

utes to the need for protection or services or delinquency of a child, or to a child's status as a juvenile petty offender, is guilty of a misdemeanor. This section does not apply to licensed social service agencies and outreach workers who, while acting within the scope of their professional duties, provide services to runaway children.

Sec. 6. EFFECTIVE DATE.

Sections 3 and 4 are effective the day following final enactment.

Presented to the governor May 19, 1989

Signed by the governor May 19, 1989, 11:21 p.m.

CHAPTER 209—H.F.No. 1197

An act relating to Minnesota Statutes; correcting erroneous, ambiguous, and omitted text and obsolete references; eliminating certain redundant, conflicting, and superseded provisions; making miscellaneous technical corrections to statutes and other laws; amending Minnesota Statutes 1988, sections 10A.01, subdivisions 5 and 18; 10A.32, subdivision 3a; 13.46, subdivision 2; 13.75, subdivision 2; 16A.26; 16B.28, subdivision 3; 18B.25, subdivision 4; 45.028, subdivision 1; 69.32; 105.81; 115A.195; 115C.08, subdivision 3; 116.44, subdivision 1; 122.23, subdivision 18; 122.96, subdivision 3; 124.646, subdivision 1; 124A.24; 124A.27, subdivision 1; 127.35; 136C.61, subdivision 1; 136D.27, subdivision 3; 136D.71; 136D.74, subdivision 2b; 136D.741, subdivision 4; 136D.87, subdivision 3; 141.35; 144.122; 144.335, subdivision 2; 145A.07, subdivision 1; 145A.13; 157.03; 168.33, subdivision 2; 168A.24, subdivision 2; 168A.29, subdivision 3; 169.345, subdivision 2; 176.081, subdivision 1; 176.101, subdivision 3e; 176.131, subdivision 1; 176.421, subdivision 7; 205.065, subdivision 1; 205.18, subdivision 2; 211B.15, subdivision 4; 214.01, subdivision 2; 245.77; 256.01, subdivision 2; 256.991; 256B.69, subdivision 16; 256D.03, subdivision 4; 256G.02, subdivision 4; 256G.06; 257.354, subdivision 4; 268.04, subdivision 32; 268.10, subdivision 1; 272.02, subdivision 1; 273.124, subdivision 6; 290.05, subdivision 3; 297.07, subdivision 3; 297.35, subdivision 3; 298.2211, subdivision 1; 308.11; 340A.414, subdivision 6; 349.213, subdivision 2; 352.01, subdivision 2b; 353.01, subdivision 2a; 363.06, subdivision 4; 383B.229; 383B.77; 383C.331; 383C.334; 469.0721; 469.121, subdivision 1; 469.129, subdivision 1; 471.562, subdivision 4; 471.563; 473.605, subdivision 2; 473.845, subdivision 1; 474A.02, subdivision 18; 480A.02, subdivision 7; 485.018, subdivision 2; 515A.3-115; 525.94, subdivision 3; 548.09, subdivision 2; 604.02, subdivision 1; 609.506, subdivision 1; and 611A.53, subdivision 1; reenacting Minnesota Statutes 1988, section 80A.14, subdivision 18; repealing Minnesota Statutes 1988, sections 260.125, subdivision 6; 326.01, subdivision 21; and 362A.08; amending Laws 1976, chapter 134, section 79; Laws 1988, chapter 640, section 5; and chapter 719, article 12, section 29; repealing Laws 1965, chapter 267, section 1; Laws 1971, chapter 830, section 7; Laws 1976, chapter 2, section 62; chapter 134, section 2; chapter 163, section 10; and chapter 173, section 53; Laws 1977, chapter 35, section 8; Laws 1978, chapter 496, section 1; and chapter 706, section 31; Laws 1979, chapter 48, section 2; and chapter 184, section 3; Laws

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1981, chapter 271, section 1; Laws 1982, chapter 514, section 15; Laws 1983, chapter 242, section 1; chapter 247, section 38; chapter 289, section 4; chapter 290, sections 2 and 3; chapter 299, section 26; and chapter 303, sections 21 and 22; Laws 1984, chapter 654, article 2, section 117; Laws 1986, chapter 312, section 1; chapter 400, section 43; and chapter 452, section 17; Laws 1986, First Special Session chapter 3, article 1, sections 74 and 79; and Laws 1987, chapter 268, article 5, section 5; chapter 384, article 2, section 25; chapter 385, section 7; chapter 403, article 5, section 1; and chapter 404, section 138.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

ARTICLE 1
REVISOR'S BILL STATUTORY CORRECTIONS

Section 1. Minnesota Statutes 1988, section 10A.01, subdivision 5, is amended to read:

Subd. 5. **CANDIDATE.** "Candidate" means an individual who seeks nomination or election to any statewide or legislative office for which reporting is not required under federal laws. The term candidate shall also include an individual who seeks nomination or election to supreme court, court of appeals, or district court; county court; probate court; or county municipal court judgeships of the state. An individual shall be deemed to seek nomination or election if the individual has taken the action necessary under the law of the state of Minnesota to qualify for nomination or election, has received contributions or made expenditures in excess of \$100, or has given implicit or explicit consent for any other person to receive contributions or make expenditures in excess of \$100, for the purpose of bringing about the individual's nomination or election. A candidate remains a candidate until the candidate's principal campaign committee is dissolved as provided in section 10A.24.

Sec. 2. Minnesota Statutes 1988, section 10A.01, subdivision 18, is amended to read:

Subd. 18. "Public official" means any:

- (a) member of the legislature;
- (b) constitutional officer in the executive branch and the officer's chief administrative deputy;
- (c) member, chief administrative officer or deputy chief administrative officer of a state board or commission which has at least one of the following powers:
 - (i) the power to adopt, amend or repeal rules, or
 - (ii) the power to adjudicate contested cases or appeals;
- (d) commissioner, deputy commissioner or assistant commissioner of any state department as designated pursuant to section 15.01;
- (e) individual employed in the executive branch who is authorized to adopt, amend or repeal rules or adjudicate contested cases;

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- (f) executive director of the state board of investment;
- (g) executive director of the Indian affairs intertribal board;
- (h) commissioner of the iron range resources and rehabilitation board;
- (i) director of mediation services;
- (j) deputy of any official listed in clauses (e) to (i);
- (k) judge of the workers' compensation court of appeals;
- (l) administrative law judge or compensation judge in the state office of administrative hearings or ~~hearing examiner~~ referee in the department of jobs and training;
- (m) solicitor general or deputy, assistant or special assistant attorney general;
- (n) individual employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, or researcher or attorney in the office of senate research, senate counsel, or house research; or
- (o) member or chief administrative officer of the metropolitan council, regional transit board, metropolitan transit commission, metropolitan waste control commission, metropolitan parks and open spaces commission, metropolitan airports commission or metropolitan sports facilities commission.

