approved the budget bill during the meeting held Wednesday, May 12.

The bill, the result of many compromises between different House and Senate versions, appropriates a total of \$460.127 million from the state's general fund. The bill also allocates \$80.4 million in federal Temporary Assistance to Needy Families (TANF) funds, \$1.826 million in special revenue funds and \$192,000 in state government special revenue funds. Major appropriations in the bill are found in the area of child care and early childhood support programs. The bill appropriates \$174.761 million for Minnesota Family Investment Plan (MFIP) child care assistance, which is below the original Senate proposal of \$177.757 million but the same as the original House proposal. The bill also appropriates \$43.998 million for basic sliding fee child care assistance, which is above the original Senate proposal of \$41.502 million and below the original House plan of \$44.498 million. The great majority of the TANF dollars are expended in child care, as \$75.971 million is appropriated for basic sliding fee child care, \$2.5 million for basic sliding fee transition year child care, \$1.579 for child care development purposes and \$350,000 for child care program integrity. The remaining TANF expenditures consist of \$100,000 for child care facility improvement and \$20,000 for child care pre-tax accounts. The two amounts are below the original House proposals of \$540,000 and \$30,000, respectively, and were not funded in the

original Senate plan.

Appropriations for early childhood programs include \$39.905 million for Early Childhood Family Education (ECFE), which is above the original Senate proposal of \$37.23 million and just below the original House proposal of \$40.035 million. The bill appropriates \$36.75 million for Head Start and \$20.79 million for learning readiness—both of which are consistent with the original proposals of the House and the Senate—as well as \$5.1 million for early childhood health screening. The dollar amount for screening is just below the original House proposal of \$5.095 million and well above the original Senate plan of \$3.1 million. In total, the bill appropriates \$326.474 million from the general fund as well as the entire \$80.4 million in TANF funds for children and family support programs.

Other major appropriations in the bill include \$28.832 million for community education aid and \$7.312 million for family service collaboratives, both of which are consistent with the original proposals of the House and the Senate. The bill appropriates \$10.52 million for after school enrichment grants, which is the same as the original House proposal and below the original Senate proposal of \$13.358 million. The bill also allocates \$1.89 million for abused children grants, \$1.416 million for the children's trust fund and \$2.9 million for violence prevention education grants, all of which are consistent with the original House and Senate proposals. In total, the bill appropriates \$37.674 million from the general fund in the area of community and systems change. The bill also allocates a total of \$17.66 million from the general fund and \$2.008 million from other state funds for prevention and intervention.

In the area of self-sufficiency, the bill appropriates \$42.609 million for adult basic education (ABE)—which is above both the original House and Senate proposals of \$41.648 million—as well as \$7.916 million for adult graduation aid, which is below both the original House and Senate proposals of \$9.116 million. The bill appropriates \$1.96 million for ABE per capita population aid, which is well below the original House proposal of \$3.95 million and was not funded in the original Senate plan. The bill also appropriates \$17.028 million for Minne-

sota Economic Opportunity Grants (MEOG), which is consistent with the original proposals of both the House and the Senate, as well as \$2.556 million for state food shelves. The food shelf allocation is the same as the original Senate recommendation and just \$100,000 above the original House proposal. The bill allocates \$4.15 million for transitional housing, which is well below the original Senate proposal of \$6.284 million and above the original House proposal of \$3.584 million. Also, the bill appropriates \$700,000 for emergency shelters, which is well below the original Senate proposal of \$3 million and was not funded in the original House plan. Appropriation riders of \$1.5 million in TANF funds for emergency shelters and \$2 million for ABE, which had both been in previous House and Senate offers, respectively, were eliminated. In total the bill appropriates \$78.319 million from the general fund for self-sufficiency programs.

Regarding policy provisions, the bill includes a measure modifying the allocation formula for the basic sliding fee program in order to direct more funds to counties with unmet needs. The formula distributes additional money to counties based on sliding fee expenditures, number of families in transition year child care, number of families on the waiting list in the second and third priority and total number of families on the waiting list. The bill contains a provision requiring the establishment of a reasonable sliding fee scale for ECFE programs that is waived if a participant is unable to pay. The bill includes provisions increasing from 12 to 24 months the amount of time a provider must stay in child care for their loan to become forgivable and directing the commissioner of the Department of Children, Families and Learning to draft legislation for the integration of child care and early childhood education programs and services. Also, the bill contains a provision providing incentives for employers to establish pre-tax child care accounts. The bill also includes a provision requiring the study of ways to consolidate the Minnesota Family Investment Plan (MFIP), transition year and basic sliding fee child care programs into one child care assistance program.

The bill establishes the at-home infant care program, for which a family in

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which a parent provides care for the family's infant child may receive a subsidy in lieu of child care assistance. A family is eligible for the program, if they are eligible for, or receiving assistance under, the basic sliding fee program. The bill also eliminates a controversial Senate proposal, carried by Sen. Linda Berglin (DFL-Mpls.), that requires up to \$5 million of state expenditures on child care assistance to families who meet welfare-to-work conditions or state expenditures on employment and training grants to provide a state match to obtain federal welfare-to-work grant money. The money obtained is to be used for child care, employment and training purposes. Several representatives from the Minnesota Department of Children, Families and Learning and the Department of Finance testified in earlier meetings that obtaining the data necessary to acquire the federal funds would be difficult. However, the provision was replaced with language requiring the examination of relevant state expenditures to determine whether any expenditures can be used to provide a state match to obtain federal welfare-to-work funds. According to the new provision, up to \$5 million in state funds is to be used if it is determined that state dollars can be used through a reasonable effort to obtain the federal welfare-to-work money.

High standards conference

Profile talks break down

The Thurs., May 6, meeting of the profile of learning conference committee was cut short when House conferees walked out of the talks. Stating that the House members had not received fair treatment at the previous conference committee meeting, House conferee and co-chair of the committee Rep. Harry Mares (R-White Bear Lake) led House members away from the table. Mares' statement referred to the previous meeting of the committee when H.F. 15, eliminating the profile of learning, failed on a roll call vote.

Sen. Lawrence Pogemiller (DFL-Mpls.), co-chair of the committee, said he did not anticipate the walkout. He allowed testimony from representatives of education groups and then recessed the meeting.

The meeting was adjourned later in the day after learning that the House conferees would not be returning to the table.

State government appropriations bill

Testimony heard

Senate and House conferees continued discussing the provisions in S.F. 2223, the state government operations omnibus bill, Thurs., May 6. The conference committee is co-chaired by Sen. Leonard Price (DFL-Woodbury) and Rep. Philip Krinkie (R-Shoreview).

Much of the early discussion centered on language in the Senate version of the bill that appropriates start-up money for a state employee long term care insurance program. Budd Johnson, Dept. of Employee Relations, said that the department worked with the Dept. of Human Services to study the feasibility and put together a proposal on a long term care insurance program that could be offered to state employees. He said the proposal is feasible, but needs a one-time appropriation to get it started.

Representatives of the private insurance sector said that the need for a long term care insurance program can be addressed by the private sector. Brian LeClare, a third generation insurance salesman, said that the creation of a state insurance program for long term care forces the private sector to compete with the state. LeClare expressed his two major concerns with the proposed DOER program as the size of the "universe" of eligible participants and the amount of money being spent for start-up costs for the program. He said that the extra large pool of eligible participants in the program takes away a substantive amount of people who would buy the same insurance from a private carrier. He said he was concerned that the money appropriated for start-up costs might be used to bring in an already determined private carrier.

Kathy Burek, DOER, responded to questions about how the proposed long term care program works. She said the program is a self-insurance program, but not a self-administered program. Burek said the department will use a licensed outside vendor to administer the program. She said the start-up costs, \$310,000, is a one-time only appropriation and the intent of the program is to be entirely self-sufficient. She said the department does not want the program to have a liability to the tax payer.

The committee made no decision on the provision for the state employee long term care insurance program.

Community planning discussed

The Fri., May 7, meeting of the state government appropriation conference committee was devoted to discussion of three issues on which the Senate and House differ substantially.

The panel, chaired by Sen. Leonard Price (DFL-Woodbury) and Rep. Phil Krinkie (R-Shoreview), began with a discussion of community based planning. Members heard from Sen. John Hottinger (DFL-Mankato), about a House provision in the bill, S.F. 2223, that provides a grant to the city of Mankato to complete the Mankato area growth management and planning study. There is no similar appropriation in the Senate version. Hottinger said the \$100,000 grant must be matched by an in-kind donation of funds. Further, Hottinger said the study began under the 1997 regional planning joint powers agreement among the cities of Mankato, North Mankato, the counties of Nicollet and Blue Earth and the towns of Mankato, South Bend, Lime, Decoria and Belgrade. Hottinger said the plan began before the community based planning law was passed and that the local units of government were attempting to act pro-actively to manage development in the area.

Sen. Jim Vickerman (DFL-Tracy) also appeared before the panel to discuss a provision in the both versions of the bill that provides for a \$50,000 grant to the Southwest Regional Development Commission and two additional grants of \$50,000 each to other regional development commissions for land use planning, community or economic development planning, transportation and transit planning and other types of local planning.

Krinkie said that the two versions of the bill contain differing approaches to local planning. He said that one method is for local units to get together and come before the Legislature to request funding, another is to go to Minnesota Planning requesting a grant, and a third is to apply for a grant through the Board of Government Cooperation and Innovation. Krinkie said that there should be consistency in the approaches, rather than having three differing methods of gaining planning appropriations.

Another difference between the two versions of the bill is in the area of funding for the Generic Environmental Impact Study (GEIS) on feedlots. The House version appropriates \$1 million to complete the work, while the Senate version appropriates \$1.6 million. Mike Sullivan, of the Environmental Quality Board, said that the higher appropriation was needed in order to carry out the GEIS. Krinkie questioned the status of the contracts that were in last year's appropriations. Sullivan said that not all the contracts have been awarded, but that there was no carryover authority for last year's appropriation. Thus, he said he hoped the Senate position prevailed. Krinkie said, "I would support granting carryover authority and the House appropriation of \$1 million."

A third item for discussion was the funding for the Humanities Commission. The House version of the bill eliminates the appropriation earmarked for the Motherhead/Fatheread program and transfers the commission to the Dept. of Children, Families and Learning. The Senate, on the other hand funds the Motherhead/Fatheread program and maintains the commission as an independent entity. Price said that the commission provides a valuable service. "The humanities are the soul and the spirit of a culture," Price said. He added that the Motherhead/Fatheread program has been very successful in increasing literacy in a broad population. Rep. Mike Osskopp (R-Lake City) argued, though, that there are a number of other literacy programs and that by placing the commission under the jurisdiction of the Dept. of Children, Families and Learning there would be better oversight and coordination among programs.

Another area of differences between the two versions centered on the appropriations for the Office of Volunteer Services and Citizenship. The House version of the bill eliminates the office while the Senate version maintains the funding for the office. Bonnie Esposito, executive director of the office, said that the office serves as a technical resource for volunteer organizations around the state by providing advice on liability issues, background checks and data privacy issues. In addition, according Assistant Commissioner Kent Allen of the Dept. of Administration, the office is relied upon by the federal government as

the spokesperson for the state in matters relating to volunteerism. Allen said Esposito travels throughout the state to inform local volunteer organizations on the technical aspects of running volunteer services.

No formal action was taken on any of the issues discussed by the panel.

Discussions continue

Members of the conference committee on the state government appropriations bill, S.F. 2223, met Tues., May 11, to continue their review of the differences in the House and Senate versions of the bill. The panel, chaired by Rep. Phil Krinkie (R-Shoreview) and Sen. Len Price (DFL-Woodbury), focused, during the first portion of the meeting, on provisions relating to the Y2K problem.

Sen. Steve Kelley (DFL-Hopkins) and Rep. Bill Hilty (DFL-Finlayson) explained the differences between the two versions. Both versions contain language providing for a revolving fund to help local units of government deal with a technological failure brought about by the Y2K problem. However, the Senate language also allows the revolving fund to be used for a peace time emergency brought about by an act of terrorism. The House version does not contain similar language.

Another difference, relating to the revolving fund, is that the House language requires loans to be repaid by the end of the biennium, while the Senate language extends the repayment deadline until 2005. Price commented that with the House language the committee's targets are not affected, nor are there any fiscal tails to deal with during the next budget period. However, Kelley countered that the Senate language allows local units of government more flexibility in repaying the loans. He said that without the longer time frame, local governments would have a harder time repaying the loans without having an impact on property taxes.

In addition, the Senate version contains a provision allowing local units of government to incur debt for Year 2000 remediation without voter approval. Krinkie said that if local units of government have access to the revolving fund set up in the bill, then the ability to incur debt is not needed. Kelley countered that the authorization to bond for remediation of Y2K problems gives local

governments added flexibility in their response. Krinkie added, "I have a huge problem in allowing local units to incur debt without voter approval."

Members also discussed Senate provisions in the bill relating to the master lease program. The Senate language strikes existing law requiring master leases to be used for purchases of large equipment with a capital value of more than \$100,000 and a useful life of more than ten years and authorizing the Legislature to specifically authorize a particular purchase to be financed using the master lease. The Senate provision also specifies that the commissioner of finance may authorize the sale and issuance of certificates of participation relative to a master lease in an amount sufficient to fund the personal property needs. In addition, the language specifies that the term of the certificates must be less than the expected useful life of the equipment and allows the commissioner of administration to use the proceeds from the master lease or the sale of the certificates of participation to acquire the personal property through the appropriate procurement procedure. Discussion of the provision, which is not contained in the House version, touched off a wide ranging discussion about the appropriateness of using lease-purchase to acquire goods and services. Krinkie and Mike Osskopp (R-Lake City) questioned the use of leases when the state is experiencing budget surpluses.

Members also discussed the naming of the new revenue building, the appropriation for the Hubert H. Humphrey Memorial and the differences in language regarding the plaque in the Capitol Rotunda memorializing the Spanish-American War.

Finally, members began the process of adopting provisions in the bill that have identical language in both House and Senate versions of the bill.

Agreement reached

Members of the conference committee on the omnibus state government appropriations bill wrapped up their work at a Weds., May 12, meeting. The panel, chaired by Sen. Leonard Price (DFL-Woodbury) and Rep. Phil Krinkie (R-Shoreview), began their deliberations by resuming discussion on the portion of the bill, S.F. 2223, relating to the Y2K problem. Sen. Steve Kelley (DFL-

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Hopkins) and Rep. Bill Hilty (DFL-Finlayson) reprised their appearance before the panel and made several recommendations for compromise. Under their recommendations, the panel would accept a Senate provision allowing local units of government to incur debt without voter approval for Y2K problem remediation. However, they also recommended accepting a House provision requiring local units of government that avail themselves of loans from the revolving fund established in the bill must repay the loans by June 30, 2001. Sen. Dennis Frederickson (R-New Ulm) moved that the panel adopt the compromise recommended by Hilty and Kelley. The motion was adopted.

Frederickson then moved that the committee adopt appropriations in the bill that were the same in both the Senate and House versions. Members reviewed the appropriations and then recessed in order for House members to deliberate on adopting the motion. When the panel returned, Rep. Mike Osskopp (R-Lake City) made a motion to amend the Frederickson motion. Osskopp said, "We have a counter offer. We will accept the Senate language and the Senate appropriations in the bill with the addition of six provisions from the House version." The meeting recessed in order to allow Senate members to consider the proposal. Upon reconvening, Price announced that the Senate accepted the House offer. The motion was adopted and the conference committee adjourned.

The bill, as agreed to by the conferees, provides \$730 million for state government operations. The package contains funding for the Legislature, the constitutional offices and various state agencies. The measure retains funding for the Office of Volunteer Services and Citizenship, maintains the Humanities Commission as an independent entity, provides funding for public broadcasting, provides for "Mighty Ducks" ice arena grants, and provides for grants for bleacher safety.

In addition, under the agreement, the measure retains House provisions authorizing an industrial hemp study, naming the new revenue building in honor of Harold Stassen, and specifying that the loan made by the Minneapolis Community Development Agency to the Minneapolis Park and Recreation Board may not be repaid by any funds from the

state or from political subdivisions of the state. The House motion also contains provisions specifying that increases in agency fees must be done by the Legislature, rather than by administrative rule.

Higher education budget bill

Omnibus bill reviewed

The conference committee on higher education appropriations continued its discussion of the omnibus bill at afternoon and evening meetings Thurs., May 6. The committee is co-chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls) and Rep. Peggy Leppik (R-Golden Valley).

Senators Sheila Kiscaden (R-Rochester) and Linda Berglin (DFL-Mpls.) spoke on the establishment of a health care education grant program. Senate language establishes the program under the supervision of the Higher Education Services Office (HESO), to offer grants to Minnesota health care and human services employees to complete a post-secondary degree or certificate in a field related to health care or human services. The degree or certificate must be in a health field in which a critical worker shortage exists.

Kiscaden said the program will help stabilize the workforce in entry level health care jobs. Berglin said a consortium of small hospitals or nursing homes can participate in the program, with one providing child care, and another computers, for example.

Rep. Steve Dehler (R-St. Joseph) said the workforce receiving grants is extended from nursing homes to hospitals to mental health facilities. "This is going way beyond the critical worker shortage in nursing homes," he said. Kiscaden said there are different needs in different parts of the state, all competing for the same services. "If we don't offer some incentives," said Sen. Sam Solon (DFL-Duluth), "I don't know what will happen to our nursing homes."

Another area of discussion in the bill was child care for individuals receiving Minnesota Family Investment Program (MFIP) benefits. Aviva Breen, from the Commission on the Economic Status of Women, said MFIP job counselors assess clients and try to find them jobs based on their skills and occasionally suggest higher education. She said most MFIP clients find jobs and some go to school on

their own, but are not eligible for child care while they are in classes. Sen. Steve Kelley (DFL-Hopkins) said the bill provides child care assistance for MFIP clients who are employed, but not eligible for child care assistance for educational purposes. "If someone has the drive and wants to go on for higher education, I don't want the doors closed for them," said Sen. Deanna Wiener (DFL-Eagan).

Conference members looked at the Graduated Repayment Income Protection (GRIP) program. The program's objective is to help graduates of Minnesota schools in dentistry, medicine, pharmacy, veterinary medicine, public health and chiropractic medicine and Minnesota residents graduating from optometry and osteopathy programs repay their student loans with a repayment loan based on their projected annual income. Both bodies authorize the income contingent loan repayment program, but the Senate prohibits new participants. The prohibition against new participants is removed in the House language. Stumpf pointed out that there is \$2.7 million in outstanding loans. He expressed concern that a substantial group of GRIP borrowers are much deeper in student loan debt after several years of participating in GRIP than they had been when they left school. He said the average dollar amount for GRIP defaulters is \$50,000, and added that of the defaults, all were chiropractors, who are 65 percent of the participants in GRIP. Leppik said the costs of medical education are skyrocketing, and she said the House wants to see if there is some way of reactivating the GRIP program.

Kelley presented information in the bill pertaining to private career schools. Much of the House and Senate language in this portion is identical or similar. The language regarding private schools was adopted. Language identified as the same in various portions of the bill was also adopted.

Sen. Cal Larson (R-Fergus Falls) moved the Senate version of the bill on the Edvest program, permitting HESO to enter into a contract for up to eight years for Edvest vendor services, broadening the definition of private contributors from whom donations may be sought, clarifying costs of the marketing program and exempting Edvest from statutory limits on the percent of deposits that may

be invested in mutual funds. The language was adopted.