Sec. 3. Minnesota Statutes 1988, section 10A.32, subdivision 3a, is amended to read:

Subd. 3a. The commissioner of revenue shall, on the basis of vote totals provided by the secretary of state, calculate and certify to the board before the first day of July in an election year an estimate, after 100 percent of the tax returns have been processed, of the total amount in the general account, and the amount of money each candidate who qualifies as provided in section 10A.31, subdivision 6, may receive from the candidate's party account, based upon the formula set forth in section 10A.31, subdivision 3 5. Prior to the first day of filing for office, the board shall publish and forward to all filing officers these estimates. Within seven days after the last day for filing for office the secretary of state shall certify to the board the name, address, office sought, and party affiliation of each candidate who has filed with that office the candidate's affidavit of candidacy or petition to appear on the ballot. The auditor of each county shall certify to the board the same information for each candidate who has filed with that county an affidavit of candidacy or petition to appear on the ballot. Within seven days thereafter the board shall estimate the minimum amount to be received by each candidate who qualifies as provided in section 10A.31, subdivisions 6 and 7, and notify all candidates on or before August 15 of the applicable amount. The board shall include with the notice a form for the agreement provided in subdivision 3.

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Sec. 4. Minnesota Statutes 1988, section 13.46, subdivision 2, is amended to read:

Subd. 2. **GENERAL.** (a) Unless the data is summary data or a statute specifically provides a different classification, data on individuals collected, maintained, used, or disseminated by the welfare system is private data on individuals, and shall not be disclosed except:

- (1) pursuant to section 13.05;
- (2) pursuant to court order;
- (3) pursuant to a statute specifically authorizing access to the private data;
- (4) to an agent of the welfare system, including a law enforcement person, attorney, or investigator acting for it in the investigation, or prosecution, of a criminal or civil proceeding relating to the administration of a program;
- (5) to personnel of the welfare system who require the data to determine eligibility, amount of assistance, and the need to provide services of additional programs to the individual;
- (6) to administer federal funds or programs;
- (7) between personnel of the welfare system working in the same program;
- (8) the amounts of cash public assistance and relief paid to welfare recipients in this state, including their names and social security numbers, upon request by the department of revenue to administer the property tax refund law, supplemental housing allowance, and the income tax;
- (9) to the Minnesota department of jobs and training for the purpose of monitoring the eligibility of the data subject for unemployment compensation, for any employment or training program administered, supervised, or certified by that agency, or for the purpose of administering any rehabilitation program, whether alone or in conjunction with the welfare system;
- (10) to appropriate parties in connection with an emergency if knowledge of the information is necessary to protect the health or safety of the individual or other individuals or persons; or
- (11) data maintained by residential facilities as defined in section 245A.02, subdivision 6, may be disclosed to the protection and advocacy system established in this state pursuant to Part C of Public Law Number 98-527 to protect the legal and human rights of persons with mental retardation or other related conditions who live in residential facilities for these persons if the protection and advocacy system receives a complaint by or on behalf of that person and the person does not have a legal guardian or the state or a designee of the state is the legal guardian of the person.

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(b) Mental health data shall be treated as provided in subdivisions 7, 8, and 9, but is not subject to the access provisions of subdivision 10, paragraph (b).

Sec. 5. Minnesota Statutes 1988, section 16B.28, subdivision 3, is amended to read:

Subd. 3. **REVOLVING FUND.** (a) **CREATION.** The materials distribution revolving fund is a separate fund in the state treasury. All money relating to the resource recovery program established under section 115A.15, subdivision 1, all money resulting from the acquisition, acceptance, warehousing, distribution, and public sale of surplus property, all money resulting from the sale of centrally acquired, warehoused, and distributed supplies, materials, and equipment, and all money relating to the cooperative purchasing venture established under section ~~424.59~~ 471.59 must be deposited in the fund. Money paid into the materials distribution revolving fund is appropriated to the commissioner for the purposes of the programs and services referred to in this section.

(b) **TRANSFER OR SALE TO STATE AGENCY.** When the state or an agency operating under a legislative appropriation obtains surplus property from the commissioner, the commissioner of finance must, at the commissioner's request, transfer the cost of the surplus property, including any expenses of acquiring, accepting, warehousing, and distributing the surplus property, from the appropriation of the state agency receiving the surplus property to the materials distribution revolving fund. The determination of the commissioner is final as to the cost of the surplus property to the state agency receiving the property.

(c) **TRANSFER OR SALE TO OTHER GOVERNMENTAL UNITS OR NONPROFIT ORGANIZATIONS.** When any governmental unit or nonprofit organization other than a state agency receives surplus property, supplies, materials, or equipment from the commissioner, the governmental unit or nonprofit organization must reimburse the materials distribution revolving fund for the cost of the property, including the expenses of acquiring, accepting, warehousing, and distributing it, in an amount the commissioner sets. The commissioner may, however, require the governmental unit or nonprofit organization to deposit in advance in the materials distribution revolving fund the cost of the surplus property, supplies, materials, and equipment upon mutually agreeable terms and conditions. The commissioner may charge a fee to political subdivisions and nonprofit organizations to establish their eligibility for receiving the property and to pay for costs of storage and distribution.

Sec. 6. Minnesota Statutes 1988, section 18B.25, subdivision 4, is amended to read:

Subd. 4. **DISPOSAL THAT BECOMES HAZARDOUS WASTE.** A person who knowingly, or with reason to know, disposes of a pesticide so that the product becomes hazardous waste is subject to the penalties in section ~~445.074~~ 609.671, subdivision 4.

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Sec. 7. Minnesota Statutes 1988, section 69.32, is amended to read:

69.32 CITY CLERK TO FILE REPORT WITH COMMISSIONER.

The clerk of each city of the first class having a firefighters' relief association shall, on or before March 1 each year, make and file with the county auditor and the commissioner of commerce a certificate stating the existence of the firefighters' relief association and any other information the commissioner or auditor may require.