House language referring to the Minnesota State Colleges and Universities (MnSCU) board, stating that terms end June 30 except that members may serve until their successors are appointed, was approved. Rep. John Tuma (R-Northfield) moved adoption of the Senate language on provision of information regarding the transmission, treatment and prevention of Hepatitis A, B and C. The language was adopted. House language calling for the sale of a parcel of Winona State University land was approved. Senate language in the bill specifying the Library Planning Task Force expires on June 30, 2001, was approved.

A provision concerning Metropolitan State University leasing space on the campus of Minneapolis Technical College was discussed. John Kaul, MnSCU, said the co-location has been discussed the past six months, and the chemistry between Metro State and Minneapolis Tech is positive. Senate language specifying that Metro State may retain any money saved from a reduction in lease costs at the 730 Hennepin Ave. S. site was adopted. House language, calling for a Metro plan and space utilization report by MnSCU to the Legislature, was adopted.

The Senate provision for developing a short-term health care curricula by July 1, 2000, was adopted. Also adopted was House language calling for a report by the U of M Academic Health Care Center to the Legislature on the strategic direction of the center's health professional programs.

Conferees seek agreement

Conferees of the Senate and House higher education conference committee sought to reach agreement on the omnibus funding appropriations bill, H.F. 2380. The committee is co-chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls) and Sen. Peggy Leppik (R-Golden Valley).

Leppik said the House was prepared with an offer to come down in appropriations by \$10 million, taking \$300,000 from the Higher Education Services Office (HESO) and \$4.85 million each from Minnesota State Universities and Colleges (MnSCU) and the University of Minnesota.

Stumpf proposed that House language

on the amount and length of child care grants and waiver of tuition for eligible Southwest Asia veterans be adopted, as well as Senate language on facility construction at Itasca Community College, definition of post-secondary institutions, and development of the Learning Network II program. Rep. John Tuma (R-Northfield) expressed concern over language referring to private schools, the learning network and child care eligibility. He said he does not want to see current students lose funding to pay for childcare for students who participate in the Minnesota Family Investment Program (MFIP). The Senate wants to provide for child care for MFIP students who are not eligible for child care grants. Leppik added her concerns about the child care for MFIP students.

Discussion ensued about the Senate version of the bill that provides for \$150,000 from the lottery prize fund to be appropriated on a one-time basis to the U of M for a research grant on compulsive gambling, and \$100,000 from the lottery fund to be appropriated to the U of M to reimburse drug expenses associated with patients undergoing treatment for compulsive gambling. Stumpf offered an amendment requiring the commissioner of the Department of Human Services to consult with the Board of Regents in awarding the grant. Tuma said he does not think a third party needs to be brought in. "The U of M should get the money to do the studies; we don't need DHS," he said. Dale McDonnell of the state lottery said DHS wants to be consulted on who the researcher is. Stumpf withdrew his amendment.

An amendment, offered by Tuma, provides that the lottery funds be appropriated to the U of M for the Academic Health Center to conduct research, clinical work, treatment or teaching related to compulsive gambling addiction. "The U of M ought to be the place that determines where the best research can take place," Leppik said. Sen. Sam Solon (DFL-Duluth) said he feels more comfortable with the original Senate language.

Rep. Jim Seifert (R-Woodbury) offered an amendment requiring that the Integrated Postsecondary Education Data System (IPEDS) prepare a budget plan for the system office and review current functions, services and programs managed or provided by the system office. The amendment calls for a report to the

higher education finance committees by Feb. 15, 2000.

The panel adopted the language earlier moved by Stumpf, including the two amendments; House language regarding data collection on child care and work study allocations; and Senate language on allocating the reclamation of taconite mining lands. House language on infant care was not a part of the package.

Stumpf said he does not see a great deal of concession by the House in its proposal. Leppik said the House has made painful cuts and very high concessions. She said the Senate is spending money in K-12 and that the Senate apparently wants to cut funding appropriations for MnSCU and the U of M. "It's hard to isolate one separate budget issue from the rest of the picture," Stumpf said. Some discussion ensued about both bodies going to the leadership and requesting higher targets.

Stumpf said the strength of the Senate bill is its focus on the needs of students and emphasis on financial aid. "We have tried to cover the 3 percent tuition increase and address inflationary costs," he said.

Leppik said the House has problems with the Senate changing the credits required to be a full-time student from 15 to 12. "You're leaving full-time students with nothing in their fifth year," she said. "The best student financial aid is low tuition."

Sen. Steve Kelley (DFL-Hopkins) responded that the House has not addressed at all that things have changed, that part-time students are part of a lifelong learning process. "We want to make sure that students working at minimum-wage jobs get help to improve their status," he said.

Peter Zetterberg from the U of M said that part-time students do not make up that much of the population at the University. He said students understand the economics of graduating as quickly as they can. Kelley questioned how many students may be deterred from attending part-time because of the 15-credit requirement. "We are not recognizing the students who have no choice but to work," he said.

Higher ed discussions continue

The higher education conference committee continued its discussion of the omnibus bill at its meeting Weds., May 12. Co-chairs of the committee are Sen.

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LeRoy Stumpf (DFL-Thief River Falls) and Rep. Peggy Leppik (R-Golden Valley).

Proposals from each side have been presented, as conferees inch their way towards agreement on funding appropriations.

Peter Zetterberg, University of Minnesota, provided further information on state grants. He said the state grant program is built on shared responsibility and choice, with higher grants awarded to students who attend high-priced institutions. He said the U of M is concerned about recent moves by the Legislature to a lower student share. He said reduction of the student share increases the family and government share. He said tuition will increase.

Sen. Cal Larson (R-Fergus Falls) said he believed the institutions should deal with inflation, as well as the Legislature. "We keep hearing students saying that we are raising the tuition, and you are misleading the students," he said. Zetterberg said tuition is lower for undergraduate students than it was in 1996 and 1997. He said tuition for professional students and graduate students is increasing.

In presenting the most recent Senate proposal, Stumpf said the full-time student credits have been changed to 13, rather than the proposed 12. He said the Senate is taking the House position on financial aid and restoring the House money in the Learning Network. Stumpf said the Senate restored business management to MnSCU, and took the savings from the credit change and applied it to increasing the amount for freshmen seminars.

Stumpf said the Senate wanted to retain language including Pine Tech additions, farmer lender mediation, the healthcare workers grant and a child care study amendment.

An amendment, offered by Leppik, provides tuition waivers to health care or human services employees. If the program is determined effective, appropriations from the health care access fund may be requested in the future, according to the amendment. The amendment was adopted.

Harry Pontiff, Minnesota State Colleges and Universities (MnSCU)

Proposals continue

The House brought forth another proposal at the Higher Education

conference committee meeting Thurs., May 13, regarding the omnibus appropriations bill. The committee is co-chaired by Sen. LeRoy Stumpf (DFL-Thief River Falls) and Rep. Peggy Leppik (R-Golden Valley).

The proposal took \$500,000 from the University of Minnesota, \$425,000 from Minnesota State Colleges and Universities (MnSCU), \$1.3 million from living and miscellaneous expense (LME) appropriations. The Learning Network appropriations were raised from \$200,000 to \$800,000.

"We've moved \$10 million in your direction, and it looks like you have moved \$1.2 million," Stumpf said. "At the rate we are moving, it should take us about 28 more days to finish the bill," he said. He said he was disappointed, and did not see any point in going into recess.

Sen. Cal Larson (R-Fergus Falls) suggested adjourning until Saturday.

"We have found the Senate proposals strange, and we don't think they are in earnest," Leppik responded. "This is a serious offer, and we can move forward with some of the other issues."

Sen. Steve Kelley (DFL-Hopkins) said that as a lawyer, he knows that a time eventually comes when both parties need to cut a deal. He said the Senate had reflected it was ready to cut a deal and had hoped the House would come back with equal movement. He said it has been clear from the beginning the issue has been how much to put into the Higher Education Services Office (HESO). Kelley said the Senate had moved \$14 million from the original bill, and the House \$7 million. "It's quite clear we won't come to a deal until the House has come down by \$10 million," he said.

"We don't want to come to your position on the student share," Leppik said.

"Sometimes things are most difficult before a breakthrough," said Rep. Lyndon Carlson (DFL-Crystal). He said much of the debate about the student share revolves around income. Kelley said the Senate would keep considering the issue of whether low-income students ought to be able to attend higher-priced colleges.

"We're looking at a budget of billions," Stumpf said, "and we end up arguing about a few dollars going to students—about 10 to 10.5 percent of the bill goes into financial aid." Leppik said the only

way tuition can be kept down is if money is put into institutions. She offered a motion to move the House proposal. The motion failed.

Higher ed package adopted

Members of the higher education conference committee met for the last time Fri., May 14, to finalize the appropriations funding in the \$2.6 billion omnibus bill. Sen. LeRoy Stumpf (DFL-Thief River Falls) and Rep. Peggy Leppik (R-Golden Valley) co-chair the committee.

The two bodies approached the bill from different viewpoints, with the House promoting funding the budgets of the University of Minnesota and Minnesota State Colleges and Universities (MnSCU), and the Senate wanting to increase student aid attributes.

MnSCU receives an appropriation of \$1.1 billion; the U of M \$1.2 billion, with the Mayo Clinic granted \$3.2 million and the Higher Education Services Office, \$310,453. The result is an increase in funding for MnSCU and the U of M of \$237 million.

Stumpf said some of the major highlights for MnSCU covered the cost of inflation, repair of buildings, capital development and technology. He said that among U of M funding increases, attention can be drawn to the undergraduate experience, compensation components, technology and repairs.

MnSCU received a \$56 million cost of living increase and the U of M \$68.8 million in faculty pay and special compensation increases. An appropriation of \$15 million is provided for the undergraduate experience. Other major areas of funding include \$9.1 million for repairs and improvements at the U of M, \$16 million for MnSCU repairs, \$3 million for work study and internships, and \$4.7 million for Minitex, resource sharing among libraries.

Some of the areas that drew the most discussion during conference committee meetings were funding of child care for Minnesota Families in Health Partnership (MFIP) and incentives for low-wage employees in long-term health care facilities. The bill provides for a study of MFIP child care funding, and development of a short-term health care curricula to persons employed in a wide range of health care and human services settings.

Stumpf said one of the concerns he has regarding the strengthening of the Rochester branch of the University of Minnesota is the multiple registrations and types of student services that may be offered. Leppik said she agrees, and language in the bill reflects cooperation between the institutions. The bill provides that, while a cooperative basis is maintained among institutions, the U of M is expected to take the leadership role in assessing community needs and facilitating the delivery of upper division and graduate academic programming and student services by existing higher education providers. The bill also provides that a school of professional and graduate studies be established as a nonresidential branch campus. The campus is a joint partnership of the U of M with Rochester Community and Technical College and Winona State University.

"The hallmark part of the 1999 session is what we say when we go back home to our constituents," Stumpf said. "We can say we have had the largest income tax reduction in the history of the state of Minnesota," he said. He added that Minnesota also has the largest surplus rebates that will go back to the state taxpayers.

Stumpf said that higher education has, in its omnibus appropriations bill, an increase of new spendable dollars of 11.6 percent. He said MnSCU has an appropriations increase of 13.7 percent and financial aid was raised by 10.3 percent.

"The message is clear that we care about education in Minnesota and have acted responsibly in terms of our taxpayers," Stumpf stated.

The committee moved to incorporate budget numbers in the bill.

Health and family security bill

Omnibus provisions discussed

Members of the Conference Committee on S.F. 2225, the health and human services omnibus appropriations bill, chaired by Sen. Don Samuelson (DFL-Brainerd) and Rep. Kevin Goodno (R-Moorhead), met Thurs., May 6, to discuss adopting certain provisions with little fiscal impact from both versions of the bill.

Sen. Sheila Kiscaden (R-Rochester)

moved the Senate's provision to reduce the MinnesotaCare premium for those families with children and with income below 150 percent of the federal poverty level who choose to pay on an annual basis. At the lowest income level the premium is \$4 per month and the measure allows an annual premium of \$30 to be paid. Kiscaden said the provision is designed to increase enrollment to MinnesotaCare by offering an incentive to pay yearly instead of monthly.

Speaking against the provision, Rep. Fran Bradley (R-Rochester) said the Senate's measure reduces the premium to an amount that is too low. He said he would rather the premium be reduced to \$40 per year and moved to amend the Senate provision as such. Responding, Sen. Linda Berglin (DFL-Mpls.) said she is concerned that a reduction to a \$40 yearly premium is not low enough. Many people who qualify for MinnesotaCare, she said, live "check to check," and may not have enough money to pay a \$40 premium. Also, Kiscaden said families at 150 percent of the poverty level have an income of about \$15,000 per year. She said at such a low income, once the bills are paid there is not much money left. The difference between \$30 and \$40, she said, is substantial in many such cases. However, Bradley said if people have a problem paying \$40 per year they will also have difficulty paying \$30 per year. He preferred, he said, that people make some contribution to the program. The Bradley amendment failed, but the Senate provision also was not adopted.

Berglin also discussed the Senate provision to require a job counselor inform an MFIP care giver of the option of a secondary assessment if the counselor determines the care giver is not likely to exit MFIP within 12 months. However, Bradley said he disagrees with requiring a job counselor to make a judgement regarding whether a participant will exit MFIP within 12 months. He also said mandating a secondary assessment—which adds more work for the job counselor—prevents the counselor from being productive. Berglin said she is concerned because the law requires a participant to take the first job offered, yet many jobs do not lead to any advancement and do not help people exit MFIP. She said if people will not exit MFIP under their current job, counties should follow up on

participants to inform them of other options that could lead to advancement. Participants, she said, should be helped to exit welfare and not just helped into dead end jobs.

Bradley said there is no such thing as "just" a job. Every job, he said, provides people with experience and is an important part of their development. He said requiring another assessment is not good policy. Berglin said she agreed that every job is important. However, she added that she thinks it is bad policy to simply abandon people just because they obtain a job, no matter what kind of a job it is. Samuelson also raised concerns about the provision. He said that job counselors are already working with high caseloads and he does not want to add more work to their load. He said he has heard many complaints about the potential new policy. Chuck Johnson, from the Minnesota Department of Human Services, said he agreed that more opportunities should be provided for MFIP participants to acquire a job that will lead to advancement and eventual exit from MFIP. However, he said the department has concerns with the Senate measure because the job counselor case load is already high. Although participants are not provided with other options as they should be, he said, the department prefers not to require the a secondary assessment. He said another option to meet the goals of the measure should be found. The provision was laid on the table for further discussion.

Berglin discussed the Senate's provision extending the time limit on Minnesota Family Investment Program Assistance (MFIP) by one month for each month a participant maintains a 2.5 grade point average. She said the idea behind the measure is to prevent participants from becoming reluctant to obtain an education. Speaking against the provision, Bradley said using the 60 month time clock as an incentive is bad policy. He also asked why those who are working don't receive the same incentive. The Senate provision was not adopted.

Other provisions from both the House and Senate versions of the bill were adopted. Regarding MFIP related provisions, the committee adopted a Senate measure adding a good cause exemption from sanctions for individuals whose mandatory MFIP meeting conflicts with the participant's work schedule or a

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judicial proceeding. Berglin said MFIP meetings should not conflict with jobs because the purpose of MFIP is to allow people to get jobs. She said some counties already use such a measure but not all do. The Senate also includes provisions prohibiting the months in which a care giver meets their work requirement from counting towards the 60 month time limit and allowing job counselors to approve employment plans that include the University of Minnesota student parent MFIP program. The committee also adopted a House proposal to permit a participant's job search to be limited to jobs consistent with the participant's employment goal. The measure also allows a participant to fulfill a portion of their weekly job search requirement by attending adult basic education or English as a second language classes. Berglin said the measure allows the state to make better use of federal Welfare-to-Work dollars because some are earmarked for work searches. The House includes other proposals that extend the availability of county case management services after a participant leaves MFIP from six months to twelve months and that create an MFIP incentive bonus program for high performing counties. Although both versions had similar provisions, the committee also adopted the Senate language allowing a participant with reading and math skills below an eighth grade level to incorporate adult basic education into their plan.

The committee adopted Senate positions requiring general assistance medical care (GAMC) applicants to be eligible beginning in the month of application, terminating outreach grants if the outreach effort does not increase enrollment in Medical Assistance (MA), GAMC or MinnesotaCare and requiring the development and study of the feasibility of a one page pre-application form for MinnesotaCare. The committee also adopted Senate positions requiring incontinent nursing home residents to be checked at intervals specified in the care plan of the resident. The provision requires that intervals longer than two hours be given physician approval. Many Senate provisions regarding health occupations were also adopted.

The committee adopted a House provision to allow nursing facilities to require residents to use pharmacies that utilize unit dose packing systems or other

medication systems and to use pharmacies that are able to meet nursing facility standards for safe and timely administration of medications. The provision prohibits nursing facilities from restricting a resident's pharmacy choice because the pharmacy utilizes a specific system of unit dose packing, as long as the system is consistent with other systems use by the facility. The committee also adopted House positions eliminating the requirement that the senior drug program be administered so that the state costs do not exceed \$4 million plus rebate programs and authorizing pilot projects to provide alternatives or to enhance delivery of adult mental health services. Many other technical changes proposed by both the House and Senate were also adopted. The committee will be meeting to further discuss the rest of the bill.

Omnibus measures addressed

Members of the Conference Committee on S.F. 2225, the health and human services omnibus appropriations bill, chaired by Sen. Don Samuelson (DFL-Brainerd) and Rep. Kevin Goodno (R-Moorhead), met again Fri., May 7, to consider adopting provisions with little fiscal impact from both versions of the bill.

Sen. Linda Berglin (DFL-Mpls.) discussed a Senate provision to require a Minnesota Family Investment Plan (MFIP) job counselor to inform an MFIP care giver of the option of a secondary assessment if the counselor determines the care giver's current employment is not likely to lead to advancement. The measure was discussed at the previous meeting but was temporarily tabled due to concerns about mandating more work for job counselors. To counter that concern, Berglin offered an amendment stating that, if advancement is unlikely, the job counselor and the participant may develop a plan that includes part time training consistent with the care giver's interests and career path. Berglin said the amendment removes the mandate requiring the counselor to give a secondary assessment but still permits the assessment to be given. She also said the provision was a part of former Gov. Carlson's original welfare reform plan.

Responding, Rep. Fran Bradley (R-Rochester) said the amendment makes the provision better but added that he remains troubled by the measure. He

said even though an assessment is no longer required, another task is still added to the job counselor's responsibilities. The provision, he said, still complicates the role of a job counselor. Berglin said the amendment gives job counselors flexibility. Berglin also said that Department of Human Services representatives have said that counselors will perform the assessments if given the option. Also, she said counselors should be giving the secondary assessments to continue to help people exit the MFIP program. Bradley, however, said the amendment doesn't change his feelings about the provision. He also asked how any job counselor can determine the prospects of another person's career. The amendment, he said, is not useful enough to be passed. The amendment was not adopted, nor was the rest of the provision.

Rep. Lynda Boudreau (R-Faribault) offered an amendment to the House provision regarding child support obligations. The amendment allows an obligor's child support payments to be suspended if the obligor has been providing a home, care and support for the child while the child was living with the obligor for six continuous months. Boudreau said the amendment is intended to assist those who care for their children because the custodial parent has acquiesced. It is not right, she said, to charge a person for support when the child is also living with them.

Christa Anders, planning and legal manager with the Department of Human Services, spoke regarding some concerns with the amendment. She said there is some confusion over whether a court order is required to suspend the payments or if the payments are automatically suspended. Under existing law, suspending payments, she said, requires a court order. She also said language should be added to clarify if a court order is required. The amendment was held over to be discussed again at a future meeting.

Other provisions from both the House and Senate versions of the bill were adopted. The committee adopted a House measure to strike language from existing law exempting factories, warehouse and other workplaces that are not frequented by the general public from the prohibition on smoking in public place. The measure has the effect of prohibiting smoking in factories, warehouses and

other workplaces not frequented by the public, except in designated smoking areas. The committee adopted Senate provisions requiring that AIDS prevention grants for programs targeted to adolescents include the promotion of abstinence from sexual activity and drug use, adding married couples as third in the list of preferences a child placing agency must consider when attempting to locate an adoptive home for a child and creating a new physical therapy board. The committee did not adopt House positions prohibiting the use of waiting periods for the minimum coverage of maternity post-delivery hospital stays of 48 hours after a vaginal delivery and 96 hours after a caesarean section. The committee also did not adopt House positions prohibiting the use of waiting periods or pre-existing condition limitations for children's health supervision services and prenatal care services in individual and group health insurance policies and MHO contracts. The committee will meet again to further discuss the rest of the bill.

Obligor payments debated

Members of the Conference Committee on S.F. 2225, the health and human services omnibus appropriations bill, chaired by Sen. Don Samuelson (DFL-Brainerd) and Rep. Kevin Goodno (R-Moorhead), met Mon., May 10, to continue their discussion of their differing versions of the bill.

Rep. Lynda Boudreau (R-Faribault) again offered the House provision to allow an obligor's child support payments to be suspended if the obligor has been providing a home, care and support for the child while the child was living with the obligor for six continuous months. The provision was discussed at the previous meeting but was not acted upon because of various logistical concerns.

Sue Danford, from the Minnesota State Bar Association, testified against the provision. Danford said the provision is dangerous because parents can pressure their children to live in their home in order to eliminate their child support payments. Children, she said, should not be transferred back and forth between homes because of their parent's monetary problems. Danford also said the provision is unnecessary because the court system already can perform similar functions and said it forces a child support magistrate

into the position of proving custody. If parents want to change support arrangements, she said, they should conduct such business between themselves and not add to a judge's caseload. Finally, Danford said the Legislature should stop "tinkering" with family law just because one constituent raises a concern. A good solution, she said, is different for each family.

Responding, Samuelson said if the court doesn't do its job, people come to the Legislature for answers. In the real world, he said, people get frustrated if their problems and concerns are not addressed. Sen. Ember Reichgott Junge (DFL-New Hope) said people are encouraged to bring their concerns to the Legislature. However, she said, many times people bring issues to the Legislature when they disagree with the result of a court decision. She said it is not appropriate, nor wise, for the Legislature to become involved in such child support cases. The provision was not adopted.

Sen. Linda Berglin (DFL-Mpls.) discussed the Senate position to expand MinnesotaCare eligibility for adults to 275 percent of the federal poverty level. The measure requires an appropriation of \$5.442 million over the 2000-01 biennium. Berglin said the proposal is necessary in order to insure the large number of individuals who are uninsured and have no children. In the Metro Area, she said, 52 percent of the population between the ages of 25 and 44 and with no children are uninsured. However, she said only 1.6 percent of Hennepin County residents are covered by MinnesotaCare, while 2.6 percent of those in the rest of the state are. The cost of uninsured care is rising, she said, and expanding the eligibility is one method to solve the problem. Berglin said expanding eligibility and requiring a small premium is better than paying hospitals and clinics for the cost of uninsured care. The measure also, she said, supports low income people who are working so they can continue to be productive workers. However, the provision was not adopted.

Berglin also presented an amendment creating an employer subsidized insurance option for low income children. The insurance program is available to children ages 2 to 18 not eligible for MinnesotaCare because of the accessibility of the program and whose family

income is between 150 and 200 percent of the federal poverty level. The subsidy is equal to the MinnesotaCare capitation payment for the eligible children minus the MinnesotaCare premium for children, if enrolled in MinnesotaCare, up to the amount of the employee's share of the premium for dependent coverage. The employee must subsidize at least 50 percent of the premium.

George Hoffman, director of the reports and forecasts division of the Department of Human Services, said the program is forecast to serve 2,700 children per year. He said the program costs \$150,000 in 2000, \$400,000 in 2001, \$600,000 in 2002 and \$800,000 in 2003, with smaller costs in the ensuing years. He also said by 2003 the program will be funded with \$1.5 million in federal dollars. The cost, he said, is a small addition to MinnesotaCare.

Questioning the provision, Rep. Fran Bradley (R-Rochester) said it sounds good to insure people when they are not insured but added that in a few years many will deem the program inequitable. Many people work hard, are responsible and insure their children, he said, and they will see such a low cost insurance program to be unfair. The amendment was laid on the table for further discussion.

Berglin offered an amendment allowing the Department of Human Services to require hospitals to refund hospital inpatient co-payments paid by Medicaid enrollees between March 1 and December 31, 1999. If a hospital is required to refund the co-payments, the amendment also requires hospitals to collect the co-payment directly from the department. The amendment also states the co-payments shall be refunded only if required to obtain federal Medicaid funding for the individuals. The amendment effectively eliminates co-payments for those with an income of 175 percent of the federal poverty level.

Bradley said he is hesitant to give up money collected from co-payments. He doesn't like the idea, he said, because Medicaid is an insurance program and it should require co-payments. Responding, Jim Chase, from the Department of Human Services said the federal money obtained because of the amendment can reach as high as \$1.5 million. Because of that, he said, the department believes it is worthwhile to waive the co-payments if

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required by the federal government. He said, however, that waiving the payments may not even be required. The amendment was divided and the section allowing hospitals to refund co-pays was approved.

Speaking to the second half of the amendment, Hoffman said not adopting the section relating to the federal government raises considerable questions about the Legislature's ability to provide matching funds for Medicaid. He said the language represents the "safe course," and if it is not adopted the effects of the remainder of the amendment are unpredictable. Also, Chase said the department is forced to make a forecasting adjustment if the second half is not adopted. The section was not adopted.

The committee considered an amendment regarding the regulation of wading pools in a child care setting. The amendment states that portable wading pools used in child care settings are not regulated as public pools but as private residential pools. Under current law, such wading pools are regulated as public pools. The portable pools must be 24 inches deep and be capable of being manually emptied and moved. Also, the amendment prohibits a child from using the pools unless they have written consent from their parents or legal guardian. Parents must also be provided with information concerning the risk of disease transmission and other health risks, according to the amendment. The amendment was adopted.

The committee also discussed a House provision modifying the gross income for farmers for MinnesotaCare purposes. The provision changes the gross income for farmers to income calculated using as the baseline the adjusted gross income reported for federal income taxes for the previous year and adding back in reported depreciation amounts that apply to the business in which the family is currently engaged. The formula in existing law also includes adding back carryover loss and net operating amounts. However, Department of Human Services representatives raised concerns regarding tailoring the new income formula to federal regulations, and the provision was not adopted.

Provider tax discussed

Members of the conference committee on S.F. 2225, the health and human

services omnibus appropriations bill, chaired by Sen. Don Samuelson (DFL-Brainerd) and Rep. Kevin Goodno (R-Moorhead), met Fri., May 14, to discuss an amendment designed to eliminate the provider tax.

The amendment, offered by Sen. Edward Oliver (R-Deephaven), allows the provider tax to continue at a rate of 1.5 percent of services rendered until the end of calendar year 2003. Current law has the tax increasing from 1.5 percent to 2 percent in 2000. To finance the MinnesotaCare program after 2003, the amendment provides for the transfer of all money in the health care access fund as of July 1, 2004, to the general fund. The amendment eliminates the health care access fund, and transfers the rural physician education account, the midlevel practitioner education account and the education account for nurses to the general fund. Also, the amendment authorizes MinnesotaCare expenditures to be forecast and allows any shortfalls in funds available for the program to be offset by funds from the general fund reserve account. The amendment allows any general fund surpluses to increase the reserve account up to \$622 million.

Oliver said with another year of budget surpluses the time has never been better to eliminate the provider tax. The tax, he said, has been the topic of much discussion and now the Legislature has the opportunity to dispose of it. Sen. Linda Berglin (DFL-Mpls.) asked why Oliver believes it is necessary to eliminate the provider tax but not the premium tax, which also helps fund MinnesotaCare. It is hard to believe, she said, that the premium tax, paid by businesses, will continue and the provider tax will not. Sen. Ember Reichgott Junge (DFL-New Hope) questioned the germaneness of the amendment. She said rules state that in order to be applicable, an amendment must either refer to a provision in one version of the bill or be referred to the conference committee. The amendment is not germane, she said, because it does not deal with a provision in either version and was not referred to the committee. Samuelson, however, ruled the amendment to be germane to the discussion, and it was then adopted. The amendment was, however, reconsidered during a weekend session and eliminated.

Other provisions were adopted during

the committee meeting. The committee adopted a provision allowing medical assistance (MA) to be paid for employed persons who are disabled under social security income (SSI) standards, have countable assets no greater than \$20,000 and pay a premium, if required. The committee adopted a provision authorizing MA coverage for home health services for residents of health care facilities licensed by the commissioner of health that are not hospitals, nursing facilities or intermediate care facilities. Also, the committee adopted a measure eliminating the requirement that federally qualified health centers and rural health clinics become essential community providers in order to receive cost-based reimbursement. The committee approved a measure to add to the list of allowable uses of Minnesota Family Investment Plan (MFIP) funds welfare to work extended employment services, the pathways program, family homeless prevention assistance and rental assistance for family stabilization services. The committee also adopted a provision requiring the examination of forgiving child support arrears in a fair and consistent manner. The provision also requires the development of child support arrearage forgiveness policies to be used throughout the state, and the exploration of the possibility of forwarding a portion, or the entire amount, of the child support award to the custodial parent under circumstances where that is not currently taking place.

Omnibus bill approved

Members of the conference committee on S.F. 2225, the health and human services omnibus appropriations bill, met to approve a compromise package appropriating a total of \$5.368 billion for health and human services related purposes over the 2000-01 biennium. The committee, chaired by Sen. Don Samuelson (DFL-Brainerd) and Rep. Kevin Goodno (R-Moorhead), met throughout the weekend to reach an agreement regarding the budget bill.

A major initiative in the bill is the creation of two endowment funds with a one time payment of \$968 million between now and 2003 from the recent tobacco settlement. Of the total amount, 40 percent, about \$387 million, is directed for a state wide tobacco prevention endowment program managed by the

Minnesota Department of Health. Competitive grants under the program are to focus on lowering the incidence of youth tobacco use. Also, 39 percent of the total, about \$378 million, is directed to a medical education endowment fund. With some adjustment in the first two years, the funds are to be equally divided between the existing Medical Education and Research (MERC) fund and the University of Minnesota's Academic Health Center. Finally, 21 percent, about \$203 million, is directed for a community prevention fund. Grants under the community fund are to be directed to local agencies to target high risk behaviors that affect youth, such as drug, alcohol and tobacco abuse.

In the area of human services, the bill increases the salaries of nursing home, group home and home health workers by 4 percent in 2000 and 3 percent in 2001. Included in this provision is a measure requiring 80 percent of the increases in the cost of living adjustment (COLA) for nursing home workers to be used to increase employee compensation. The bill creates 100 new waiver slots for the developmentally disabled seeking community services, increases provider payments to hospitals, physicians and dental services totaling \$20.5 million over the biennium, provides \$1.5 million in grants to support rural pharmacies and allows medical assistance (MA) to cover telemedicine consultations. Also, the bill provides \$18.999 million to fully fund the senior drug program, allows nursing homes to require that residents use unit dose drugs, requires the development of a one page "pre-application" form for MinnesotaCare and requires non-metro counties participating in the pre-paid medical assistance program (PMAP) to be set at no less than 89 percent of the rates for Metro counties. The bill also eliminates language that counts the first \$100 of a rental subsidy as unearned income when determining Temporary Assistance for Needy Families (TANF) eligibility and grant levels. The language is scheduled to take effect July 1, 1999.

Regarding Minnesota Family Investment Plan (MFIP) related provisions, the committee adopted a measure adding a good cause exemption from sanctions for individuals whose mandatory MFIP meeting conflicts with the participant's work schedule or a judicial proceeding.

The bill also includes provisions prohibiting the months in which a care giver meets their work requirement from counting towards the 60 month time limit and allowing job counselors to approve employment plans that include the University of Minnesota student parent MFIP program. The bill contains a provision to permit a participant's job search to be limited to jobs consistent with the participant's employment goal. The measure also allows a participant to fulfill a portion of their weekly job search requirement by attending adult basic education or English as a second language classes. Also, the bill includes other provisions that extend the availability of county case management services after a participant leaves MFIP from six months to twelve months and that create an MFIP incentive bonus program for high performing counties. The bill also includes a measure allowing a participant with reading and math skills below an eighth grade level to incorporate adult basic education into their plan. Finally, the bill raises the MFIP exit level to 120 percent of the federal poverty level. The measure is designed to retain the focus of MFIP on helping lift working recipients out of poverty.

The bill also contains many initiatives for health related purposes. The bill provides \$5.734 million from the health care access fund for capital improvements to rural hospitals, \$2.2 million for vaccines and communicable disease medications and \$400,000 for minority health improvement grants. The bill strikes existing law that exempted factories, warehouses and other work places not frequented by the public from the Clean Indoor Air Act and exempts most backyard wading pools used in family child care facilities from being regulated by the Department of Health as public swimming pools. To allow children to use the pools, however, providers must obtain written permissions from the child's parents. The bill also directs that AIDS prevention curricula will include information regarding abstinence from sexual activity and drugs, requires the Department of Health to provide training for nursing home staff before implementing new regulations and requires incontinent nursing home residents to be checked according to a plan that meets the individual needs of each patient. Under current law,

patients must be checked every two hours. The bill also increases emergency medical services (EMS) regional grants by 3 percent in each year of the biennium.

Among other provisions, the bill appropriates \$1.67 million to the Fergus Falls Veterans Home to operate at full capacity and \$2 million for repairs and asset preservation of veteran's homes throughout the state. The majority of the maintenance needs are at the system's two oldest facilities in Hastings and Minneapolis. Also, the bill allows courts to suspend recreational licenses for non-payment of child support if the obligor is three months behind on payments and is not cooperating with a payment agreement. The bill maximizes the amount of money the federal government contributes for reimbursements to residential programs for children with severe emotional disturbances and creates a program to set up alternative responses to reports of child abuse that do not involve serious maltreatment. Services in the new program are to emphasize reducing household stress.

K-12 education budget bill

Conference committee convenes

The conference committee on H.F. 2333, the K-12 education omnibus bill, convened Thurs., May 6. The committee is co-chaired by Sen. Lawrence Pogemiller (DFL-Mpls.) and Rep. Alice Seagren (R-Bloomington).

Fiscal analysts from the Senate and House began reviewing the omnibus package, outlining the differences between the two versions of the bill. Analysts walked members through the spreadsheet comparing the governor's recommendations, the House appropriations and the Senate appropriations for all categories of K-12 funding.

Among the differences in the two versions of the bill, the Senate provides a 7.8 percent increase in the general education funding formula over the next biennium, and the House provides a 6.6 percent increase for the same period. The Senate provision allocates \$85 million more for general education programs than the House provision.

Special programs, including special education, receive more funding in the House version of the bill. Other funding categories receiving a higher appropria-

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tion in the House version of the bill include lifework development and facilities and technology.

Education excellence, nutrition programs, libraries and the other programs funding categories received a higher appropriation in the Senate version of the bill. The Senate also funded the state education agencies, including the Dept. of Children, Families and Learning, Center for Arts Education and Faribault Academies for the Deaf and Blind, at a higher level than did the House.

Education excellence programs receiving funding only in the Senate version of the bill include the Como Zoo natural science curricula development, excellence in geographic education, alternative education experience, young inventors, neighborhood-based physical education and arts programs, violence prevention through the arts, Murphy's Landing and arts via the Internet.

The Senate version of the bill funds gifted and talented grants, the Roseville Student Council National Convention, the homework hotline and the clearing-house of best practices. The Senate version also appropriates \$5 million for Education Minnesota seminars.

Also funded in the Senate version of the bill is the pilot program, "Brain Power: Birth to Classroom". House conferees questioned why the funding for the program did not come out of the early childhood education budget. Pogemiller told members that the program extends from birth until the child is in third grade. He said the K-12 budget division seemed like the appropriate division from which to make the appropriation.

The Senate version of the bill provides funding for the urban teacher preparation program at Metro State, the school administrators recruitment program, the Metro teacher licensure program and the Minnesota new teacher project. The Senate version also provides extended year, week or day grants to the White Bear Lake, Hastings, Hopkins, South St. Paul and Buffalo School Districts.

Several schools, including the Willmar Magnet School, the Metro Magnet School, the Urban Agriculture High School and the Ely Environmental Magnet School receive planning grants under the Senate version of the bill.

Pogemiller expressed disappointment that the profile of learning conference

committee talks had reached an impasse. He said it makes more sense to discuss the funding of k-12 education relative to what the graduation standard will look like. Pogemiller said he had hoped to complete work on the profile of learning before beginning the k-12 negotiations.

Bill discussion continues

Discussion continued on H.F. 2333, the K-12 education omnibus bill, at the Fri., May 7, meeting of the conference committee. The committee is co-chaired by Sen. Lawrence Pogemiller (DFL-Mpls.) and Rep. Alice Seagren (R-Bloomington).

Members received the side by side copy of the two versions of the bill, and began discussing the sections that are the same in each version of the bill. Although the language may appear in a different section of the bill, often the language itself is similar or the same. After identifying and reviewing portions of the bill with similar Senate and House language, the conferees made minor changes to tighten up the language and then adopted the sections.

Shortly into the meeting, Pogemiller called a brief recess to address a concern about the profile of learning conference committee. He said that the Senate does have a proposal to discuss with House members when the House conferees return to the table. He had the Senate proposal distributed to members of the K-12 conference committee. Pogemiller said the proposal addresses the governor's concern that a minimum number of standards be required for graduation. He said the Senate is offering a great proposal.

Rose Hermodson, Dept. of Children, Families and Learning, said the governor prefers that the profile of learning bill remain separate, and not be folded into the K-12 education funding package.

The K-12 conference committee was called to order and discussion resumed on the bill. As the policy provisions of the bill were reviewed, the conferees continued adopting the sections of the bill that are the same in each version. Some of the provisions adopted by members include the early childhood family education levy, the community education levy and the extended day levy. Also adopted were the sections that change the reference from compensatory revenue to basic skills revenue.

Members discussed at length the formula by which compensatory funding is determined. Currently, the compensatory funding is based on the concentration of free and reduced price meals provided at each site. Pogemiller said it appears that the changes made by the House help districts with the lowest concentration of free and reduced price meals and penalize the districts with the highest concentration of free and reduced price meals. Seagren said that was not the intent of the change.

The House version of the bill creates an additional calculation for compensatory revenue. The House provision qualifies a district for additional compensatory revenue if the school district receives less than the statewide average amount of compensatory revenue, the school district has larger building sizes than the state average and the school district has a larger number of students eligible for free or reduced price meals than the state average.

Review finished

The conference committee on H.F. 2333 met all day and into the early evening Sat., May 8, to finish reviewing the bill. The committee is co-chaired by Sen. Lawrence Pogemiller (DFL-Mpls.) and Rep. Alice Seagren (R-Bloomington).

Members continued adopting sections of the bill that are identical in both versions and discussing, in depth, the sections of the bill that have no comparable provision by the other body. Among the provisions offered only in the Senate version of the bill are an increase from one to two percent the amount of basic revenue a district must reserve for staff development programs, a provision that includes in a charter school's general education revenue the referendum equalization aid allowance in the pupil's district of residence, setting of a district's limited English proficiency revenue for FY 01 and later equal to \$584 times the great of 20 or the number of LEP pupils enrolled in the district and a change allowing a district's integration revenue to be calculated using adjusted pupil units instead of resident pupil units.