Sec. 8. Minnesota Statutes 1988, section 80A.14, subdivision 18, is reenacted.

Sec. 9. Minnesota Statutes 1988, section 115A.195, is amended to read:

115A.195 PUBLIC PARTICIPATION IN OWNERSHIP AND MANAGEMENT OF FACILITY.

The stabilization and containment facility developed under sections 115A.18 to 115A.30 may be wholly owned by the state or jointly owned by the state and a developer selected by the board under section ~~115A.194~~ 115A.192. The board chair may negotiate and the board may enter agreements with a selected developer providing terms and conditions for the development and operation of the facility. If the agreements provide for capital improvements or equipment, or for payment of state money, the agreements may be implemented only if funds are appropriated and available to the board for those purposes.

Sec. 10. Minnesota Statutes 1988, section 115C.08, subdivision 3, is amended to read:

Subd. 3. **PETROLEUM TANK RELEASE CLEANUP FEE.** A petroleum tank release cleanup fee is imposed on the use of tanks that contain petroleum products subject to the inspection fee charged in section ~~296.13~~ 239.78. The fee must be collected in the manner provided in sections ~~296.13~~ 239.78 and 296.14. The fee must be imposed as required under subdivision 3, at a rate of \$10 per 1,000 gallons of petroleum products as defined in section 296.01, subdivision 2, rounded to the nearest 1,000 gallons. A distributor who fails to pay the fee imposed under this section is subject to the penalties provided in section 296.15.

Sec. 11. Minnesota Statutes 1988, section 116.44, subdivision 1, is amended to read:

Subdivision 1. **LIST OF AREAS.** By January 1, 1983, the pollution control agency shall publish a preliminary list of counties determined to contain natural resources sensitive to the impacts of acid deposition. Sensitive areas shall be designated on the basis of:

(a) the presence of plants and animal species which are sensitive to acid deposition;

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(b) geological information identifying those areas which have insoluble bed-rock which is incapable of adequately neutralizing acid deposition; and

(c) existing acid deposition reports and data prepared by the pollution control agency and the federal environmental protection agency. The pollution control agency shall conduct public meetings on the preliminary list of acid deposition sensitive areas. Meetings shall be concluded by March 1, 1983, and a final list published by May 1, 1983. The list shall not be subject to the rulemaking or contested case provisions of chapter ~~45~~ 14.

Sec. 12. Minnesota Statutes 1988, section 124.646, subdivision 1, is amended to read:

Subdivision 1. **SCHOOL LUNCH AID COMPUTATION.** ~~(a) Each school year, school districts participating in the national school lunch program shall be paid by the state in the amount of 7.5 cents for each full paid student lunch served to students in the district.~~

~~(b) Each school year, school districts participating in the national school lunch program shall be paid by the state in the amount of 7.5 cents for each full paid student lunch served to students in the district.~~

Sec. 13. Minnesota Statutes 1988, section 141.35, is amended to read:

141.35 EXEMPTIONS.

None of the provisions of sections 141.21 to 141.36 shall apply to the following:

(a) Colleges authorized by the laws of Minnesota or of any other state or foreign country to grant degrees;

(b) Schools of nursing accredited by the state board of nursing or an equivalent public board of another state or foreign country;

(c) Public schools as defined in section 120.05;

(d) Private schools complying with the requirements of section 120.10, subdivision 2;

(e) Private and parochial nonprofit schools exempt from taxation under the constitution of Minnesota;

(f) Courses taught to students in a valid apprenticeship program taught by or required by a trade union;

(g) Schools exclusively engaged in training physically or mentally handicapped persons for the state of Minnesota;

(h) Schools now or hereafter licensed by boards authorized under Minnesota law to issue such licenses;

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(i) Schools and educational programs, or training programs, conducted by persons, firms, corporations, or associations, for the training of their own employees, for which no fee is charged the employee;

(j) Schools engaged exclusively in the teaching of purely avocational or recreational subjects as determined by the commissioner. Private schools teaching a method or procedure to increase the speed with which a student reads are not within this exemption;

(k) Driver training schools and instructors as defined in section 171.33, subdivisions 1 and 2;

(l) Classes, courses, or programs conducted by a bona fide trade, professional, or fraternal organization, solely for that organization's membership;

(m) Courses of instruction in the fine arts provided by organizations exempt from taxation pursuant to section 290.05 and registered with the ~~Minnesota department of commerce~~ attorney general pursuant to chapter 309. "Fine arts" means activities resulting in artistic creation or artistic performance of works of the imagination which are engaged in for the primary purpose of creative expression rather than commercial sale or employment. In making this determination the commissioner may seek the advice and recommendation of the Minnesota board of the arts;

(n) Classes, courses, or programs intended to fulfill the continuing education requirements for licensure or certification in a profession, which classes, courses, or programs have been approved by a legislatively or judicially established board or agency responsible for regulating the practice of the profession, and which are offered primarily to a person who currently practices the profession.

Sec. 14. Minnesota Statutes 1988, section 144.122, is amended to read:

144.122 LICENSE AND PERMIT FEES.

(a) The state commissioner of health, by rule, may prescribe reasonable procedures and fees for filing with the commissioner as prescribed by statute and for the issuance of original and renewal permits, licenses, registrations, and certifications issued under authority of the commissioner. The expiration dates of the various licenses, permits, registrations, and certifications as prescribed by the rules shall be plainly marked thereon. Fees may include application and examination fees and a penalty fee for renewal applications submitted after the expiration date of the previously issued permit, license, registration, and certification. The commissioner may also prescribe, by rule, reduced fees for permits, licenses, registrations, and certifications when the application therefor is submitted during the last three months of the permit, license, registration, or certification period. Fees proposed to be prescribed in the rules shall be first approved by the department of finance. All fees proposed to be prescribed in rules shall be reasonable. The fees shall be in an amount so that the total fees collected by the commissioner will, where practical, approximate the cost to the commissioner in

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administering the program. All fees collected shall be deposited in the state treasury and credited to the general fund unless otherwise specifically appropriated by law for specific purposes.

(b) The commissioner may charge a fee for voluntary certification of medical laboratories and environmental laboratories, and for environmental and medical laboratory services provided by the department, without complying with ~~subdivision 1~~ paragraph (a) or chapter 14. Fees charged for environment and medical laboratory services provided by the department must be approximately equal to the costs of providing the services.