House provisions with no similar language in the Senate version include an authorization for a school district to establish reserve accounts for transportation expenditures, an adjustment of the

computation of learning year pupil units to reflect the lengthening of the regular school year by the three additional days adopted in 1997 and creation of funding for school districts that offer a basic skills summer school program.

The House version of the bill creates an additional calculation for compensatory revenue. Under the provision, a district qualifies for additional compensatory revenue if the district receives less than the statewide average amount of compensatory revenue, the school district has larger building sizes than the state average and the school district has a larger number of students eligible for free or reduced price meals than the state average.

The Senate version of the bill includes charter schools in the use of adjusted pupil units. Also, the definition of adjusted pupil unit is changed to include the number of pupil units served instead of resident pupil units. The Senate version of the bill also creates "adjusted marginal cost pupil units" by making adjusted pupil units equal to .9 times the current year pupil units plus .1 times the previous year's pupil units.

The House version of the bill integrates the proposed and current class size reduction programs. Seagren said the House did not adopt the waiver provision in the governor's bill, but did include the accountability provision. She said the House version of the bill provides for an average class size and that if a ratio of 17 to 1 cannot be reached in all classrooms, the priority for the ratio should be in reading and math programs.

Also, the House language sets the class size reduction funding equal to \$250 per pupil for children in grades 1 to 3 and \$125 per kindergarten pupil, therefore basing the additional funding on number of students rather than on per pupil weighting. The Senate funds class size revenue through additional pupil weighting and provides additional funding that may be used for class size reduction.

The Senate version of the bill includes language defining the regional equity gap as the difference between the fifth and the 95th percentile of adjusted general revenue per marginal cost pupil unit. Additionally, the Senate language defines a district's equity index and divides the state into two regions for the purposes of computing equity revenue. School districts whose administrative

offices are located in the seven county Metro Area are part of the Metro equity region. The remainder of the districts in the state are part of the rural equity plan.

Offer refused

An offer made by the Senate to adopt sections of the K-12 omnibus bill that have the same House and Senate appropriations was turned down by House conferees Mon., May 10. The conference committee on H.F. 2333, co-chaired by Sen. Lawrence Pogemiller (DFL-Mpls.) and Rep. Alice Seagren (R-Bloomington), then recessed so that the House members could confer.

The Senate offer, presented by Pogemiller, outlines the \$329 million in appropriations that are the same in the House and Senate version of the K-12 omnibus bill and match the governor's budget recommendations for the next biennium. Programs funded at the same level by each body include transportation safety, enrollment options transportation, several special programs and special education programs, youth works and youth works administration, a community-based charter school grant, abatement aid, nonpublic pupil aid, summer food service replacement aid and funding for two library programs.

Some of the Senate conferees expressed frustration at the lack of progress. Sen. Sandra Pappas (DFL-St. Paul) said she has never seen the budget targets presented so late in a session and seen so little movement in a conference committee. Sen. Martha Robertson (R-Minnetonka) asked why there could not be agreement on the issues that are funded at the same level.

Seagren said the House did not want to adopt the provisions, even though the appropriations are the same, because the House and Senate budget targets are so different. Rep. Tony Kielkucki (R-Lester Prairie) said that at this point, everything is negotiable.

Unable to discuss the funding portions of the bill, the conferees resumed discussion on the policy issues of the bill. Representatives from some of the programs funded in the bill provided testimony and answered questions.

The Senate version of the bill appropriates \$150,000 to the Center for Victims of Torture. A representative from the center told the conference committee that Minnesota has the

seventh highest number of refugee children enrolled in the school system across the state. She said the center has trained over 1,500 teachers who have never had to deal with the issue of refugee children before. She said the number of refugees arriving in the state is expected to increase and that because of the way that refugee groups are resettled, the refugee children will attend schools throughout Minnesota.

David Galligan, executive director, Walker Art Center, spoke about the Internet arts program at the museum. The Senate version of the bill provides a biennial appropriation of \$1 million for the Arts via the Internet program. Galligan said the purpose of the program is to put art online so that the resources can be readily available to school children. Seagren questioned the number of years the program requires funding and she suggested the program should have a matching funds provision. Pogemiller said that there is no way the state can fund the entire digitization of the project. Galligan acknowledged Pogemiller's comment and added that the web site is very popular, generating an average of 20,000 visits per month.

A provision in the House version of the bill that deals with grounds for student dismissal generated lengthy discussion. Under the provision, a pupil may be dismissed for willful conduct that significantly disrupts the rights of others to an education, including conduct that interferes with a teacher's ability to teach or communicate effectively with students in a class or with the ability of other students to learn or willful conduct that disrupts a classroom, the school environment or the functions of a school. The provision also specifies that a pupil may be dismissed for willful conduct that endangers the pupil or other pupils, or surrounding persons, including school district employees or property of the school.

Robertson said that the language of the provision is too vague. She said it clearly relates to students who are EBD or borderline cases and it targets those pupils in special ed. Robertson added that there might be instances where the teacher hasn't effectively communicated with the student. She said the protections that need to be in the language are not there. Sen. Linda Scheid (DFL-Brooklyn Park) questioned the subjectiveness of

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the provision. She said the provision does not state how many times a student must disrupt before being dismissed or what level of conduct constitutes disruption.

Rep. Harry Mares (R-White Bear Lake) said that most all learning institutions explain the rules within the first few weeks of school. He said that when the rules are explained, it is made clear at that time how many infractions a child is allowed to have before the consequences are imposed. Tom Deans, Minnesota School Boards Association, urged members to keep the language currently in statute if the House provision is stricken from the omnibus bill. He said the intent is to address the problem of disruptive children and move them into another learning environment until the child exhibits normal conduct and can return to the previous educational setting.

Claudia Fuentes, Urban Coalition, said the House provision potentially intensifies the current overuse of suspension as a disciplinary measure for minority students. She said that within the present disciplinary procedures, students of color are suspended more frequently for disciplinary problems on average than their white counterparts.

A provision in the Senate version of the bill specifies that an area learning center use research-based best practices and offer bilingual education programs to students and their parents whose primary language is a language other than English. Seagren asked if there was a common term that could be used to describe both "bilingual" and "a language other than English." The language of the Senate provision was amended to state that area learning centers offer bilingual education programs to LEP students and their parents.

The House version of the bill provides \$1.6 million for the operating costs of residential academies. Pogemiller said he understood that the money previously appropriated for the residential academies was for start-up costs and would not be an ongoing funding need. Rose Hermodson, Dept. of Children, Families and Learning, said that the appropriation requested is for the operating costs of the academies.

The conferees adopted an amendment relating to teacher preparation. The amendment specifies who participates in dispute resolution between a post

secondary student preparing for teacher licensure and a post-secondary institution providing a teacher preparation program.

New offer proposed

An offer from the House conferees highlighted the Tues., May 11, meeting of the conference committee on H.F. 2333. Committee co-chair, Rep. Alice Seagren (R-Bloomington), offered the Senate \$50 million on the general education formula in FY 00 and \$50 million in FY 01, provided the funds are available in the November forecast. The additional \$100 million for the biennium funds K-12 education at \$7.9 billion, the level requested by the Senate.

Sen. Lawrence Pogemiller (DFL-Mpls.), committee co-chair, offered a response from the Senate that included increasing, by \$26 million, the level at which the Senate funds special education. Pogemiller said of the \$26 million, \$17.2 million will fund regular special ed and \$8.8 million will fund special ed excess cost. He listed the programs from which the Senate proposes to shift the \$26 million.

In order to shift \$26 million to special education, the Senate proposes to capture \$5 million from the school bus advertising appropriation; decrease the Fast Break to Learning program by \$5 million; eliminate marginal cost transition grants and compensatory transition grants, capturing \$10 million; eliminate \$5 million in telecommunication access grants; and reduce alternative learning center building lease aid by \$1 million.

Pogemiller said the Senate offer also includes reducing the Senate special education tails and all other Senate provisions in the bill. He again distributed a list of appropriations that the House, the Senate and the governor have funded at the same level. Pogemiller wanted to adopt the provisions, but Seagren said the House is not ready to take the action. She said the House would confer and respond to the Senate offer at the next meeting of the conference committee.

In addition to the discussion on the appropriations portion of the bill, the committee heard testimony from several groups who represent programs funded in either the House or Senate version of the bill, but not both versions. A representative of the Minnesota Foundation for Student Organizations told the commit-

tee that student organizations in school districts depend on Legislative appropriations for survival. She said the foundation would like to raise private money, also, to help meet the goal of creating more student organization chapters in urban school districts. The House version of the bill funds the foundation as a separate line item appropriation, while the Senate version funds the foundation through the base budget of the Dept. of Children, Families and Learning.

Seagren said the House version of the bill extends the life of the State Board of Education for six months in order to facilitate the establishment of the board for the Faribault academies. Elaine Sveen, Academy for the Blind, said the new board is unique because it governs one agency and two very different schools. She said that time is needed to develop by-laws to govern the site councils of the schools. Linda Mitchell, Academy for the Deaf, said it is very important that the new board work with both schools equally and not favor one academy over another.

Sen. Martha Robertson (R-Minnetonka) questioned the House language in the bill that requires telecommunication access grant money to be used for maintenance of the systems already in place. Robertson said that the money should be used to finish connecting the schools that have not received access to interactive video or data connection.

Mark Manning, CFL, said that most schools in the state have an ITV analog connection, so most districts do have a certain level of connectivity. He said there are a few rural school districts that have no data connection. Manning said connection costs run 8 to 10 percent more in the rural areas. He said that the cost to finish the conversion from analog to digital connectivity is about \$19 million.

Sen. Sandra Pappas (DFL-St. Paul) offered an amendment relating to the Alternative Pathways for Teacher Preparation program. She said the amendment changes the Senate language to be more consistent with the House language relating to teacher preparation. The amendment also specifies that a school district participating in the program may charge reasonable fees to a student in a teacher preparation program

placed in a preschool, elementary or secondary classroom to receive teacher training. Pappas said the students in the teacher preparation program are charged a fee to participate in the student teaching project because the classroom teacher is providing more supervision and spending more time with the student.

Marcia Averbook, Education Minnesota, said that the program is an attempt to get student teachers into the classroom earlier in the course of study and for a longer period of time.

Offers exchanged

Each body presented a counter proposal to the offer of the other at the Weds., May 12, meeting of the conference committee on the K-12 omnibus appropriations bill, H.F. 2333. In addition, the conferees continued discussing the differences in the two versions of the bill. The committee is co-chaired by Sen. Lawrence Pogemiller (DFL-Mpls.) and Rep. Alice Seagren (R-Bloomington).

The House proposed a second offer to the Senate conferees that includes the House formula allowance plus \$50 million in FY 00; the House formula allowance plus \$50 million in FY 01, contingent on a Nov., 1999, budget surplus; telecommunication access grants reduced by \$5 million to \$15 million; secondary vocational funding reduced by half in the second year of the biennium; increasing the funding for the Fast Break to Learning school breakfast program to the governor's level; school-to-work grants reduced to the Senate level; rural equity funding increased by \$11 million for the biennium, using the House distribution method; all other House money; all House and Senate language adopted to date; and all House language not yet adopted unless specifically rejected by vote.

The Senate countered with an offer that includes the previous Senate offer, and proposes to put an additional \$12 million on the Senate equity funding. The \$12 million is shifted from the Fast Break to Learning breakfast program, regional library telecommunication aid and Senate programs for teachers.

Seagren said she was glad that Senate is moving in the right direction. The House is committed to funding the general formula and seeing a reduction in class size, an initiative the governor is ada-

mant about, said Seagren. She voiced concerns that the Senate is funding too many special projects. Pogemiller said he knows the funding for some special projects is at risk. Rep. Tony Kielkucki (R-Lester Prairie) said he would like to avoid creating a situation with winners and losers. He said he would like to see the committee come up with the most equitable funding package possible. Rep. Ken Wolf (R-Burnsville) said most of the money should be put on the formula – so that the districts can decide how to spend the money.

Seagren proposed a third offer from the House conferees. In addition to what the House already offered, the new proposal includes class size reduction funding increased by \$11.5 million and the House \$0 levy target.

The conferees continued going through the bill, discussing the sections in which there are differences, and adopting the sections in which there is agreement on the language and appropriation levels.

Sen. Sandra Pappas (DFL-St. Paul) discussed the proposed teacher preparation program at Metropolitan State University. Metro State President Dennis Nielsen told members that the institution primarily serves working adults. The teacher preparation program is needed at Metro State and will be used to increase the number of teachers of color and teachers prepared to teach in an urban setting, said Nielsen. Pogemiller asked why the Legislature should pay for the program. Nielsen said the program can be self-sufficient, but needs money for start-up costs. Seagren said she felt the program should be funded from the higher ed budget.

Several sections of the bill relating to charter schools were adopted. Marsha Gronseth, executive director, State Board of Education, discussed the Charter School Appeals Board. Pogemiller said that a policy decision needs to be made regarding accountability issues and charter schools. He said that currently, there are no elected officials who have accountability within the charter schools.

Sen. Martha Robertson (R-Minnetonka) offered an amendment relating to availability of school educational data. The amendment specifies that a policy be developed that accurately reflects state and federal data regulations regarding access to and dissemination of educational data by

schools and by other government agencies who serve school-aged children, and access by schools to data about students who have exhibited violent behaviors. The amendment was adopted.

Negotiations abbreviated

The conference committee on H.F. 2333, the K-12 education omnibus funding bill, met briefly Thurs., May 13. The committee, co-chaired by Sen. Lawrence Pogemiller (DFL-Mpls.) and Rep. Alice Seagren (R-Bloomington), continued working out the differences between the two versions of the bill.

Conferees heard testimony from Jamie Bailey, a 1995 graduate student of the High School for Agricultural Sciences, Chicago. She spoke in support of funding for an agricultural high school in Minnesota, a provision in the bill. Bailey said the course she took at school and the internships eventually led her to the University of Minnesota. She said that the high school in Chicago served to bring the community and the kids together.

The committee continued discussing the differences in the versions, but did not adopt any sections for inclusion in the final bill.

More offers exchanged

The conference committee on H.F. 2333, the K-12 education funding bill, continued moving toward agreement on the bill at the Fri., May 14, meeting. The committee is co-chaired by Sen. Lawrence Pogemiller (DFL-Mpls.) and Rep. Alice Seagren (R-Bloomington).

A number of proposals were offered and countered during the course of the meeting. The House proposals include transferring \$5 million of bus advertising money, which is contingent money, to TAG grants. In a later proposal by the House, the same money was shifted to aid in class size reduction. Also included in the House proposal was the offer to consolidate facilities levies; combine compensatory equity and supplemental revenue adjustments; funding for the Minnesota State Academies at the Senate level; and broadening the current 1 percent reserve to include staff development, class size reduction or full day kindergarten as determined by local school districts.

The Senate proposals include a repeal of the 3 additional school days, accep-

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tance of the House language on the Fast Break to Learning program – with no sunset on the program, \$50,000 for Angle Inlet, an increase in the set aside money to fund class size reduction at the governor's level of \$150 million, alternative levies for Maplewood, Stillwater, Moundsview, White Bear Lake, Rosemount-Apple Valley, and the Senate language on the transition of the State Board of Education.

Seagren commented, after the third offer from the Senate, that the two sides seem to be moving apart, rather than coming together on the issues. Pogemiller responded that the two sides are "unable to agree on the things they agree on," referring to numerous failed attempts by the Senate to adopt appropriation language that is the same in both versions of the bill.

Members discussed the section of the bill relating to Internet access in schools and libraries. The House version of the bill requires schools and public libraries that allow Internet access to children to be equipped with software capable of filtering obscene material. Rep. Harry Mares (R-White Bear Lake) said the language in the House version of the bill requires the Dept. of Children, Families and Learning to provide the filtering software. Sen. Martha Robertson (R-Minnetonka) said that an overall policy on filtering should be adopted, but that the decision on what to filter on the Internet should be made at the local level.

An amendment relating to pesticide application at schools was discussed by the conferees. The amendment, offered by Sen. Linda Scheid (DFL-Brooklyn Park), specifies that a school district that uses a restricted use pesticide must notify parents and employees of the school district. The amendment also removes the requirement that a pesticide manual be distributed within each school district. Bob Meeks, Minnesota School Boards Association, said that the association doesn't support or oppose the provision in the bill. He said the notification requires that the districts find out which category pesticides used in the districts fall into.

Christine Jax, commissioner, Dept. of Children, Families and Learning, spoke in support of staff development grants to certify competence for implementing the provisions of the Minnesota Rule. Jax said that the grants are to fund best

practices seminars, workshops or classes to assist teachers with meeting the criteria for implementing the profile of learning. Although the initiative is directly related to the profile of learning, which is separate from the K-12 funding package, the appropriation must be decided in the K-12 conference committee, said Jax. She said people want the problems in the profile of learning fixed, and in addition to the proposed changes offered by the Senate, re-certification to teach the profile of learning is one way to make sure that high standards are being taught statewide. No formal action was taken on the re-certification proposal.

Agreement reached

The conference committee on H.F. 2333, the K-12 education funding bill, met Sat. May 15, and Sun., May 16, to develop the conference committee report that was finalized Mon., May 17.

Gov. Jesse Ventura appeared before the committee Sun. evening, to reinforce his commitment to class size reduction. He said he wants to be able to walk into any classroom in Minnesota and see 17 children and one teacher there.

The K-12 omnibus education funding compromise bill appropriates \$7.9 billion for the 1999-2001 biennium. The funding package increases the general education formula 4.7 percent in FY 00 and 3.2 percent in FY 01. The formula increase, the largest in a decade, raises the per pupil funding to \$3,740 in FY 00 and \$3,925 in FY 01. A provision from the House version of the bill specifies that \$50 million in the second year of the biennium is contingent upon the November revenue forecast.

The bill includes equity funding that provides an additional \$40 million to help close the gap between property-poor school districts and more wealthy districts. The bill creates a metropolitan and a rural equity district, excluding cities of the first class – Minneapolis, St. Paul and Duluth. The total cost of the equity funding is \$43 million. Pogemiller said there are no changes to compensatory funding because the funding is working.

Over \$4 million is appropriated to help districts with declining enrollment. The bill creates a marginal cost adjustment of 90/10 pupil weight for the current and previous school year to help districts make up for declining enrollments.

Several districts that experienced a decline in enrollment because of tornado or flood damage also receive declining enrollment aid in the bill.

In the final package, funding for special education and special programs is \$46 million over the appropriation in the Senate version of the bill. A total of \$1.2 billion is appropriated for special education and special programs in the next biennium. Also, the threshold that determines the level at which the state funds excess special ed costs is lowered from 5.7 percent to 4.4 percent. In addition to special education, special program appropriations were made for several American Indian education programs, first grade preparedness grants, the Center for Victims of Torture and the Minnesota Adolescent Parenting Grant Program.

Class size reduction is funded at \$104 million, \$50 million less than the amount recommended in the governor's budget proposal. The appropriation is used to increase pupil weights in grades K-6 for class size reduction purposes. The class size reduction goal is 17 pupils to 1 instructor in every classroom.

The bill funds lifework development at \$25 million, \$3.8 million over the Senate appropriation. Lifework development appropriates money for secondary vocational, school-to-work, Youth Works and Youth Works administration and the Minnesota Foundation for Student Organizations.

Facilities and technology are funded at \$146.5 million. An appropriation of \$38 million is for alternative bonding aid for certain school districts. The bill funds the Urban League Street Academy at \$750,000 for the biennium. The telecommunication access grant appropriation is \$5 million.

Charter schools provisions, including a community-based charter school, charter school building lease aid and charter school start-up receive an appropriation of \$13 million in the bill. The bill provides \$18 million for statewide testing and graduation standards support. Also receiving funding in the bill are the advanced placement and international baccalaureate program and the Minnesota Talented Youth Math Project. The two projects receive a total of \$4 million.

In addition to abatement aid, nonpublic transportation aid and consolidation transition revenue, two teacher

preparation programs receive funding in the bill. The Alternative Pathways program is funded at \$100,000 and the Collaborative Urban Education Program is funded at \$1.8 million. The bill provides funding for HIV education training sites, the Angle Inlet School grant, the urban agricultural high school planning grant and for the Partners for Quality School Improvement Program.

The bill appropriates a total of \$22 million for school nutrition programs, including an appropriation of \$5 million for the Fast Break to Learning initiative in the governor's budget.

Libraries receive an appropriation of \$21.9 million in the bill. Programs receiving the funding include basic support grants for libraries, multi-county, multi-type library systems, database access program for public libraries and media centers, the library for the blind and regional library telecommunications aid.

The bill funds the Dept. of Children, Families and Learning at \$62 million and provides \$14 million for the Perpich Center for Arts Education. Also, the bill appropriates \$20 million for the Faribault Academies for the Deaf and Blind.

Tax bill

Structural balance discussed

"The governor will not sign any tax bill that is not structurally balanced," Pam Wheelock, commissioner of the Dept. of Finance, told members of the Tax Conference Committee Thurs., May 6. The committee is co-chaired by Sen. Douglas Johnson (DFL-Tower) and Rep. Ron Abrams (R-Minnetonka).

Wheelock said that a budget that is structurally balanced does not spend more than it takes in on a continuing basis. She said budgets become unbalanced when spending increases are not sustainable by normal revenue growth and when one-time income is used to support on-going spending or tax cuts. Wheelock said that both the Senate and House omnibus tax bills lack structural balance for FY 2003-2003. The Dept. of Finance has calculated that the Senate bill, mainly due to appropriating \$100 million for K-12 funding, has a negative balance of \$115 million and the House bill, because it uses one-time money from the tobacco settlement for a tax cut, and because it eliminates the provider tax for

MinnesotaCare, creates a negative balance of \$508 million. Abrams said that he disagreed with the department's estimates, and that the House and the Senate are being held to a different standard than the governor in determining the balance of the proposals. "We are in balance far beyond what the eye can see as long as we act with restraint," Abrams said. He said that news that morning of the pledge by Elwyn Tinklenberg, the commissioner of the Dept. of Transportation, to Ramsey County for funding of \$800 million for light rail transit, made the governor's proposed budget structurally unbalanced. Wheelock said that the budget submitted by the governor to the Legislature is structurally balanced and that only proposals signed off on by the Dept. of Finance are official provisions in the governor's budget. "The governor has made no commitments beyond what is in his budget," she said.

Abrams questioned Senate provisions increasing taxes, citing a 4 percent sales tax increase at the airport to help pay for noise mitigation, a 5 percent increase in the commercial industrial rate in Woodbury to help pay for the construction of an interchange at the intersection of Interstate 494 and Tamarack Road, a \$39 million increase for a dislocated workers program, \$58 million for light rail transit, and a \$24 million increase for a property tax levy to pay for the provisions in the K-12 omnibus bill. "I don't know why tax increases are even being discussed by the committee during a time of record budget surpluses," he said.

Johnson said the each of the provisions address significant problems that are not addressed in the House version of the bill.

Light rail discussed

Funding for the Hiawatha Corridor light rail transit project was discussed by the Tax Conference Committee, Fri., May 7. The committee is co-chaired by Sen. Douglas Johnson (DFL-Tower) and Rep. Ron Abrams (R-Minnetonka).

Elwyn Tinklenberg, the commissioner of the Dept. of Transportation, said that the Senate provision in the omnibus tax bill to provide \$60 million in funding for the project is necessary along with the \$40 million appropriated by the Legislature last session in order for the state to receive consideration for matching

federal funds. He said that the project has been favorably reviewed in consideration against other state's projects for the federal funds, but that without the local match, Minnesota will have to wait until the next round of funding in 2004 to be considered. He said the Hiawatha Corridor has been agreed upon by local officials as the first project. The effectiveness of the project will be used to determine whether to use light rail in other corridors. Tinklenberg said that light rail is one option in a multi-modal effort and that each area will be studied to see what the best transportation method is for that particular area.

Ted Mondale, the chair of the Metropolitan Council, said that the state has three options to deal with the area's growing transportation needs. He said the state could expand and build upon current roads. This approach would cost between \$10-12 billion, Mondale said. He said the second option is to do nothing and allow the current road and mass transit system to handle the increase in users. Mondale said within the next 20 years the current 100 miles of congestion will increase to 300 miles of congestion. The third option, he said, is to develop a multi-modal approach, including light rail, commuter lines, and expanded bus lines to deal with the estimated one million people expected to move to the area. It is estimated that there will be 20,000 users of the light rail system each day and the cost to operate the system will be \$10 million a year, he said.

Abrams criticized the reliance on property taxes to build the system. Peter McLaughlin, Hennepin County commissioner, said the timing of the state's portion of the funding is important. "We have the opportunity to use federal funds to build the most expensive part of the project," he said. McLaughlin said that the access to federal funds is important in order not to raise property taxes.

Tax cuts discussed

The fairness of the House and Senate tax cut proposals was discussed by the Tax Conference Committee, Weds., May 12.

Sen. Douglas Johnson (DFL-Tower), the committee co-chair, said the House's latest proposal incorporating budget targets agreed upon by Legislative leadership and the governor the previous

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day, "short-changed" middle class taxpayers. "My impression is that middle class taxpayers lost a lot of tax relief with this proposal compared to the original proposal," he said, "We have been extremely good, and I'm not saying that I think they didn't deserve it, to the business community. This is the year for individuals, for employees, to get the tax cut."

Rep. Ron Abrams (R-Minnetonka), the committee co-chair, said that the House proposal provides across the board tax relief. "Given the target I was given, I put together the best possible package I could," he said. Abrams said provisions in the Senate version of the bill meant to benefit the middle class would not provide that much tax relief. He pointed to the Senate provision cutting motor vehicle license tab fees by \$100 million as an example of a tax cut that would most benefit upper bracket taxpayers. He said Minnesota ranks 26th in the nation in the cost of license fees, and that claims that many Minnesotans go to neighboring states to register their plates and tabs are exaggerated. "There are 35,000 cars on the road which have non-conforming plates which means there is a 95 percent compliance rate," he said. He said the upper class taxpayers would benefit most by the cut because they are the ones that own the more expensive vehicles and that 43 percent of all the cars currently pay the minimum amount. Rep. William Kuisle (R-Rochester), said the \$100 million is a minor cut when spread out among all the automobiles in the state. Kuisle said the impact for individuals would be limited. Johnson said that families who own two or three cars are the ones asking for the cut, and that those people would benefit most.

Johnson pointed to the House's proposal to cut the commercial industrial rate as another example of tax relief for businesses that will not benefit middle class taxpayers. He said he was given information showing that a family of four with an income of \$25,000 will get a \$34 tax cut but one chief executive officer of a large corporation will get a \$100,000 cut. "We agreed to that but with the remaining tax cut we have let's bring some balance and fairness," Johnson said.

Abrams said the House's proposal is balanced and fair. "Minnesota still has the second or third highest commercial industrial rate in the nation. I think we

can do better. I agree we shouldn't do it at the expense of homeowners and farmers," he said. He pointed to the House's proposal to reduce the MinnesotaCare tax by \$370 million as relief for the middle class.

Rebate provision adopted

The Tax Conference Committee agreed to a provision in the omnibus tax bill for a \$1.25 billion sales tax rebate, Thurs., May 13. The conference committee is co-chaired by Sen. Douglas Johnson (DFL-Tower) and Rep. Ron Abrams (R-Minnetonka).

The sales tax based rebate provision was included in both the Senate and House versions of the bill. The overall amount of the rebate could increase to \$1.3 billion if more money is available by the end of the current biennium, June 30. Members chose to adopt the language of the Senate version, which requires the Dept. of Revenue to mail out the rebate checks by Aug. 1 and to begin paying interest on the rebates that aren't mailed out by Oct. 1. The House version of the bill required the department to mail out the checks on June 1, with interest on rebate payments to begin if the checks were not mailed prior to July 1.

Jack Mansun, from the Dept. of Revenue said the House provision would cost approximately \$10 million in interest payments but that the department estimates that it should be able to mail out the checks by Oct. 1 and thus no interest will be paid. The House version of the bill also included a provision allowing taxpayers to return their checks and specify the money be used in five or six dedicated accounts. Matt Smith, the commissioner of the Dept. of Revenue, said the processing and postal cost of the provision was approximately \$286,000.

Mansun said in order to be eligible for a rebate, a person must have filed for the 1997 property tax rebate before June 15, 1999, or have filed a 1997 income tax return with at least \$1 of liability, or whose 1997 homestead taxes were abated to zero because of flood damage. The minimum rebate for married couples filing joint returns is \$380, and \$217 for single and married separate filers. The maximum rebate is \$5,000 for married couples filing joint returns and head of household filers and \$2,500 for single and married separate filers.

Omnibus tax bill approved

The Tax Conference Committee reached agreement Sun., May 16, on the omnibus tax bill H.F. 2420, providing for a total of \$2.9 billion in tax relief. The committee was chaired by Sen. Douglas Johnson (DFL-Tower) and Rep. Ron Abrams (R-Minnetonka).

The bill provides a one time \$1.25 billion sales tax rebate which increases to \$1.3 billion if more money is available by the end of the current biennium. A compromise was reached on the permanent income tax cut provision of the bill. The original Senate proposal cut the rate in the first two brackets by .5 percent. The original House proposal cut the rate of all three tax brackets by .5 percent. In the final version of the bill, conferees agreed to cut the rate of the bottom tax bracket, which includes individuals with income up to \$17,250 and married couples with income up to \$25,220, from 6 percent to 5.5 percent, the middle bracket which includes individuals with income of \$17,250 to \$56,680 and married couples with income of \$25,220 to \$100,200 from 8 percent to 7.25 percent, and the top bracket which includes individuals with income over \$56,680 and married couples with income over \$100,200 from 8.5 percent to 8 percent. The bill allows a subtraction for 50 percent of charitable contributions in excess of \$500 for taxpayers who claim the federal standard deduction and a one time subtraction in tax year 2000 for pension, IRA and Keogh contributions that were included in taxable income in the early 1980s, due to nonconformity with the federal income tax. The bill also provides an income based phase out for the education credit, which begins at \$33,500 and ends at \$37,500.

The bill provides business tax relief by allowing a corporation to claim a credit for taxes paid to another state if the other state treats the income as nonbusiness income and assigns it to the state and Minnesota treats it as business income and apportions it. Tax relief for families is provided by an increase in the working family credit for individuals with children by increasing the credit rate applicable to the first bracket by approximately ten percent, and an education tax credit which changes the definition of eligible children from "dependent" to "qualifying children." The change allows custodial parents with education related expenses

to claim the credit even if the child may be claimed as a dependant on the noncustodial parent's tax return under a separation agreement or a divorce decree.

Over \$63 million in property tax relief is provided in the bill. Among the property tax relief is a reduction in the limited market value threshold for residential, agricultural, and seasonal-recreational property from 10 percent to 8.5 percent. Additional agricultural relief is provided by a provision allowing that agricultural property owned by a shareholder of a family farm corporation, or a partner of a partnership and leased to the family farm corporation or partnership by the shareholder or partner, is entitled to agricultural homestead treatment if the owner is actually residing on the property and is engaged in farming the land on behalf of the corporation. The bill provides additional state homestead and agricultural credit aid (HACA) to compensate local governments for the class rate reductions to agricultural homestead property and noncommercial seasonal recreational property. The Dept. of Revenue is authorized to base HACA amounts for 2000 on estimated data, and to correct the payment amounts in 2001 if better data becomes available for determining the proper HACA amounts for the class rate changes affecting agricultural homesteads. The Senate provision dealing with uncompensated care costs, a provision with no comparable House language, was modified and addressed by a one time charity care aid program of \$10 million. The aid is distributed to counties which must pass it on to qualifying hospitals based on their share of the county's charity care.

The bill includes a provision extending levy limits on counties and larger cities for one year through taxes payable in 2000. Another provision allows a county to levy up to \$1 per capita in 2000 to pay costs related to redistricting, establishing precinct boundaries, designating polling places and updating voter records. The provision is exempt from statutory levy limits.

Sales tax provisions in the bill include exemptions for television commercials and items used as prizes at carnivals and fairs. The bill also requires that an election be held before the imposition of a local sales tax.

A compromise was reached on the

MinnesotaCare tax. The House had proposed phasing out health care provider taxes over three years. The final bill includes a provision freezing the rate at the current 1.5 percent. The rate was scheduled to increase to two percent in 2000. An additional \$85 million is appropriated by the bill to keep the health care tax at 1.5 percent until 2002.

The bill appropriates \$20 million to a Minnesota Minerals 21st Century Fund for loans and investments in a direct reduced iron production facility and freezes the taconite production tax rate at the 1998 level for one year. The provisions will allow construction of a new steel mill in Nashwauk to proceed. The bill also includes a provision directing the Metropolitan Airports Commission (MAC) to issue \$30 million of bonds and to transfer the proceeds to the city of Richfield to pay for land acquisition, relocation, redevelopment, and public improvements of an airport impact zone to address noise mitigation in the area. MAC is also obligated to establish and revise landing fees that are sufficient to pay the bond obligations. The Senate version of the bill included a provision allowing the cities of Richfield, Bloomington, Minneapolis, and Eagan to establish tax increment financing districts and projects within the airport impact zones. The Senate also proposed to authorize MAC to levy up to four percent sales tax on sales at the Minneapolis/St. Paul International Airport to be used to pay the debt service on bonds issued for airport mitigation measures.

Transportation bill

Budget bill approved

A major part of the transportation funding appropriations bill was moved to another committee as the transportation conference committee, chaired by Sen. Janet Johnson (DFL-North Branch) and Rep. Carol Molnau (R-Chaska), completed its work late Sat., May 15. Light rail transit, favored by Gov. Jesse Ventura, with an appropriation of \$60 million, was transferred to the bonding committee.

The \$3.2 billion transportation omnibus bill provides \$1.836 billion for state roads, \$30.8 million for Greater Minnesota Transit Assistance, \$109.9 million for Metropolitan Council Transit, \$3.2 million for railroads and waterways,

\$944.6 million for local roads, \$17.2 million for State Patrol and \$77.9 million for Driver Vehicle Services.

The bill exempts vehicles owned by a commercial driving school and used exclusively for driver education and training from tax and registration fees. The bill also requires that upon sale of a private vehicle, the owner must send a detachable postcard containing information on the purchaser to the registrar of vehicles.

The bill provides that handicapped parking permits must be used solely for the benefit of the physically disabled person. A compromise between the House and Senate resulted in a driver's license not being issued to anyone 19 or older unless that person has possessed the appropriate instruction permit for a minimum of three months. Johnson said this is to prevent individuals from using the driver's test site as a location in which to learn how to drive.

Under the bill, the Department of Transportation (MnDOT) may accept paid advertising for departmental publications. Johnson also said that the snowmobile gas tax, a controversial measure, will be imposed at 1 percent in the first year and .75 per cent in the second.

Another portion of the bill provides that, at a minimum, an ordinance to license or regulate taxicabs or small vehicle passenger service must provide for driver qualifications, insurance, vehicle safety, and periodic vehicle inspections.

The bill appropriates \$11.2 million for transit preservation and expansion. Johnson said the funding for Metro Transit is frontloaded, so that the bus system receives \$7.5 million the first year and \$3.8 million the second year.

Johnson said she realizes the bill is cause for concern for some of the Metropolitan Legislators, but she expressed certainty that the governor will come through with more funding for Metro Transit.

"Transit continues to grow, and I believe our governor understands that funding is critical," said Sen. Carol Flynn (DFL-Mpls.).

Johnson added that a ramp meter study, proposed by Sen. Dick Day (R-Owatonna), is not a part of the bill. The study would have turned off meters on ramps for two weeks as an experiment to determine if traffic congestion decreased.

Floor update

Another appropriation that was not approved is \$60,000 to support an ongoing program teaching bicycle safety.

Friday, May 7

Brief session held

Members of the Senate met for a brief floor session Fri., May 7, in order to process messages from the other body and to act on two bills on Special Orders.

The first measure to gain final passage on Special Orders was H.F. 14. The bill, carried by Sen. Thomas Neuville (R-Northfield), provides that a person convicted of child abuse or sexual abuse is ineligible to be licensed as a teacher. Neuville offered an amendment to clarify provisions relating to the dismissal of students from school. However, Sen. Ellen Anderson (DFL-St. Paul) questioned the germaness of the amendment. President of the Senate, Sen. Allan Spear (DFL-Mpls.), ruled that the amendment was not germane. Sen. Roy Terwilliger (R-Edina) offered an amendment providing for relative visitation rights. Anderson again raised the question of germaneness and the amendment was ruled nongermane. The bill was then granted final passage.

The second bill gaining final passage, S.F. 1145, modifies provisions relating to the regulation of disability parking. The measure, authored by Sen. Sandra Pappas (DFL-St. Paul), authorizes the creation of a computer system to organize and track disabled parking permits. The bill was granted final passage on a unanimous vote.

In addition, the Senate granted concurrence and repassage to several measures. S.F. 1609, authored by Sen. Charles Wiger (DFL-North St. Paul), provides an exemption for governmental units to jointly or cooperatively contract in amounts estimated not to exceed \$25,000. S.F. 2038, sponsored by Sen. Linda Runbeck (R-Circle Pines), regulates workers' compensation self-insurance by providing reporting and financial requirements. S.F. 2052, carried by Sen. Randy Kelly (DFL-St. Paul), provides for payment of claims against the state and clarifies language concerning claims.

Monday, May 10

Gambling age raised

The Senate voted to increase the legal gambling age from 18 to 19 during the Mon., May 10, floor session. The Senate

also passed bills setting the scope of practice for advance practice registered nursing and establishing law enforcement agreements between Indian reservations and county sheriffs.

The gambling age increase was adopted as an amendment to H.F. 1825, sponsored by Sen. Jim Vickerman (DFL-Tracy). The amendment initially set the age at 21 when offered by Sen. Charles Berg (IND-Chokio). In addition, Berg said, the amendment requires the governor to contact Indian casinos to request raising the age to 21 at those establishments. Berg said that three casinos already have set the minimum age at 21, but fifteen casinos have set the minimum age at 18. He argued that compulsive gambling is becoming a problem with teens and said that graduating teens will squander their gift money on gambling. Vickerman said he had to reluctantly oppose the amendment. He said that at age 18 a person can marry, sign a contract, and can be drafted. Vickerman added that the state will lose revenue if the amendment is adopted.

Sen. Becky Lourey (DFL-Kerrick) offered an amendment to Berg's amendment reducing the minimum age to 19. Lourey said it would be a shame to let revenue concerns defeat the age increase. Berg said it is better to get a third of a loaf rather than no loaf at all. However, Vickerman opposed the amendment and said that credit cards are what get teens into trouble. Berg countered by saying that the state doesn't let teens drink when they're 18 to avoid auto wrecks and so it shouldn't let them gamble to avoid financial wrecks. The Lourey amendment was adopted on a 38-26 roll call vote, and the Berg amendment was adopted on a 40-23 roll call vote.