Sec. 15. Minnesota Statutes 1988, section 144.335, subdivision 2, is amended to read:

Subd. 2. **PATIENT ACCESS.** (a) Upon request, a provider shall supply to a patient complete and current information possessed by that provider concerning any diagnosis, treatment and prognosis of the patient in terms and language the patient can reasonably be expected to understand.

(b) Upon a patient's written request, a provider, at a reasonable cost to the patient, shall furnish to the patient (1) copies of the patient's health record, including but not limited to laboratory reports, X-rays, prescriptions, and other technical information used in assessing the patient's health condition, or (2) the pertinent portion of the record relating to a condition specified by the patient. With the consent of the patient, the provider may instead furnish only a summary of the record. The provider may exclude from the health record written speculations about the patient's health condition, except that all information necessary for the patient's informed consent must be provided.

(c) If a provider, as defined in subdivision 1, clause (b)(1), reasonably determines that the information is detrimental to the physical or mental health of the patient, or is likely to cause the patient to inflict self harm, or to harm another, the provider may withhold the information from the patient and may supply the information to an appropriate third party or to another provider, as defined in subdivision 1, clause (b)(1). The other provider or third party may release the information to the patient.

(d) A provider as defined in subdivision 1, clause ~~(b)(2)(3)~~, shall release information upon written request unless, prior to the request, a provider as defined in subdivision 1, clause (b)(1), has designated and described a specific basis for withholding the information as authorized by paragraph (c).

Sec. 16. Minnesota Statutes 1988, section 168.33, subdivision 2, is amended to read:

Subd. 2. **POWERS.** The registrar shall have the power to appoint, hire and discharge and fix the compensation of the necessary employees, in the manner provided by law, as may be required to enable the registrar to properly carry out the duties imposed by the provisions of this chapter. ~~As of April 14, 1976, The~~

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registrar may appoint, and for cause discontinue, a deputy registrar for any city as the public interest and convenience may require, without regard to whether the county auditor of the county in which the city is situated has been appointed as the deputy registrar for the county or has been discontinued as the deputy registrar for the county, and without regard to whether the county in which the city is situated has established a county license bureau which issues motor vehicle licenses as provided in section 373.32.

~~Effective August 1, 1976,~~ The registrar may appoint, and for cause discontinue, a deputy registrar for any city as the public interest and convenience may require, if the auditor for the county in which the city is situated chooses not to accept appointment as the deputy registrar for the county or is discontinued as a deputy registrar, or if the county in which the city is situated has not established a county license bureau which issues motor vehicle license as provided in section 373.32. Any person appointed by the registrar as a deputy registrar for any city shall be a resident of the county in which the city is situated.

The registrar may appoint, and for cause discontinue, the county auditor of each county as a deputy registrar. Upon approval of the county board, the auditor, with the approval of the director of motor vehicles, may appoint, and for cause discontinue, the clerk or equivalent officer of each city or any other person as a deputy registrar as public interest and convenience may require, regardless of the appointee's county of residence. Notwithstanding any other provision, a person other than a county auditor or a director of a county license bureau, who was appointed by the registrar before August 1, 1976, as a deputy registrar for any city, may continue to serve as deputy registrar and may be discontinued for cause only by the registrar. The county auditor who appointed the deputy registrars shall be responsible for the acts of deputy registrars appointed by the auditor. Each such deputy, before entering upon the discharge of duties, shall take and subscribe an oath to faithfully discharge the duties and to uphold the laws of the state. If a deputy registrar appointed hereunder is not an officer or employee of a county or city, such deputy shall in addition give bond to the state in the sum of \$10,000, or such larger sum as may be required by the registrar, conditioned upon the faithful discharge of duties as deputy registrar. A corporation governed by chapter 302A may be appointed a deputy registrar. Upon application by an individual serving as a deputy registrar and the giving of the requisite bond as provided in subdivision 2, personally assured by the individual or another individual approved by the commissioner of public safety, a corporation named in an application shall become the duly appointed and qualified successor to the deputy registrar. Each deputy registrar appointed hereunder shall keep and maintain, in a convenient public place within the place for which appointed, a registration and motor vehicle tax collection bureau, to be approved by the registrar, for the registration of motor vehicles and the collection of motor vehicle taxes thereon. The deputy registrar shall keep such records and make such reports to the registrar as that officer, from time to time, may require. Such records shall be maintained at the facility of the deputy registrar. The records and facilities of the deputy registrar shall at all times be open to the inspection of the registrar or the registrar's agents. The deputy

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registrar shall report to the registrar by the next working day following receipt all registrations made and taxes and fees collected by the deputy registrar. The filing fee imposed pursuant to subdivision 7 shall be deposited in the treasury of the place for which appointed, or if not a public official, such deputy shall retain the filing fee, but the registration tax and any additional fees for delayed registration the deputy registrar has collected the deputy registrar shall deposit by the next working day following receipt in an approved state depository to the credit of the state through the state treasurer. The place for which the deputy registrar is appointed through its governing body shall provide the deputy registrar with facilities and personnel to carry out the duties imposed by this subdivision if such deputy is a public official. In all other cases, the deputy shall maintain a suitable facility for serving the public.

Sec. 17. Minnesota Statutes 1988, section 169.345, subdivision 2, is amended to read:

Subd. 2. **DEFINITIONS.** For the purpose of this section, "physically handicapped person" means a person who:

- (1) because of disability cannot walk without significant risk of falling;
- (2) because of disability cannot walk 200 feet without stopping to rest;
- (3) because of disability cannot walk without the aid of another person, a walker, a cane, crutches, braces, a prosthetic device, or a wheelchair;
- (4) is restricted by a respiratory disease to such an extent that the person's forced (respiratory) expiratory volume for one second, when measured by spirometry, is less than one ~~meter~~ liter;
- (5) has an arterial oxygen tension (PAO2) of less than 60 ~~mm/hg~~ mm/Hg on room air at rest;
- (6) uses portable oxygen; or
- (7) has a cardiac condition to the extent that the person's functional limitations are classified in severity as class III or class IV according to standards set by the American Heart Association.