Vickerman offered an amendment allowing card playing at Canterbury Park. Vickerman said the amendment helps the racetrack's cash flow and cited the benefits of horse racing to the state's economy as a reason to support the amendment. He said that the same provision was passed by the Senate a few years ago.

Sen. John Marty (DFL-Roseville) opposed the amendment. He said that anytime there is an expansion of gambling, it is always done to benefit some part of the economy, but not because gambling is good.

Sen. William Belanger (R-

Bloomington) also opposed the amendment. He said it could lead to a subsequent attempt to allow video slot machines at Canterbury Park if it goes on the bill. But Sen. Jerry Janezich (DFL-Chisholm) countered that argument. He said that a provision allowing video slot machines at Canterbury won't pass the Legislature, and the type of games allowed under the Vickerman amendment aren't any different than those anyone can play in their own home. He added that the horseracing industry could use a break. The amendment was adopted on a 38-27 roll call vote.

Other provisions in the bill, Vickerman said, change regulations on pull tab dispensing devices in off-sale liquor establishments, and change progressive bingo game cumulative prize provisions that were inadvertently unaddressed by changes made a couple years ago. The Senate also adopted one other amendment offered by Sen. Pat Pariseau (R-Farmington) specifying requirements for raffle tickets. The bill passed on Special Orders 43-21.

The Senate also passed H.F. 718. Sen. Roger D. Moe (DFL-Erskine), sponsor of the measure, said it authorizes the scope of practice and title registration of advance practice of registered nursing. Moe said the bill doesn't expand the practice, it merely codifies it. He said the bill contains definitions including "collaborative medicine," requires collaboration with a physician, and requires a written agreement with a physician for prescription writing. Moe said an agreement was worked out to address the concerns of the Minnesota Medical Association and that they have withdrawn their opposition to the bill. The bill passed on a 62-0 roll call vote.

The Senate also passed one other bill sponsored by Moe. The bill, H.F. 1607, establishes a process to work out police protection agreements on Indian reservations. Moe said the bill allows tribal law enforcement officers to be licensed by the Peace Officers Standards and Training Board, authorizes law enforcement agreements on Indian Reservations, and provides for concurrent jurisdictional authority between tribal peace officers and the local sheriff.

The Senate also concurred with amendments made by the House to S.F. 1094, a bill that makes changes to the Uniform Probate Code. Sen. Don

Betzold (DFL-Fridley), chief author of the bill, said that the House inserted two commas to separate a subordinate clause in a sentence.

Tuesday, May 11

Vehicle emissions discussed

A bill regarding vehicle emissions testing touched off discussion on the floor of the Senate during the session held Tues., May 11.

Sen. James Metzen (DFL-South St. Paul) presented the conference committee report on H.F. 7, a bill modifying the motor vehicles emissions inspection program and providing for termination of inspection by Jan. 1, 2000. Metzen said the Senate had set an inspection termination date of July 1, 2000. The conference committee recommended a compromise date of March 1, 2000. Metzen said the legislation will save taxpayers \$8 per year and he requested the conference committee recommendations be adopted.

Sen. Gary Laidig (R-Stillwater) asked what positions the Senate retained. Metzen said the biggest stickler had been the expiration date, on which the two bodies compromised. He said some of the comfort language provided in the Senate bill is missing, but he is assured it will be attached to another bill. Laidig said he did not see any Senate positions remaining in the amended language of the bill. "This is the third time I have seen the other body repeal language and say they will get it in another bill," Laidig said. "I won't let the other body once again repeal something and try to put it in another bill," he said. Metzen said he is listening to the taxpayers who are sick and tired of the emissions test.

Laidig said one outcome of the passage of the bill may be that the company offering the testing will not renew its contract, and there won't be a facility offering testing. "My concern is my constituents," Laidig said. He asked where their autos can be tested if the company currently doing the testing closes. Laidig added that other states have repealed the vehicle emissions testing and then found they had to reinstate the program, at triple the cost.

Claiming the Senate members did not give up in the conference committee, Sen. Leonard Price (DFL-Woodbury) said the Minnesota Pollution Control Agency (PCA) will do emission testing if the

current testing company closes, but he said he sees an economic incentive for the current company to continue testing. "I think we made a good compromise and pleased everyone," Price said, "and I think we're at the point where we can get rid of this program." The conference committee recommendations were adopted, and the bill was re-passed on a roll call vote of 54 to 9.

Senators also considered several bills on Special Orders. S.F. 83, sponsored by Sen. Dan Stevens (R-Mora), relates to simplification and consolidation of wetlands regulations. Stevens said the bill provides for enforcement consistency and flexibility. An officer can issue a stop work order as an option short of issuing a criminal citation when encountering a potentially illegal activity. Stevens said the bill allows the Department of Natural Resources (DNR) to refine the Public Waters Inventory (PWI) to designate water bodies that are deepwater habitat separately from wetlands. He said the bill also allows persons doing wetland delineation to continue to do so without being potentially subject to the soil science licensure requirements.

An amendment, offered by Stevens, provides for a technical evaluation panel on wetlands and a report by the Board of Water and Soil Resources to the Legislature by Feb. 1, 2001, regarding the costs and benefits of establishing a professional wetland delineator certification program. The amendment prevailed, and the bill was passed.

Sen. Lawrence Pogemiller (DFL-Mpls.) presented H.F. 1015, a bill that provides for technical changes related to redistricting election districts. The bill describes boundary change procedure and corrects election district boundaries. The bill passed unanimously.

Pogemiller also sponsored S.F. 1876, a bill he called the annual public finance bill. The bill imposes and modifies conditions and limitations on the use of public debt and reenacts certain provisions relating to taxes, abatements and tax increments.

An amendment, offered by Sen. LeRoy Stumpf (DFL-Thief River Falls), provides for the commissioner of revenue, in cooperation with the Minnesota Forest Resources Council, to study the taxation of forest land. The amendment was adopted. The bill was passed by a unanimous vote.

The conference committee report on S.F. 2017, a bill making technical and administrative changes to The Department of Employee Relations provisions, was presented by Sen. Linda Runbeck (R-Circle Pines). The report was adopted and the bill was passed.

Sen. Linda Higgins (DFL-Mpls.) recommended the Senate concur on House amendments to S.F. 1015, a bill that adds persons to unclassified positions on the Minneapolis Park Board. The House amended that the positions be subject to the Veterans Preference Act. The Senate voted to concur with the House, and the bill passed unanimously.

The conference committee report on H.F. 621, a bill relating to definitions of flammability regarding arson and defining penalties, was presented by Sen. Steven Novak (DFL-New Brighton). The report was adopted and the bill re-passed. Conference committee recommendations on H.F. 837 were presented by Sen. Deanna Wiener (DFL-Eagan). The bill provides regulations to insurance agents and modifies reporting requirements. The conference committee report was adopted and the bill re-passed. Also adopted was the conference committee report on S.F. 841, presented by Scheid. The bill provides for a small employer alternative health insurance benefit plan. The bill was re-passed by a vote of 60 to 3. A final conference committee report considered and re-passed was S.F. 556, sponsored by Sen. Pat Piper (DFL-Austin). The bill limits liability for recreational purposes relating to municipal power agencies.

Brief floor session held

Senators met for a brief floor session Weds., May 12, in order to process messages from the House and several conference committee reports.

Members acted to grant concurrence and repassage to two bills. S.F. 1329, sponsored by Sen. Jim Vickerman (DFL-Tracy), limits the license fees on coin and currency activated amusement machines. S.F. 1572, authored by Sen. Dennis Frederickson (R-New Ulm), modifies provisions relating to the exchange or sale of leased lakeshore lots.

In addition, Senators adopted four conference committee reports and repassed the bills. S.F. 1204, authored by Sen. Dave Johnson (DFL-Bloomington), clarifies the supervision of the state fire marshal and clarifies residential stairway

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chair lift provisions. S.F. 233, carried by Sen. David Ten Eyck (DFL-East Gull Lake), provides for definite and specific descriptions for certain easements. S.F. 851, authored by Vickerman, removes the expiration of corporations created by political subdivisions. S.F. 2044, also sponsored by Vickerman, authorizes dice games in retail establishments licensed to sell alcoholic beverages under some circumstances.

Elections bill okayed

The highlight of the Thurs., May 13, floor session was the debate over a bill, S.F. 60, that makes numerous changes to elections laws. Specifically, the measure, authored by Sen. Carol Flynn (DFL-Mpls.), changes the primary to the first Tuesday in June, rather than September, and requires candidates to demonstrate party support before being listed on their party's ballot. Flynn said that the bill is the product of work done by a commission to improve the election process and that the changes in the bill are aimed at increasing voter participation and involvement.

Sen. Douglas Johnson (DFL-Tower) offered an amendment that removes two of the changes in the bill. The first portion of the amendment removes a provision that allows political parties to set thresholds in order for a candidate to run for state wide office. "It is anti-democratic to put roadblocks in the way of people running for statewide office," Johnson said. The second portion of the amendment removes a provision allowing candidates who are endorsed by their party to have the word "endorsed" after their name on the ballot.

Flynn argued against the amendment and said that the idea of the parties being involved in who represents them on the ballot makes sense. "It gives the parties and the candidates encouragement to participate in precinct caucuses and conventions," Flynn said.

Sen. Martha Robertson (R-Minnetonka) requested that the amendment be divided. "The issue of blocking access to the ballot is something we don't want to do, but I think we should allow people to have endorsed by their name," Robertson said. Members voted on each part of the amendment separately. The portion of the amendment removing the language allowing political parties to set thresholds was adopted on a 37-25 roll call vote.

The second portion of the amendment touched off a debate about the value of the endorsement process. Opponents of the amendment to remove the provision allowing the word "endorsed" to appear on the ballot said that having the word "endorsed" encourages candidates to go through the convention process and seek the support from their party. However, supporters of the amendment said that the word "endorsed" just adds more confusion to the process. The amendment to remove the provision was adopted on a 34-30 roll call vote.

Sen. John Marty (DFL-Roseville) then offered an amendment that keeps the primary in September, rather than June as specified in the bill. Marty said that having an earlier primary triples the length of the general election campaign. "I haven't heard anyone in the public asking for a longer campaign season," he added. Flynn responded, "Contrary to Sen. Marty's evaluation, I think it would shorten the nomination process and provide the public with more time for a thorough discussion of the issues. An earlier primary forces the parties to make the decisions early and be a bit more user friendly." The amendment failed on a 30-34 roll call vote.

Two additional amendments were offered. Sen. Dick Day (R-Owatonna) offered an amendment that he said eliminates the caucuses. Day said that because so few people attend the caucuses they are not working in the way they were intended. Sen. Steve Kelley (DFL-Hopkins) countered that the caucuses are one way of developing citizenship skills and involving people in the process. The amendment failed on a 23-41 roll call vote. The last amendment, offered by Sen. Gary Laidig (R-Stillwater), requires candidates to receive a majority of votes, rather than a plurality. Laidig said the amendment sets in place a three step process of having a state party election in June, a state partisan primary in September to narrow candidates to two and then a general election. Flynn said that the amendment would complicate the system even more than it is now. The amendment failed on a voice vote. The bill was then given final passage on Special Orders on 37-27 roll call vote.

In other action, the Senate gave final passage to eight additional bills on Special Orders. H.F. 2425, authored by Sen. Linda Higgins (DFL-Mpls.),

recodifies laws relating to landlords and tenants. Higgins said the bill contained no substantive changes to the law, but made the statutes easier to use and comprehend. H.F. 1940, carried by Sen. Steven Novak (DFL-New Brighton), modifies requirements for renewable energy development funding. Novak said the bill is one of the results of the 1994 Prairie Island legislation and that it establishes a process and organizational structure to spend money from an account to develop new renewable energy projects. H.F. 595, also sponsored by Novak, imposes a specific standard of proof for certain petrofund reimbursement reductions, provides reimbursement for certain bulk petroleum plants upgrading or closing aboveground storage tanks, regulates the cleanup of contaminated land and provides a regulatory exception for underground tanks on farms. H.F. 1778, sponsored by Sen. Mark Ourada (R-Buffalo), provides for telecommunications pricing plans for state government under the oversight of the Public Utilities Commission.

H.F. 1932, authored by Sen. Linda Scheid (DFL-Brooklyn Park), regulates rental vehicle insurance coverages and requires a study of rental car availability. H.F. 420, also carried by Scheid, modifies the authority to establish a housing improvement area. H.F. 1621, authored by Higgins, modifies provisions relating to judicial review of Pollution Control Agency decisions and modifies the requirements for incinerator monitors. Higgins offered, and members adopted, an amendment providing for a study group to look at air quality improvements. H.F. 1024, carried by Sen. Lawrence Pogemiller (DFL-Mpls.), is the annual bond allocation bill that provides for certain eligibility, scoring system, income and purchase price limits and provides for reservation of authority.

Senators also adopted four conference committee reports and repassed the bills. H.F. 726, authored by Sen. Richard Cohen (DFL-St. Paul), provides standards for state assistance to capital improvement projects of political subdivisions. Cohen said that the measure establishes a new method for local units to use when requesting bonding for various projects. S.F. 1382, sponsored by Sen. Allan Spear (DFL-Mpls.), provides for gross misdemeanor penalties for repeat DWI offenders and repeals language referring to

enhanced penalties related to repeat DWI offenders. S.F. 746, carried by Sen. Bob Lessard (DFL-Int'l. Falls), authorizes the township of Grand Rapids to hold elections in November. S.F. 23, authored by Sen. Leo Foley (DFL-Coon Rapids), repeals the administrative process for child support enforcement and establishes a magistrate system within the judicial branch.

Friday, May 14

Gray wolf bill tabled

Senate members met for a floor session Fri., May 14, to discuss H.F. 1415, a bill providing for gray wolf management.

Carried by Sen. Jane Krentz (DFL-May Township), the bill seeks to establish long and short term solutions to the increasing number of gray wolves (formerly known as timber wolves) in Northern and Central Minnesota and the growing number of conflicts between wolves and humans. The bill requires the commissioner of natural resources and the commissioner of agriculture to work together to adopt a gray wolf management plan to reduce the number of conflicts between humans and wolves. If the wolf population exceeds 1,600 animals, according to the bill, the commissioners must also establish trapping and hunting procedures to reduce the population. The bill makes taking a gray wolf in violation of game and fish laws a gross misdemeanor, makes it lawful for a trained guard animal to protect livestock from gray wolves, allows a wolf to be destroyed in defense of human life and allows a person to harass a gray wolf if the wolf has come closer than 500 yards to people, buildings, dogs, livestock or other domestic animals. The bill also allows a livestock owner to shoot a gray wolf if the wolf is posing a threat to the person's livestock or guard animals. Krentz said the goal of the legislation is to take the gray wolf off of the federal endangered species list and return wolf management back to the state. She said the bill is a strong plan that is socially acceptable and biologically sound.

Sen. Ellen Anderson spoke in favor of the bill. Anderson said the bill is the result of 12 state wide public information meetings and the result of many meetings of a diverse and inclusive citizens roundtable. The bill, she said, represents

the hard fought consensus achieved as a part of a long process. Sen. Gary Laidig (R-Stillwater) also spoke in favor of the bill. Laidig said both sides in the gray wolf debate are concerned about when it is acceptable to kill a wolf. He said wolf advocates do not want wanton killing of gray wolves but farmers and livestock owners want to protect their livestock. He said the clause in the bill, allowing the wolf to be killed if it is observed stalking and attacking livestock, epitomizes a delicate compromise that pulls the bill together. "That is at the heart of the bill," he said. Laidig also said the bill is an effective way to take the gray wolf off of the endangered species list.

Sen. Charlie Berg (IND-Chokio), saying there are two great myths surrounding the gray wolf debate, spoke in opposition to the bill. Berg said although proponents of the bill say the gray wolf population is approximately 2,500, the actual population is around 4,600 at a minimum. Another myth, he said, is that if the bill isn't passed the wolf will not be de-listed. He said the federal government will de-list the gray wolf anyway because they cannot defend a wolf population of 4,600. Berg also said wolves cannot be allowed in the agricultural areas of the state and he urged members to defeat the bill.

Sen. LeRoy Stumpf (DFL-Thief River Falls) offered an amendment to eliminate the section requiring the commissioners of agriculture and natural resources to adopt a gray wolf management plan. Instead, the Stumpf amendment provides that the federal wolf recovery plan be adopted. The federal plan requires the commissioners to minimize contact between humans and gray wolves when the wolf population exceeds 125 percent of the minimum specified in the federal plan. The amendment also allows wolves to be killed if they return to feed on a livestock carcass. Stumpf said the amendment is a reasonable plan that has the support of farmers and those in Northern Minnesota. It doesn't address all of the concerns, he said, but it is consistent with wolf plans in Wisconsin, Michigan and that of the federal government. The plan, he said, is fair to all parties involved in the gray wolf debate.

Responding, Krentz said the amendment contains none of the recommendations of the citizens roundtable discussion group. She also said by moving away

from the recommendations of the group, the wolves will not be de-listed. Laidig claimed the plan takes \$13 million to implement and also expressed concerns regarding ignoring the recommendations of the roundtable group. Laidig also said the issues of wolf population should be worked out in conference committee.

Speaking in favor of the amendment, Sen. Steve Dille (R-Dassel) said it resolves his concerns regarding when it is acceptable to kill a wolf. It is offensive and ridiculous, he said, to only be able to destroy a wolf if it is caught in the act of attacking livestock. He said farmers spend a lot of time trying to locate wolves who are killing their livestock and should be able to destroy them once they are found. The amendment was adopted by a vote of 36 to 31 and the bill was then tabled.

Sen. Bob Lessard (DFL-Int'l. Falls) presented S.F. 1288, which exempts animal trappers from being required to wear blaze orange clothing while trapping during the small game season. Current law requires the wearing of blaze orange during both the deer and small game season and the bill continues the requirement for deer season.

Krentz offered an amendment to increase the licensing fees for hunting and fishing. Among others, the amendment raises the fees for residential firearm deer hunting from \$22 to \$25, for firearm bear hunting from \$33 to \$38, for Canada geese during a special season from \$3 to \$4 for over age 65 small game from \$5 to \$6 and for under age 65 small game from \$10 to \$12. The amendment also raises the residential fishing license for those under age 65 from \$15 to \$16 and for those over age 65 from \$5.50 to \$6.50. The amendment also requires a two to one match in funds from the state. Krentz said the amendment adopts a modest fee increase and meets an extreme and urgent need for more funds to be provided for the state's natural resources.

Speaking in opposition to the amendment, Sen. Arlene Lesewski (R-Marshall) said the fee increase makes it difficult for families to pay for licenses. She said every time such fees are raised, it prevents some people from being able to afford a license. She does not want, she said, to shut out some people from enjoying the resources of the state. Responding, Lessard said raising the fees

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won't preclude anyone from buying a license. He said if the fees are not raised it will be more difficult to take care of the natural resources of the state. Also, Krentz said the fee increases are to invest in Minnesota's tourism and natural resources. It is a cost efficient activity, she said, and there are many reasons to support the amendment. The amendment was adopted.

Sen. Becky Lourey (DFL-Kerrick) offered an amendment to raise the issuing fee for businesses who sell licenses from \$1 to \$1.50. That amendment was also adopted and the bill was given final passage from Special Orders.

Several other bills were repassed by the Senate. S.F. 1099, carried by Sen. Sheila Kiscaden, modifies training requirements for nursing assistants; S.F. 171, carried by Sen. Linda Higgins (DFL-Mpls.), provides penalties for and an appropriation for an educational campaign about mortgage flipping; S.F. 1821, also carried by Higgins, modifies provisions for amending zoning ordinance by cities of the first class; and S.F. 148, offered by Sen. Edward Oliver (R-Deephaven), provides for the protection of structured settlements. Also receiving final passage were S.F. 709, offered by Sen. LeRoy Stumpf (DFL-Thief River Falls), authorizing a preference of as much as six percent in the amount bid for specified goods and services to small businesses, and S.F. 1485, carried by Sen. Linda Scheid (DFL-Brooklyn Park), modifying provisions of the Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and Interior Design.

Two bills were also given concurrence and repassage. S.F. 486, authored by Sen. Ember Reichgott Junge (DFL-New Hope), authorizes certain background investigations and employment information for fire fighters and S.F. 1976, authored by Higgins, authorizes the Minneapolis Park and Recreation Board to engage in the local distribution and sale of hydroelectric power to protect the natural, historical, ecological and aesthetic value of the Mississippi River at St. Anthony Falls.

Saturday, May 15

The countdown to the end of the 1999 session began in earnest at the Sat., May 15, morning floor session when members

adopted and repassed conference committee reports on three of the major appropriations bills. The conference committee reports on the family and early childhood education appropriations bill, H.F. 1467, the omnibus crime prevention and judiciary appropriations bill, S.F. 2221 and the omnibus higher education appropriations bill, H.F. 2380, were all adopted and repassed without a great deal of debate.

Sen. Pat Piper (DFL-Austin), chief conferee for the family and early childhood education appropriations bill, said the appropriations total \$460 million in state funds and \$80 million in federal temporary assistance for need family (TANF) funds. Of the \$80 million in TANF funding, \$60 million is earmarked for child care, Piper said. She added, "We had two objectives, to provide adequate care for the smallest children and to empower people in tough situations to become more self-reliant." She said that the additional child care funds will remove 2,000 more families from the waiting list for child care. During the negotiations, Piper said that the Senate agreed to modest increases in the co-pay for sliding fee child care program that will result in another 1,000 people being removed from the waiting list. In addition, the compromise package provides an additional \$2 million for early childhood screening, \$1 million for the adolescent parenting program (down from the Senate position of \$3 million), \$1.1 million for after school enrichment, \$500,000 for the male responsibility program (down from the Senate position of \$1 million) and \$6.2 million for transitional housing.

Sen. Linda Runbeck (R-Circle Pines) asked about language in the bill directing the Dept. of Children, Families and Learning to integrate a number of programs and questioned the purpose of the language. Piper said that the goal is to provide a system that is supportive of the family but is not fragmented as is the situation at present. Runbeck said the measure represents significant state dollars for what should be the family's responsibility. Sen. Arlene Lesewski (R-Marshall), one of the conferees, said that the increase in co-pays, the coordination of services and the protection against fraud should increase members comfort level with the bill. "We have 25,000 children coming off the welfare rolls and

we need to have slots for them," Lesewski said. The conference committee report was adopted and the bill was repassed on a vote of 57-4.

Sen. Randy Kelly (DFL-St. Paul) presented the second of the major appropriation conference committee reports. S.F. 2221, the omnibus crime prevention and judiciary appropriations bill contains a total of \$1.149 billion for the courts, the Dept. of Corrections, the Dept. of Public Safety, the Bureau of Criminal Apprehension and a variety of other crime prevention agencies and departments. Kelly said that the compromise agreement is \$5 million less than the original Senate bill. The Senate version of the measure had appropriations for an additional 18 District Court judges, but the compromise bill includes funding for 13 judges and 6 law clerks. The Criminal Gang Strike Force, funded by the Senate at \$6 million, was reduced to \$5.4 million. In addition, Kelly said the funding for the Bureau of Criminal Apprehension satellite lab was cut in half from \$1.6 million to \$800,000, however, the Senate accepted an expansion of DNA testing to more offenders at a cost of \$125,000. Kelly also said that the funding for Camp Ripley was cut because of the reduced targets the conference committee was given to work with. The House proposed eliminating the Crime Victims Ombudsman, but Kelly said the office remains albeit with reduced funding.

"We were fairly successful in holding Senate positions on policies," Kelly said. We proposed closing Sauk Centre and the House accepted that in exchange for keeping Rush City under the Dept. of Corrections, he said. In addition, he said that the panel came up with compromise language to look at the concentration of convicted sex offenders in particular areas of cities.

Sen. Cal Larson (R-Fergus Falls) said that the bill contains funding for severance of staff at Sauk Centre and that there is language in the K-12 omnibus bill that provides for the Dept. of Administration to use the facility as a residential academy. "The community is better off, though it was a tough decision," Larson said.

Sen. Allan Spear (DFL-Mpls.), in speaking for the bill, said that the conference committee report was the first crime and judiciary funding bill in the

last eight years that is not a Christmas tree—policies in the bill are directly related to the funding.

Members also briefly discussed a provision relating to education at the juvenile facility at Red Wing. Kelly said that a recent report was highly critical of educational services at Red Wing and that the bill provides for a request for proposals to be put out for providing those services. The conference committee report was adopted and the bill repassed on a 65-0 vote.

The third major funding conference committee report adopted during the daytime floor session was the higher education funding bill. The measure, H.F. 2380, carried by Sen. LeRoy Stumpf (DFL-Thief River Falls), provides funding for the University of Minnesota, Minnesota State Colleges and Universities (MnSCU), and the Higher Education Services Office. Stumpf said, "The Senate should be pleased with the product of the conference committee's work." The measure contains a total of \$2.62 billion for higher education including \$237 million new dollars. Of the total, the University of Minnesota and MnSCU receive \$2.3 billion with \$310 million earmarked for student services, Stumpf said. He added, the bill provides roughly a 10 percent increase for student financial aid, student services and technology; an 11.9 percent increase for the U of M and a 13 percent increase for the MnSCU system.

Stumpf also said that the Senate has traditionally placed a strong emphasis on student financial aid and that the compromise package upholds the tradition. "We reduced the student share—the amount of money the student needs to contribute—from 47 percent to 46 percent in the second year of the biennium." However, he said that the Senate was not successful in changing the definition of full time student, currently at 15 hours, to 12 hours, but addition funds were added to the living and miscellaneous costs grants. Stumpf also said that the Senate's technology component prevailed in the conference committee.

The compromise package provides \$5 million each year of the biennium for MnSCU to assist campuses under severe financial distress. Stumpf said that the system has lost 6,000 students over the last year and that the funds are aimed at easing the financial distress some cam-

puses are experiencing.

Stumpf also said that the Senate has also traditionally taken a strong approach to maintaining facilities year by year rather than only during bonding years. In the compromise bill, funding is set at \$16 million to maintain the facilities, rather than the \$5 million in the original Senate bill.

He said that the U of M's request were primarily focused in two areas: programs for undergraduates and providing adequate compensation for faculty and that is what the conference committee focused on. Finally, Stumpf said that the funding for Academic Health Center is included in another bill using the tobacco endowment.

The conference committee report was adopted and the bill was repassed on a vote of 63-1.

In other action, during the day portion of the Saturday session, several more conference committee reports were adopted and repassed. H.F. 14, carried by Sen. Thomas Neuville (R-Northfield), provides for license revocation for teachers convicted of child abuse or sexual misconduct. H.F. 1079, sponsored by Sen. Sam Solon (DFL-Duluth), is the omnibus liquor bill and provides for additional licenses for specific municipalities and makes other changes. H.F. 1235, authored by Sen. Steve Dille (R-Dassel) provides an exemption from hydrogen sulfide standards of 21 days for large feedlots and specifies that feedlots of less than 1,000 units the standards are lifted anytime the barn or pit is emptied. In addition, the compromise requires that operators wishing to claim the exemption must notify the Pollution Control Agency or the county. Finally, a provision requiring administrative penalties to be forgiven if the money is used to correct a problem is changed to make the provision permissive.

H.F. 1825, sponsored by Sen. Jim Vickerman (DFL-Tracy), makes a number of changes to provisions relating to lawful gambling. Vickerman said that when the bill left the Senate it contained a provision raising the age for lawful gambling to 19, but that the conference committee removed the provision. The bill still allows a class B licensee of a class A racetrack to conduct card club activities, expands the use of pull-tab dispensing machines, modifies progressive bingo prices and specifies maximum tipboard

prizes. S.F. 145, authored by Sen. John Marty (DFL-Roseville), clarifies and simplifies the laws relating to lobbyist registration, conflicts of interest and campaign finance. S.F. 346, carried by Sen. Jane Ranum (DFL-Mpls.), expands the provisions for relative ex parte temporary child custody. S.F. 1404, sponsored by Sen. Dave Johnson (DFL-Bloomington), provides criminal penalties for possessing and disseminating pornographic work depicting a minor and includes computer-generated or computer-altered images within the definition of pornographic work. S.F. 1831, authored by Sen. Ellen Anderson (DFL-St. Paul), makes miscellaneous changes to forfeiture provisions.

S.F. 441, carried by Spear, creates a pretrial diversion program for writers of dishonored checks and modifies the criminal penalties for certain theft crimes to provide more uniformity. H.F. 346, carried by Sen. John Hottinger (DFL-Mankato), requires disclosure of certain contracting arrangements for freelance court reporting services and regulates certain services. S.F. 1721, carried by Sen. Carol Flynn (DFL-Mpls.), ratifies labor agreements and compensation plans.

Members also granted final passage to three bills on Special Orders. H.F. 1289, sponsored by Sen. Ember Reichgott Junge (DFL-New Hope), increases the criminal penalty for providing alcoholic beverages to underage persons. H.F. 1494, carried by Kelly, modifies the law prohibiting inmates from bringing actions to challenge the level of expenditures for rehabilitation programs and modifies the law related to sanctions for frivolous or malicious claims. H.F. 1195, also carried by Kelly, provides for certain eviction records to be sealed and modifies the requirements for tenant screening reports in Hennepin and Ramsey Counties.

Appointments confirmed

Senators also discussed the confirmation of several appointees made by Gov. Ventura to positions in state government.

Gene Hugoson was recommended for confirmation as Minnesota Department of Agriculture commissioner from the Agriculture and Rural Development Committee. However, Sen. Roger D. Moe (DFL-Erskine) spoke against confirming Hugoson because of a letter Hugoson sent to the United States

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Department of Agriculture recently. In the letter, according to Moe, Hugoson recommended against expanding the federal Conservation Reserve Program in Northern Minnesota. The program allows farmers to set aside marginal crop lands for conservation purposes and to receive an annual rent from the federal government. Up to 25 percent of the land of a county is allowed to be set aside under the program but more land is permitted through a waiver. The expansion, Moe said, is what Hugoson spoke against. Moe said such an action does not represent the best interests of farmers in the state. The recommendation, he said, is detrimental to a part of the state that is suffering severely.

Sen. Dean Johnson (R-Wilmar) agreed that the recommendation by Hugoson was wrong but added that it represented just one bad decision. Hugoson, he said, is a farmer and tries to balance the issues surrounding the environment and agriculture. Johnson also said Hugoson has an outstanding record as a spokesman for agricultural issues and has represented the state well in Washington, D.C. in the past. It is a mistake, he said, not to confirm the appointment just because of one mistake. The appointment of Hugoson was confirmed.

Michael O' Keefe was recommended for confirmation as commissioner of the Department of Human Services from the Health and Family Security Committee. However, Sen. Lawrence Pogemiller (DFL-Mpls.) spoke against confirming O' Keefe because O' Keefe also serves on the University of Minnesota Board of Regents. Pogemiller said sitting on the board gives the appearance of a conflict of interest and does not represent sound judgement. O' Keefe, he said, shouldn't "serve two masters," and he wondered what O' Keefe's judgement will be on other issues.

Sen. Don Samuelson (DFL-Brainerd) also said O' Keefe is making a mistake by continuing with the Board of Regents. The department, he said, has contracts worth millions of dollars with the university. Regardless of his reservations, Samuelson said he still supports O' Keefe for commissioner but will encourage him to leave his regent position or at least not seek reelection for the position. If he does seek reelection, Samuelson said, he will ask the Senate not to confirm him for the regent position.

Sen. Sheila Kiscaden (R-Rochester) said O' Keefe's connection to the university may actually be a positive development. She said the Legislature is always trying to make higher education more accessible to the less fortunate, and it may help to have a regent whose job is to make sure the needs of the less fortunate are met. The appointment of O' Keefe was confirmed.

Karen Studders was recommended for confirmation as Minnesota Pollution Control Agency (MPCA) commissioner by the Environment and Natural Resources Committee. Sen. Dan Stevens, however, moved to re-refer the confirmation back to the committee. Stevens said Studders has too vague an understanding regarding the role of the Legislature in the rule making process and would like to resolve that issue with her. Also, Sen. Steve Dille (R-Dassel) said he believes Studders has some hostility toward the Legislature because of their role in overseeing the rules. Dille pointed to a recent conference committee meeting in which he felt Studders would prefer the Legislature not be involved.

Sen. Ellen Anderson (DFL-St. Paul) called the incident Dille spoke about "much ado about nothing." Anderson said Studders was simply frustrated that the committee was considering delaying implementation of a rule for two years that the MPCA had spent much of the session working on. Studders, she said, was just concerned because time had been spent to adjust to a rule that may not have been necessary. The motion of Stevens was not approved, and the appointment of Studders was confirmed.

Several other appointments made by the governor were also confirmed. David Jennings was confirmed as the Department of Commerce commissioner, Ted Mondale as the chair of the Metropolitan Council, Elwyn Tinklenberg as the Department of Transportation commissioner, Sheryl Ramstaad Hvass as the Department of Corrections commissioner and Charlie Weaver as the Department of Public Safety commissioner. Also, Jan Malcolm was confirmed as Department of Health commissioner, Jim Dowson for the Emergency Services Regulatory Board, John Breon, Eldon Fontana and Donald McHale to the Gambling Control Board, Allan Garber as Department of Natural resources commissioner, Pam Wheelock as Department of Finance

commissioner, Matt Smith as Department of Revenue commissioner and Raymond Krause and George Perez to the Minnesota Tax Court.

The conference committee reports on two bills were also considered. S.F. 1721, authored by Sen. Carol Flynn (DFL-Mpls.), was given final passage. The bill relates to public employment labor agreements. Also, H.F. 346 was given final passage. The bill relates to freelance court reporting service contract arrangements.

Jobs, environment bills passed

Conference committee reports on the omnibus economic and community development appropriations bill, and the omnibus environment and agriculture appropriations bill, were passed by the Senate during the evening floor session Sat., May 15. In addition, the Senate passed the conference committee reports on the omnibus pension bill, the omnibus data practices bill, the pay telephone deregulation bill, the Dept. of Transportation housekeeping bill, and a bill allowing physician assistants to render aid without physician supervision during disasters. The Senate also confirmed several executive appointments.

Sen. Jerry Janezich (DFL-Chisholm), sponsor of the economic development bill, H.F. 2390, highlighted the features of the bill. He said it appropriates about \$380 million in total, with over \$30 million of that going for job training, has \$1,000 per year more than the governor's recommendation for the Office of Tourism budget and reduces the dislocated workers assessment rate from .1 to .07 percent. In addition, Janezich said, the bill funds the Labor Interpretive Center, transfers the Dislocated Workers Fund for job training programs, and reorganizes the Iron Range Resources and Rehabilitation Board by taking the DNR commissioner off and adding three non-Legislators from the taconite relief area. "This is a good bill," Janezich said.

Most of the discussion of the report was sparked by a question from Sen. Warren Limmer (R-Maple Grove) about income limits on the challenge grant housing program. Limmer said the bill sets the eligibility limit at 115 percent of the annual state or local median income which Janezich said is about \$60-65,000 in the Metro Area, but lower in greater Minnesota. Limmer said that according

to mortgage lending formulas, a person with that income can buy a \$183,000 home. Limmer also noted that in the Metro Area, the average price of a home is \$140,000 and said that the Housing Finance Agency was created to help the most needy, but now discount rates can be used to buy more expensive homes. He said that the state needs to use its resources carefully. Limmer added that the money will be given out to middle and upper middle income people within hours of becoming available, and the people who really need it will be way too late.

Sen. Linda Berglin (DFL-Mpls.) sided with Limmer in the argument. She said the appropriation is the largest one-time housing appropriation in the history of the state and won't come along again. She said that cities want the higher income eligibility limit so they will have higher value homes for property tax purposes. "We need to use scarce resources for low-income housing," she said.

Janezich said he didn't enjoy carrying the provision, but defended it. He said the House wanted it and pushed hard for it and the Senate traded the provision for the inclusionary housing program. He said that the bill contains a total of \$115 million in housing assistance, and out of that, the bill sets aside \$20 million for the Challenge Grant program and \$8 million for the Inclusionary Housing program. He said that for the money to be set aside for those programs, money also had to be available to help out other income levels.

Sen. Steven Novak (DFL-New Brighton), a Senate conferee, spoke in favor of the bill. He said that both business and labor will see value in the job training appropriations in the bill. Novak said that many public/private partnerships were formed in last couple years as part of the welfare to work programs, but the governor zeroed out funding for the programs. He said the programs help the people that are the hardest to employ. Novak said that the Senate position to fully fund the programs with \$60 million prevailed.

Support for the bill was also voiced by Sen. Dave Johnson (DFL-Bloomington), also a Senate conferee. He said that the Senate got rid of the Dislocated Workers Fund and offered to reform training programs through consolidation thereby

making them more efficient. Janezich added that the consolidated training programs will be paid for by the Workforce Development Fund. He said that the Dept. of Trade and Economic Development, the Dept. of Economic Security and the Minnesota State Colleges and Universities will look at consolidating all training programs and report back by January.

Sen. Mark Ourada (R-Buffalo) questioned the use of \$1.511 million from the Trunk Highway fund. Janezich said that it is for tourist information at highway rest areas. Ourada responded that he was concerned about non-highway uses of the fund.

Sen. David Knutson (R-Burnsville) voiced appreciation that the school children home stabilization program was fully funded. The program is designed to keep children of families facing homelessness in school so that there is no interruption in their education. The bill was repassed on a 51-7 vote.

The conference committee report on S.F. 2226, the omnibus environment and agriculture appropriations bill, was presented by Sen. Jane Krentz (DFL-May Township). Krentz said the Senate lost some good things in conference, but also gained some. She said that clean water funding increased to \$1.4 million, but the listed metals program has no fee increase.

Krentz said the House had cut out 36 projects approved by the Legislative Commission on Minnesota Resources. Now, she said, only 12 are cut out, but funding was reduced for 10 other projects. Snowmobiles equipped with studs will be subject to a \$12 fee, down from the Senate's position of \$15 going to conference. Cross country ski passes remain at the same price as when they left the Senate. Krentz said there are no hunting or fishing license fee increases, but said there is an appropriation to match dollars raised by a license fee increase passed in a separate bill. She said that on personal water craft (PWC), the Senate accepted the surcharge repeal, but increased the license fee on PWCs and boats larger than 17 feet.

In agricultural program funding, Krentz said the feedlot grants is a compromise and there are no new fees until July 1 of this year. She said the Pollution Control Agency must submit proposed rules for Legislative review, but the rules don't need Legislative approval. The bill also

appropriates money for value added processing. According to Krentz, the House came to the conference with \$12 million more in appropriations, with \$6 million of that for ethanol producers. She said the Senate wanted to fund the program, but couldn't. Krentz added that the industrial hemp program approved by the Senate was not included in the final bill.

Other features of the compromise package include no change in funding for the malformed frog study, \$3.4 million in funding for the Minnesota Zoo along with authorization to raise the admission fee. Senate provisions that prevailed include more funding for the Forest Resources Council and retaining the Voyageurs National Park Citizens Advisory Commission and the Minnesota - Wisconsin Boundary Area Commission, Krentz said. The bill also contains the electronic licensure pilot project and funding for Metro Area, state, and regional parks. Krentz said the bill appropriates \$1 million for fish stocking, but provisions on the use of underwater cameras and the Konderator are not in the bill. Krentz said the package is a balanced bill and that she is pleased with it.