Sec. 18. Minnesota Statutes 1988, section 176.131, subdivision 1, is amended to read:

Subdivision 1. If an employee incurs personal injury and suffers disability from that injury alone that is substantially greater, because of a preexisting physical impairment, than what would have resulted from the personal injury alone, the employer or insurer shall pay all compensation provided by this chapter, but the employer shall be reimbursed from the special compensation fund for all compensation paid in excess of 52 weeks of monetary benefits and \$2,000 in medical expenses, subject to the exceptions in paragraphs (a); and (b); and (e):

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(a) If the disability caused by the subsequent injury is made substantially greater by the employee's registered preexisting physical impairment, there shall be apportionment of liability among all injuries. The special compensation fund shall only reimburse for that portion of the compensation, medical expenses, and rehabilitation expenses attributed to the subsequent injury after the applicable deductible has been met.

(b) If the subsequent personal injury alone results in permanent partial disability to a scheduled member under the schedule adopted by the commissioner pursuant to section 176.105, the special compensation fund shall not reimburse permanent partial disability, medical expenses, or rehabilitation expenses.

Sec. 19. Minnesota Statutes 1988, section 205.065, subdivision 1, is amended to read:

Subdivision 1. **CITIES OF FIRST CLASS.** A municipal primary for the purpose of nominating elective officers may be held in any city of the first class on the second or third Tuesday in March of any year in which a municipal general election is to be held for the purpose of electing officers.

If the majority of the governing body of a city of the first class adopted a resolution after June 24, 1957 establishing the second or third Tuesday in March for holding its municipal primary in any year in which its municipal general election is held, and if the city clerk or other officer of the city charged with keeping the minutes and records of the governing body filed a certified copy of the resolution with the secretary of state and another certified copy of the resolution with the county recorder of the county in which the city is located, the time established by the resolution for holding the municipal primary is fixed, and the governing body of the city may not change the time unless the authority to make the change is conferred on the governing body by the legislature, or by an amendment to the charter of the city duly ratified and accepted by the eligible voters of the city, in accordance with the constitution of the state of Minnesota; ~~article IV, section 36,~~ and other applicable law.

Sec. 20. Minnesota Statutes 1988, section 205.18, subdivision 2, is amended to read:

Subd. 2. **RESOLUTION OF GOVERNING BODY.** Not less than 60 days after April 25, 1957, the governing body of any city of the first class may, by a majority vote of all the members of such body, adopt a resolution fixing and establishing the second or third Tuesday in March for the holding of such municipal primary in any year in which a general municipal election is to be held in such city. If and when the governing body of any such city adopts a resolution fixing and establishing the time of the holding of a municipal primary, as provided for in this section, the city clerk or other officer of such city charged with the duty of keeping the minutes and records of the governing body of such city, shall forthwith file a duly certified copy of such resolution with the secretary of state and another duly certified copy of such resolution with the county recorder of the county in which such city is located; and thereupon, the

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time fixed and established by such resolution for the holding of such municipal primary shall become fixed, and no power shall thereafter exist in the governing body of any such city to change the time of the holding of such municipal primary unless the authority to make such change is thereafter conferred upon such governing body by an act of the legislature, or by an amendment to the charter of such city duly ratified and accepted by the qualified electors of such city, in accordance with the constitution of the state of Minnesota, ~~Article IV, Section 36,~~ and all applicable acts thereunto enabling.

Sec. 21. Minnesota Statutes 1988, section 214.01, subdivision 2, is amended to read:

Subd. 2. "Health-related licensing board" means the board of examiners of nursing home administrators established pursuant to section 144A.19, the board of medical examiners created pursuant to section 147.01, the board of nursing created pursuant to section 148.181, the board of chiropractic examiners established pursuant to section 148.02, the board of optometry established pursuant to section 148.52, the board of psychology established pursuant to section 148.90, the social work licensing board pursuant to section 148B.19, the board of marriage and family therapy pursuant to section 148B.30, the board of unlicensed mental health service providers established pursuant to section 148B.41, the board of dentistry established pursuant to section 150A.02, the board of pharmacy established pursuant to section 151.02, the board of podiatric medicine established pursuant to section 153.02, and the board of veterinary medicine, established pursuant to section 156.01.

Sec. 22. Minnesota Statutes 1988, section 256.01, subdivision 2, is amended to read:

Subd. 2. **SPECIFIC POWERS.** Subject to the provisions of section 241.021, subdivision 2, the commissioner of human services shall:

(1) Administer and supervise all forms of public assistance provided for by state law and other welfare activities or services as are vested in the commissioner. Administration and supervision of human services activities or services includes, but is not limited to, assuring timely and accurate distribution of benefits, completeness of service, and quality program management. In addition to administering and supervising human services activities vested by law in the department, the commissioner shall have the authority to:

(a) require local agency participation in training and technical assistance programs to promote compliance with statutes, rules, federal laws, regulations, and policies governing human services;

(b) monitor, on an ongoing basis, the performance of local agencies in the operation and administration of human services, enforce compliance with statutes, rules, federal laws, regulations, and policies governing welfare services and promote excellence of administration and program operation;

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(c) develop a quality control program or other monitoring program to review county performance and accuracy of benefit determinations;

(d) require local agencies to make an adjustment to the public assistance benefits issued to any individual consistent with federal law and regulation and state law and rule and to issue or recover benefits as appropriate;

(e) delay or deny payment of all or part of the state and federal share of benefits and administrative reimbursement according to the procedures set forth in section 256.017; and

(f) make contracts with and grants to public and private agencies and organizations, both profit and nonprofit, and individuals, using appropriated funds.

(2) Inform local agencies, on a timely basis, of changes in statute, rule, federal law, regulation, and policy necessary to local agency administration of the programs.

(3) Administer and supervise all child welfare activities; promote the enforcement of laws protecting handicapped, dependent, neglected and delinquent children, and children born to mothers who were not married to the children's fathers at the times of the conception nor at the births of the children; license and supervise child-caring and child-placing agencies and institutions; supervise the care of children in boarding and foster homes or in private institutions; and generally perform all functions relating to the field of child welfare now vested in the state board of control.

(4) Administer and supervise all noninstitutional service to handicapped persons, including those who are visually impaired, hearing impaired, or physically impaired or otherwise handicapped. The commissioner may provide and contract for the care and treatment of qualified indigent children in facilities other than those located and available at state hospitals when it is not feasible to provide the service in state hospitals.

(5) Assist and actively cooperate with other departments, agencies and institutions, local, state, and federal, by performing services in conformity with the purposes of Laws 1939, chapter 431.