Sen. Gary Laidig (R-Stillwater), one of the Senate conferees, was critical of the House position. He said the other body threw in several policy provisions whereas the Senate passed a primarily fiscal bill. Laidig said the House proposed deleting 36 LCMR projects and adding 6 of their own without a work-plan. In the end, Laidig said the integrity of LCMR was upheld. The compromise agreement passed on a 61-1 roll call vote.

Sen. Lawrence Pogemiller presented the conference committee report on S.F. 319, the omnibus pension bill. In detailing the differences between the Senate version and the compromise package, Pogemiller said the House positions that service credit buy-back provisions for several services be repealed in 2002 to provide a window for 1998-99 retirees, and removal of the service credit purchase processing fee were adopted. A Senate provision affecting teacher/legislators by allowing them the same provisions as legislators that belong to other professions was adopted by the House.

Pogemiller said other new provisions in the bill include conformity to the Federal

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IRS Code, and authorization for rescue squad members to join the Public Employees Retirement Association instead of creating a separate fund. The bill also requires the approval of designated Legislative committee chairs for siting a new pension administration building. He said that a Senate provision requiring the Legislative Commission on Pensions and Retirement to study a defined contribution plan was removed because the commission plans to study the topic anyway. Pogemiller said the House accepted the Senate's correctional employee plan, but added special authority allowing local governments to levy for the pension contribution. The bill was re-passed 58-0.

Sen. Don Betzold (DFL-Fridley) said that the conference committee report on S.F. 653, the omnibus data practices bill, is very close to what originally passed the Senate. He said that two provisions are gone from the report, the "Tenneson warning" in education and one related to medical record information that Sen. Sheila Kiscaden (R-Rochester) had added to the bill. One provision that Betzold said resulted from the recent shootings in Littleton, CO allows school districts to share information on students with the Dept. of Corrections. The bill re-passed 59-0.

Sen. Carol Flynn (DFL-Mpls.) explained the differences between the conference committee report on S.F. 1762, the Dept. of Transportation (MnDOT) housekeeping bill, and how it left the Senate. She said that language was added clarifying that seasonal load limits apply to city streets and allowing drivers to drive petroleum tank trucks if they are at least 16 years of age. Other new provisions concern tort claims from land use within highway rights-of-way, limit the admissibility of helmet use evidence according to common law, provide for commuter rail and light rail transit governance, and remove the seat belt use gag rule. The bill was re-passed on a 47-15 roll call vote.

Two other conference committee reports were also re-passed by the Senate. S.F. 369, sponsored by Sen. Pat Piper (DFL-Austin), enables physician assistants to help during disasters. Piper said the compromise added comfort language requiring that a physician assistant has to be trained in this country, specifies certification requirements, and requires a

physician assistant who renders aid during a disaster to report to person in charge.

The other bill, S.F. 685, sponsored by Sen. Steve Kelley (DFL-Hopkins) relates to pay telephone deregulation and administrative penalties levied by the Public Utilities Commission. Kelley said the major differences between the conference committee report and the bill as it left the Senate dealt with the administrative penalties for violations of statutes and rules by telephone companies. He said the Senate authorized a penalty of \$5,000 per day, while the House proposed a penalty of \$100,000 per day with scaling up for subscriber lines. Kelley said the House agreed that the scaling didn't make sense and removed it. The joint panel adopted a penalty range of \$10,000 to \$100,000 per day, which could go higher by referring the matter to the Attorney General.

Gubernatorial appointments receiving confirmation were James Bowlus, Ruth Grendahl, John C. Kim, Julie L. Nash and Ellen Palmer to the Board of the Lola and Rudy Perpich Minnesota Center for Arts Education; Michele Connors and Patricia Hugoson to the Board of Teaching; and Christine Jax as the Commissioner of the Dept. of Children, Families and Learning; David Fisher as the Commissioner of the Dept. of Administration; Karen Carpenter as the Commissioner of the Dept. of Employee Relations; Bernard Melter as the Commissioner of the Dept. of Veterans Affairs; Dr. Harvey Aaron and Dr. Frank Budd as members of the Minnesota Veterans Homes Board of Directors; Philip Goldman to the Board of Invention; Lance Teachworth as Commissioner of the Bureau of Mediation Services; Gretchen Maglich as Commissioner of the Dept. of Labor and Industry; John Swift as Commissioner of the Iron Range Resources Rehabilitation Board; Michael Finch and Pamela Sleet to the Board of Minnesota Housing Finance Agency (MHFA); Earl Wilson as Commissioner of the Dept. Economic Security; Gerald Carlson as Commissioner of the Dept. of Trade and Economic Development; Katherine Hadley as the Commissioner of the MHFA; Gregory G. Scott to the Public Utilities Commission; Barry Lazarus to the Board on Judicial Standards; and Janeen Rosas as the Commissioner of the Dept. of Human Rights.

Monday, May 17

Additional bills passed

Although Senators devoted most of the final day of the legislative session to work on the major tax and appropriations conference committee reports, a number of other bills also gained final passage.

In addition to discussing the transportation omnibus appropriations bill and the tax relief bill during the first portion of the Monday session, three other conference committee reports were given final passage. S.F. 333, carried by Sen. Randy Kelly (DFL-St. Paul) provides criminal penalties and forfeiture sanctions for persons who transfer, possess or use the identity of another with the intent to commit or aid in the commission of unlawful activity. S.F. 1219, carried by Sen. Linda Berglin (DFL-Mpls.), establishes a universal complaint resolution process for health plan companies. The bill also establishes an external review process. S.F. 174, authored by Ranum, was given final passage. The bill requires certain persons committed as mentally ill and dangerous to the public to register as predatory sex offenders and to be subject to the community notification law. S.F. 1262, authored by Sen. Warren Limmer (R-Maple Grove), also was given concurrence and re-passage. The bill limits liability for certain year 2000 related failures.

In an attempt to send a bill containing fee increases for hunting and fishing licenses, Senators used a parliamentary procedure to pull a bill from committee and get it on the floor for the purpose of adding an amendment containing the increases. Sen. Bob Lessard (DFL-Int'l. Falls) moved to amend H.F. 928 with a delete everything amendment. The amendment provides for cervidae hunting preserves, exempts trappers from blaze orange requirements and increases hunting and fishing license fees. Members debated the necessity of the hunting preserve, but generally agreed on the need to increase fees for hunting and fishing licenses. Sen. Douglas Johnson (DFL-Tower) moved to strike the provisions in the bill dealing with the hunting preserves, saying that the House would have problems with the "shooting elk behind the fence," provision. The Johnson motion failed and members then adopted the Lessard amendment. H.F. 928 narrowly passed on a 35 to 32 vote.

Pogemiller moved the adoption of the conference committee report on S.F. 1846, a bill imposing and modifying conditions and limitations on the use of public debt. The conference committee report was adopted and the bill was repassed on a 60-1 vote.

Sen. Richard Cohen (DFL-St. Paul) moved to take H.F. 878 off the table.

When the motion was adopted, Sen. Leonard Price (DFL-Woodbury) amended the bill to include changes needed to allow funding of technology initiatives in state agencies. The bill passed on a 62-4 vote.

Members approved the conference committee report and then repassed H.F. 420, sponsored by Sen. Linda Scheid

(DFL-Brooklyn Park). The bill modifies the authority to establish a housing improvement area.

Finally, Sen. Jane Ranum discussed S.F. 2224, a technical revisor's corrections bill. Amendments were adopted that aligned the language with the House version and the bill was passed on a 64-0 vote.

Floor action

Friday, May 7

Bills granted concurrence and repassage

S.F. 1609-Wiger: Provides an exemption for governmental units to jointly or cooperatively contract in amounts not to exceed \$25,000. 56-0
S.F. 2038-Runbeck: Regulates workers' compensation self-insurance by providing reporting and financial requirements. 56-0
S.F. 2052-Kelly, R.C.: Provides for payment of claims against the state and clarifies language concerning claims. 61-0

Bills granted final passage on Special Orders

H.F. 14-Neuville: Provides that a person convicted of child abuse or sexual abuse is ineligible to be licensed as a teacher and provides for reconsideration in cases of reversal by a court. 60-0
S.F. 1145-Pappas: Modifies provisions regulating disability parking, abolishes a credit for vehicle registration fee and specifically authorizes statutory and home rule charter cities to adopt ordinances regulating long-term parking. 60-0

Monday, May 10

Bills granted concurrence and repassage

S.F. 1094-Betzold: Changes provisions of the Uniform Probate Code. 59-0

Bills granted final passage on Special Orders

H.F. 718-Moe, R.D.: Regulates advanced practice registered nursing. 64-0
H.F. 1825-Vickerman: Specifies locations where pull-tab dispensing devices may be used, requires certain information to be printed on raffle tickets and authorizes certain tipboard games and tipboard rules. 43-21

Tuesday, May 11

Bills granted concurrence and repassage

S.F. 615-Higgins: Provides for the appointment of various employees of the Minneapolis Park and Recreation Board. 53-0

Bills granted final passage on Special Orders

S.F. 83-Stevens: Simplifies and consolidates wetland regulation. 62-0
H.F. 1015-Pogemiller: Modifies election district redistricting provisions. 60-0
S.F. 1876-Pogemiller: Modifies public finance and debt provisions. 59-0

Conference committee reports adopted and repassed

H.F. 621-Novak: Adds various arson definitions relating to flammability and imposes penalties on students who use ignition devices inside education buildings. 60-0
H.F. 837-Wiener: Omnibus insurance bill. 55-1
S.F. 841-Scheid: Provides for a small employer alternative health insurance benefit plan. 60-3
S.F. 556-Piper: Limits municipal power agencies liability for recreational purposes. 63-0
S.F. 2017-Runbeck: Technical and administrative changes to Dept. of Employee Relations provisions. 63-0
H.F. 7-Metzen: Terminates the motor vehicle emissions inspection program as of Mar. 1, 2000. 54-9

Wednesday, May 12

Bills granted concurrence and repassage

S.F. 1329-Vickerman: Limits license fees on coin and currency activated amusement machines. 60-1
S.F. 1572-Frederickson: Modifies provisions relating to the exchange or sale of leased lakeshore lots. 64-0

Floor action

Conference committee reports adopted and repassed

S.F. 1204-Johnson, D.H.: Clarifying the supervision of the state fire marshal and clarifying elevator installation provisions. 66-0
S.F. 233-Ten Eyck: Provides for definite and specific descriptions for certain easements. 66-0
S.F. 851-Vickerman: Removing the expiration of corporations created by political subdivisions. 60-3
S.F. 2044-Vickerman: Authorizing dice games in retail establishments licensed to sell alcoholic beverages in certain circumstances. 45-17

Thursday, May 13

Conference committee reports adopted and repassed

S.F. 1382-Spear: Increases penalties for repeat DWI. 57-0
S.F. 746-Lessard: Grand Rapids Township authorized to hold November elections. 58-0
S.F. 23-Foley: Repeals the administrative process for child support orders, establishes a child support magistrate system and authorizes child support and visitation review hearings. 62-0
S.F. 1636-Stumpf: Provides for local government appeal of state agency rules. 60-0
H.F. 726-Cohen: Provides standards for state assistance to capital improvement projects of political subdivisions. 56-0

Bills granted final passage on Special Orders

H.F. 2425-Higgins: Recodifies provisions relating to landlords and tenants. 63-0
S.F. 60-Flynn: Changes the primary to the first Tuesday in June and makes other election changes. 37-27
H.F. 1940-Novak: Modifies requirements for renewable energy development funding. 62-0
H.F. 595-Novak: Imposes a specific standard of proof for certain petrofund reimbursement reductions, provides reimbursement for certain bulk petroleum plants upgrading or closing above ground storage tanks and regulates the cleanup of contaminated land. 58-0
H.F. 1778-Ourada: Provides for telecommunications pricing plans for state government under the oversight of the PUC. 57-0
H.F. 1932-Scheid: Regulates rental vehicle insurance coverages and requires a study of rental car availability. 51-1
H.F. 420-Scheid: Modifies the authority to establish a housing improvement area. 58-0
H.F. 1621-Higgins: Modifies provisions relating to judicial review of Pollution Control Agency decisions and modifies requirements for incinerator monitors. 57-0
H.F. 1024-Pogemiller: Bond allocation bill; provides for certain eligibility, scoring system, income and purchase price limits and provides for reservation of authority. 57-0

Friday, May 14

Bills granted concurrence and repassage

S.F. 486-Junge: Authorizes certain background investigations of firefighters, requires disclosures of certain employment information and provides civil and criminal penalties. 59-2
S.F. 1976-Higgins: Authorizes the Minneapolis Park and Recreation Board to engage in the local distribution and sale of hydroelectric power to protect the natural, historical, ecological and aesthetic value of the Mississippi River at St. Anthony Falls. 60-0

Conference committee reports adopted and repassed

S.F. 1099-Kiscaden: Eliminates education or training requirements for nursing assistants and retains competency evaluation requirements. 56-0
S.F. 171-Higgins: Provides for a mortgage flipping educational campaign appropriation and provides criminal penalties for real estate appraisers regulation violations. 62-0
S.F. 1821-Higgins: Housing Finance Agency housekeeping bill. 62-0
S.F. 148-Oliver: Provides protection for structured insurance settlement payment rights and agreements. 59-0
S.F. 709-Stumpf: Increases the preference award for small businesses located in economically disadvantaged areas under the state procurement program in the Dept. of Administration and expands the definition of economically disadvantaged area to businesses located in second class cities designated as economically depressed areas by the federal Dept. of Commerce. 42-16
S.F. 1485-Scheid: Modifies provisions relating to the Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and Interior Design Board. 56-0

Bills granted final passage on Special Orders

S.F. 1288-Lessard: Exempts trappers from blaze orange requirements and provides that for certain turkey license applicants qualifying land may be noncontiguous. 45-20
H.F. 1415-Krentz: Provides for gray wolf management. Laid on the table.

Saturday, May 15

Conference committee reports adopted and repassed

H.F. 14-Neuville: Provides for license revocation for teachers convicted of child abuse or sexual misconduct. 63-0
H.F. 1079-Solon: Omnibus liquor bill. 56-6
H.F. 1235-Dille: Modifies provisions relating to manure runoff, odor standards, administrative penalty orders, and environmental assessment worksheets, and provides an exception to environmental review rules. 38-24

H.F. 1467-Piper: Omnibus family and early childhood appropriations. 57-4
H.F. 1825-Vickerman: Allows a class B licensee of a class A racetrack to conduct card club activities, expands the use of pull-tab dispensing machines, makes technical changes, sets forth conduct of raffles, modifies progressive bingo prizes and specifies maximum tipboard prizes. 42-20
S.F. 145-Marty: Clarifies and simplifies the law related to lobbyist registration, conflicts of interest, and campaign finance. 56-0
S.F. 346-Ranum: Expands the provisions for relative ex parte temporary child custody. 58-0
S.F. 1404-Johnson, D.H.: Provides criminal penalties for possessing and disseminating pornographic work depicting a minor, and includes computer-generated or computer-altered images within the definition of pornographic work. 61-0
S.F. 2221-Kelly, R.C.: Omnibus judiciary and crime prevention appropriations. 65-0
S.F. 1831-Anderson: Makes miscellaneous changes to certain forfeiture provisions. 59-0
S.F. 441-Spear: Creates a pretrial diversion program for writers of dishonored checks and modifies the criminal penalties for certain theft crimes to provide more uniformity. 53-1
H.F. 2380-Stumpf: Omnibus higher education appropriations. 63-1
H.F. 346-Hottinger: Requires disclosure of certain contracting arrangements for freelance court reporting services. 58-0
S.F. 1721-Flynn: Ratifies certain labor agreements and compensation plans, provides for the transfer of vacation and sick leave for certain employees, modifies per diem provisions for special mediators, modifies the procedures for the listing of arbitrators, exempts epidemiologists from a salary cap, and makes technical changes. 48-12
S.F. 653-Betzold: Omnibus data privacy bill that clarifies electronic access to data, classifies data, clarifies the status of data on parents held by educational entities, eliminates inconsistent language, authorizes the dissemination of personnel data, and provides for a recodification of data practices laws. 59-0
S.F. 319-Pogemiller: Omnibus pension bill that makes changes in various pension plans. 58-0
S.F. 369-Piper: Permits physician assistants to render care in disasters without physician and physician assistant agreements. 62-0
S.F. 685-Kelley, S.P.: Deregulates coin-operated or public pay telephones under state law, authorizes the Public Utilities Commission to assess administrative penalties for anticompetitive activities by telecommunication providers. 61-0
H.F. 2390-Janezich: Omnibus economic development appropriations. 51-7
S.F. 1762-Flynn: Dept. of Transportation housekeeping provisions. 47-15
S.F. 2226-Krentz: Omnibus agriculture and environment appropriations. 61-1

Bills granted final passage on Special Orders

H.F. 1289-Junge: Increases the criminal penalty for providing alcoholic beverages to underage persons under certain circumstances. 61-0
H.F. 1494-Kelly, R.C.: Modifies the law prohibiting inmates from bringing actions to challenge the level of expenditures for rehabilitation programs and the law related to sanctions for frivolous or malicious claims. 59-0
H.F. 1195-Kelly, R.C.: Provides for certain eviction records to be sealed and modifies requirements for tenant screening reports in Hennepin and Ramsey Counties. 56-0

Monday, May 17

Bills granted concurrence and repassage

S.F. 1262-Limmer: Limits liability from year 200 failures. 62-0

Conference committee reports adopted and repassed

S.F. 174-Ranum: Requires certain persons committed as mentally ill and dangerous to the public to register as predatory sex offenders and to be subject to the community notification law and imposes mandatory disclosure requirements under the community notification law. 60-0
H.F. 1621-Higgins: Modifies provisions relating to judicial review of agency decisions. 61-0
H.F. 1932-Scheid: Regulates rental vehicle insurance coverages and requires a study of rental car availability. 64-1
H.F. 2387-Johnson, J.B.: Omnibus transportation appropriations. 61-3
S.F. 333-Kelly, R.C.: Entitles consumers to free copies of consumer reports, provides criminal penalties and forfeiture sanctions for persons who transfer, possess, or use the identity of another with intent to commit or aid in the commission of certain unlawful activity. 65-0
S.F. 1219-Berglin: Establishes a new form of complaint resolution for health plan companies and establishes an external review process. 66-0
H.F. 2205-Langseth: Omnibus emergency bonding bill. 48-18
S.F. 2225-Samuelson: Omnibus health and family services appropriations. 51-16
S.F. 2223-Price: Omnibus state departments appropriations. 60-6
H.F. 2333-Pogemiller: Omnibus K-12 education appropriations. 67-0
S.F. 1876-Pogemiller: Imposes and modifies conditions and limitations on the use of public debt, reenacts certain provisions relating to taxes, abatements, and tax increments and requires a study of the taxation of forest land. 60-1
H.F. 2420-Johnson, D.J.: Omnibus tax bill. 65-1
H.F. 420-Scheid: Authorizes the Brooklyn Park Economic Development Authority to exercise housing improvement powers. 67-0

Bills granted final passage on Special Orders

S.F. 2224-Ranum: Revisor's bill. 64-0
H.F. 1426-Kiscaden: Modifies provisions relating to well notification fees, rural hospital grant provisions, and health professional student loan repayment. 62-0
H.F. 928-Lessard: Increases fees for hunting and fishing licenses. 35-32
H.F. 878-Cohen: Provides for deficiency appropriations and provides appropriations for technology initiatives. 62-4

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