(6) Act as the agent of and cooperate with the federal government in matters of mutual concern relative to and in conformity with the provisions of Laws 1939, chapter 431, including the administration of any federal funds granted to the state to aid in the performance of any functions of the commissioner as specified in Laws 1939, chapter 431, and including the promulgation of rules making uniformly available medical care benefits to all recipients of public assistance, at such times as the federal government increases its participation in assistance expenditures for medical care to recipients of public assistance, the cost thereof to be borne in the same proportion as are grants of aid to said recipients.

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(7) Establish and maintain any administrative units reasonably necessary for the performance of administrative functions common to all divisions of the department.

(8) The commissioner is designated as guardian of both the estate and the person of all the wards of the state of Minnesota, whether by operation of law or by an order of court, without any further act or proceeding whatever, except as to persons committed as mentally retarded.

(9) Act as coordinating referral and informational center on requests for service for newly arrived immigrants coming to Minnesota.

(10) The specific enumeration of powers and duties as hereinabove set forth shall in no way be construed to be a limitation upon the general transfer of powers herein contained.

(11) Establish county, regional, or statewide schedules of maximum fees and charges which may be paid by local agencies for medical, dental, surgical, hospital, nursing and nursing home care and medicine and medical supplies under all programs of medical care provided by the state and for congregate living care under the income maintenance programs.

(12) Have the authority to conduct and administer experimental projects to test methods and procedures of administering assistance and services to recipients or potential recipients of public welfare. To carry out such experimental projects, it is further provided that the commissioner of human services is authorized to waive the enforcement of existing specific statutory program requirements, rules, and standards in one or more counties. The order establishing the waiver shall provide alternative methods and procedures of administration, shall not be in conflict with the basic purposes, coverage, or benefits provided by law, and in no event shall the duration of a project exceed four years. It is further provided that no order establishing an experimental project as authorized by the provisions of this section shall become effective until the following conditions have been met:

(a) The proposed comprehensive plan including estimated project costs and the proposed order establishing the waiver shall be filed with the secretary of the senate and chief clerk of the house of representatives at least 60 days prior to its effective date.

(b) The secretary of health, education, and welfare of the United States has agreed, for the same project, to waive state plan requirements relative to statewide uniformity.

(c) A comprehensive plan, including estimated project costs, shall be approved by the legislative advisory commission and filed with the commissioner of administration.

(13) In accordance with federal requirements establish procedures to be

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followed by local welfare boards in creating citizen advisory committees, including procedures for selection of committee members.

(14) Allocate federal fiscal disallowances or sanctions which are based on quality control error rates for the aid to families with dependent children, medical assistance, or food stamp program in the following manner:

(a) One-half of the total amount of the disallowance shall be borne by the county boards responsible for administering the programs. For the medical assistance and AFDC programs, disallowances shall be shared by each county board in the same proportion as that county's expenditures for the sanctioned program are to the total of all counties' expenditures for the AFDC and medical assistance programs. For the food stamp program, sanctions shall be shared by each county board, with 50 percent of the sanction being distributed to each county in the same proportion as that county's administrative costs for food stamps are to the total of all food stamp administrative costs for all counties, and 50 percent of the sanctions being distributed to each county in the same proportion as that county's value of food stamp benefits issued are to the total of all benefits issued for all counties. Each county shall pay its share of the disallowance to the state of Minnesota. When a county fails to pay the amount due hereunder, the commissioner may deduct the amount from reimbursement otherwise due the county, or the attorney general, upon the request of the commissioner, may institute civil action to recover the amount due.

(b) Notwithstanding the provisions of paragraph (a), if the disallowance results from knowing noncompliance by one or more counties with a specific program instruction, and that knowing noncompliance is a matter of official county board record, the commissioner may require payment or recover from the county or counties, in the manner prescribed in paragraph (a), an amount equal to the portion of the total disallowance which resulted from the noncompliance, and may distribute the balance of the disallowance according to paragraph (a).

(15) Develop and implement special projects that maximize reimbursements and result in the recovery of money to the state. For the purpose of recovering state money, the commissioner may enter into contracts with third parties. Any recoveries that result from projects or contracts entered into under this paragraph shall be deposited in the state treasury and credited to a special account until the balance in the account reaches \$400,000. When the balance in the account exceeds \$400,000, the excess shall be transferred and credited to the general fund. All money in the account is appropriated to the commissioner for the purposes of this paragraph.

(16) Have the authority to make direct payments to facilities providing shelter to women and their children pursuant to section 256D.05, subdivision 3. Upon the written request of a shelter facility that has been denied payments under section ~~256.05~~ 256D.05, subdivision 3, the commissioner shall review all relevant evidence and make a determination within 30 days of the request for

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review regarding issuance of direct payments to the shelter facility. Failure to act within 30 days shall be considered a determination not to issue direct payments.

Sec. 23. Minnesota Statutes 1988, section 256B.69, subdivision 16, is amended to read:

Subd. 16. **PROJECT EXTENSION.** Minnesota Rules, parts ~~9550.1450~~ 9500.1450; 9500.1451; 9500.1452; 9500.1453; 9500.1454; 9500.1455; 9500.1456; 9500.1457; 9500.1458; 9500.1459; 9500.1460; 9500.1461; 9500.1462; 9500.1463; and 9500.1464 are extended until December 31, 1990.

Sec. 24. Minnesota Statutes 1988, section 256D.03, subdivision 4, is amended to read:

Subd. 4. **GENERAL ASSISTANCE MEDICAL CARE; SERVICES.** (a) Reimbursement under the general assistance medical care program shall be limited to the following categories of service: inpatient hospital care, outpatient hospital care, services provided by medicare certified rehabilitation agencies, prescription drugs, equipment necessary to administer insulin and diagnostic supplies and equipment for diabetics to monitor blood sugar level, eyeglasses and eye examinations provided by a physician or optometrist, hearing aids, prosthetic devices, laboratory and X-ray services, physician's services, medical transportation, chiropractic services as covered under the medical assistance program, podiatric services, and dental care. In addition, payments of state aid shall be made for:

(1) outpatient services provided by a mental health center or clinic that is under contract with the county board and is certified under Minnesota Rules, parts 9520.0750 to 9520.0870;

(2) day treatment services provided under contract with the county board; and

(3) prescribed medications for persons who have been diagnosed as mentally ill as necessary to prevent more restrictive institutionalization.

(b) In order to contain costs, the commissioner of human services shall select vendors of medical care who can provide the most economical care consistent with high medical standards and shall where possible contract with organizations on a prepaid capitation basis to provide these services. The commissioner shall consider proposals by counties and vendors for prepaid health plans, competitive bidding programs, block grants, or other vendor payment mechanisms designed to provide services in an economical manner or to control utilization, with safeguards to ensure that necessary services are provided. Before implementing prepaid programs in counties with a county operated or affiliated public teaching hospital or a hospital or clinic operated by the University of Minnesota, the commissioner shall consider the risks the prepaid program creates for the hospital and allow the county or hospital the opportunity to participate in the

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program in a manner that reflects the risk of adverse selection and the nature of the patients served by the hospital, provided the terms of participation in the program are competitive with the terms of other participants considering the nature of the population served. Payment for services provided pursuant to this subdivision shall be as provided to medical assistance vendors of these services under sections 256B.02, subdivision 8, and 256B.0625. The rates payable under this section must be calculated according to section 256B.031, subdivision 4.

(c) The commissioner of human services may reduce payments provided under sections 256D.01 to 256D.21 and 261.23 in order to remain within the amount appropriated for general assistance medical care, within the following restrictions.

For the period July 1, 1985, to December 31, 1985, reductions below the cost per service unit allowable under section 256.966, are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 30 percent; payments for all other inpatient hospital care may be reduced no more than 20 percent. Reductions below the payments allowable under general assistance medical care for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than ten percent.

For the period January 1, 1986 to December 31, 1986, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 20 percent; payments for all other inpatient hospital care may be reduced no more than 15 percent. Reductions below the payments allowable under general assistance medical care for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than five percent.

For the period January 1, 1987 to June 30, 1987, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 15 percent; payments for all other inpatient hospital care may be reduced no more than ten percent. Reductions below the payments allowable under medical assistance for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than five percent.

For the period July 1, 1987, to June 30, 1988, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 15 percent; payments for all other inpatient hospital care may be reduced no more than five percent. Reductions below the payments allowable

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under medical assistance for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than five percent.

For the period July 1, 1988, to June 30, 1989, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 15 percent; payments for all other inpatient hospital care may not be reduced. Reductions below the payments allowable under medical assistance for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than five percent.

There shall be no copayment required of any recipient of benefits for any services provided under this subdivision. A hospital receiving a reduced payment as a result of this section may apply the unpaid balance toward satisfaction of the hospital's bad debts.

(d) Any county may, from its own resources, provide medical \$ payments for which state payments are not made.

(e) Chemical dependency services that are reimbursed under Laws 1986, chapter 394, sections 8 to 20, must not be reimbursed under general assistance medical care.

(f) The maximum payment for new vendors enrolled in the general assistance medical care program after the base year shall be determined from the average usual and customary charge of the same vendor type enrolled in the base year.

Sec. 25. Minnesota Statutes 1988, section 256G.02, subdivision 4, is amended to read:

Subd. 4. **COUNTY OF FINANCIAL RESPONSIBILITY.** (a) "County of financial responsibility" has the meanings in paragraphs (b) to (e).

(b) For an applicant who resides in the state and is not in a facility described in subdivision § 6, it means the county in which the applicant resides at the time of application.

(c) For an applicant who resides in a facility described in subdivision § 6, it means the county in which the applicant last resided in nonexcluded status immediately before entering the facility.

(d) For an applicant who has not resided in this state for any time other than the excluded time, it means the county in which the applicant resides at the time of making application.

(e) If more than one named program is open concurrently, financial responsibility for social services attaches to the program that has the earliest date of application and has been open without interruption.

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(f) Notwithstanding paragraphs (b) to (e), the county of financial responsibility for semi-independent living services provided under section 252.275, and Minnesota Rules, parts 9525.0500 to 9525.0660, is the county of residence in nonexcluded status immediately before the placement into or request for those services.

Sec. 26. Minnesota Statutes 1988, section 256G.06, is amended to read:

256G.06 DETOXIFICATION SERVICES.

The county of financial responsibility for detoxification services is the county where the client is physically present when the need for services is identified. If that need is identified while the client is a resident of a chemical dependency facility, the provisions of section 256G.02, subdivision ~~3~~ 4, paragraphs (b), (c), and (e) apply.

Sec. 27. Minnesota Statutes 1988, section 260.125, subdivision 6, is repealed.

Sec. 28. Minnesota Statutes 1988, section 268.10, subdivision 1, is amended to read:

Subdivision 1. **FILING.** (a) Claims for benefits shall be made in accordance with such rules as the commissioner may prescribe. Each employer shall post and maintain printed statements of such rules in places readily accessible to individuals in the employer's service and shall make available to each such individual at the time of becoming unemployed, a printed statement of such rules. Such printed statements shall be supplied by the commissioner to each employer without cost to the employer.

(b) Any employer upon separation of an employee from employment for any reason which may result in disqualification for benefits under section 268.09, shall furnish to such employee a separation notice which shall provide the employer's name, address, and employer account number as registered with the department, the employee's name and social security account number, the inclusive dates of employment, and the reason for the separation. A copy of such separation notice shall be filed with the commissioner within seven days of such separation. The commissioner shall require each individual filing a claim for benefits to establish a benefit year to furnish the reason for separation from all employers in the individual's base period.

(c) For the purpose of complying with section 268.04, subdivision 2, the commissioner may require all base period employers to provide such information as the commissioner may prescribe, including, but not limited to, wages paid during any part of the base period, whether or not such information was previously provided.

(d) Upon establishment of a benefit year, the commissioner shall give notice to the last employer for whom the individual worked and all base period employers. The employer so notified shall have seven days after the mailing of the

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notice to file a protest to monetary entitlement or a protest raising an issue of ineligibility or disqualification.

(e) If, upon review of the wage information on file with the department, it is found that an employer failed to provide wage information for the claimant, the commissioner shall accept a claimant certification as to the wage credits earned, based upon the claimant's records, and issue a monetary determination of validity certification. This determination may be modified based upon corrected information subsequently received from the employer or other sources. The employer who failed to report the individual's wages or filed an erroneous report may be penalized in accordance with section 268.16 or 268.18. In the absence of fraud, if a redetermination of validity of claim based on an employer's late corrected or erroneous report subsequently cancels or reduces the amount of benefits to which a claimant was entitled under the initial determination, the claimant shall not be required to make repayment to the fund of any benefits paid prior to such redetermination; and

(f) The commissioner shall determine any issue raised under paragraph (d) or by an employer's late report. If an employer fails to file a separation notice within the time limits prescribed in paragraph (b), any relief from benefit charges provided by section 268.09, subdivision 1, ~~clause (4)~~ paragraph (c), shall apply to weeks of unemployment beginning after the filing of the late report or protest.

Sec. 29. Minnesota Statutes 1988, section 273.124, subdivision 6, is amended to read:

Subd. 6. **LEASEHOLD COOPERATIVES.** When one or more dwellings or one or more buildings which each contain several dwelling units is owned by a nonprofit corporation subject to the provisions of chapter 317 or a limited partnership which corporation or partnership operates the property in conjunction with a cooperative association, homestead treatment may be claimed by the cooperative association on behalf of the members of the cooperative for each dwelling unit occupied by a member of the cooperative. The cooperative association must provide the assessor with the social security numbers of those members. To qualify for the treatment provided by this subdivision, the following conditions must be met: (a) the cooperative association must be organized under sections 308.05 to 308.18; (b) the cooperative association must have a lease for occupancy of the property for a term of at least 20 years; (c) to the extent permitted under state or federal law, the cooperative association must have a right under a written agreement with the owner to purchase the property if the owner proposes to sell it; if the cooperative association does not purchase the property when it is offered for sale, the owner may not subsequently sell the property to another purchaser at a price lower than the price at which it was offered for sale to the cooperative association unless the cooperative association approves the sale; ~~and~~ (d) the cooperative must meet one of the following criteria with respect to the income of its members: (1) a minimum of 75 percent of members must have incomes at or less than 90 percent of area median income, (2) a minimum of 40 percent of members must have incomes at or less than 60 percent of area median income, or (3) a minimum of 20 percent of

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members must have incomes at or less than 50 percent of area median income. For purposes of this clause, "member income" shall mean the income of a member existing at the time the member acquires his or her cooperative membership, and "median income" shall mean the St. Paul-Minneapolis metropolitan area median income as determined by the United States Department of Housing and Urban Development; and (e) if a limited partnership owns the property, it must include as the managing general partner either the cooperative association or a nonprofit organization operating under the provisions of chapter 317. Homestead treatment must be afforded to units occupied by members of the cooperative association and the units must be assessed as provided in subdivision 3, provided that any unit not so occupied shall be classified and assessed pursuant to the appropriate class. No more than three acres of land may, for assessment purposes, be included with each dwelling unit that qualifies for homestead treatment under this subdivision.

Sec. 30. Laws 1987, chapter 268, article 5, section 5, is repealed.

Sec. 31. Minnesota Statutes 1988, section 297.07, subdivision 3, is amended to read:

Subd. 3. **DEALER MAY PROTEST; HEARING.** If, within 30 days after mailing of notice of the assessment, the distributor or a legal representative shall file a protest to said assessment and request a hearing thereon, the commissioner shall give notice to that distributor or legal representative of the time and place fixed for the hearing, and shall hold a hearing in conformity with the provisions of sections 297.01 to 297.13. The tax due must be paid within 60 days after the mailing date of the assessment notice.

Sec. 32. Minnesota Statutes 1988, section 297.35, subdivision 3, is amended to read:

Subd. 3. If, within 30 days after mailing of notice of the assessment, the taxpayer or a legal representative shall file a protest to said assessment and request a hearing thereon, the commissioner shall give notice to that taxpayer or legal representative of the time and place fixed for the hearing, and shall hold a hearing on such protest. Any tax due and owing after an assessment order has been issued to the distributor or legal representative of such distributor shall be paid within 60 days. Any such assessment made by the commissioner shall be prima facie correct and valid, and the taxpayer shall have the burden of establishing its incorrectness or invalidity in any action or proceeding in respect thereto.

Sec. 33. Minnesota Statutes 1988, section 326.01, subdivision 21, is repealed.

Sec. 34. Minnesota Statutes 1988, section 340A.414, subdivision 6, is amended to read:

Subd. 6. **PERMIT FEES.** The annual fee for issuance of a permit under this section is \$150. The governing body of a city or county where the establish-

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ment is located may impose an ~~addition of~~ additional fee of not more than \$300.

Sec. 35. Minnesota Statutes 1988, section 349.213, subdivision 2, is amended to read:

Subd. 2. **LOCAL APPROVAL.** Before issuing or renewing an organization license, the board must notify the city council of the statutory or home rule city in which the organization's premises are located or, if the premises are located outside a city, ~~by~~ the county board of the county and the town board of the town where the premises are located. If the city council or county board adopts a resolution disapproving the license and so informs the board within 60 days of receiving notice of the license, the license may not be issued or renewed.

Sec. 36. Minnesota Statutes 1988, section 362A.08, is repealed.

Sec. 37. Minnesota Statutes 1988, section 363.06, subdivision 4, is amended to read:

Subd. 4. **INQUIRY INTO CHARGE.** (1) Consistent with clause (7), the commissioner shall promptly inquire into the truth of the allegations of the charge. The commissioner shall make an immediate inquiry when a charge alleges actual or threatened physical violence. The commissioner shall also make an immediate inquiry when it appears that a charge is frivolous or without merit and shall dismiss those charges.

The commissioner shall give priority to investigating and processing those charges, in the order below, which the commissioner determines have the following characteristics:

- (a) there is evidence of irreparable harm if immediate action is not taken;
- (b) there is evidence that the respondent has intentionally engaged in a reprisal;
- (c) a significant number of recent charges have been filed against the respondent;
- (d) the respondent is a government entity;
- (e) there is potential for broadly promoting the policies of this chapter; or
- (f) the charge is supported by substantial and credible documentation, witnesses, or other evidence.

The commissioner shall inform charging parties of these priorities and shall tell each party if their charge is a priority case or not.

On other charges the commissioner shall make a determination within 12 months after the charge was filed as to whether or not there is probable cause to credit the allegation of unfair discriminatory practices, and

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(2) If the commissioner determines after investigation that no probable cause exists to credit the allegations of the unfair discriminatory practice, the commissioner shall, within ten days of the determination, serve upon the charging party and respondent written notice of the determination. Within ten days after receipt of notice, the charging party may request in writing, on forms prepared by the department, that the commissioner reconsider the determination. The request shall contain a brief statement of the reasons for and new evidence in support of the request for reconsideration. At the time of submission of the request to the commissioner, the charging party shall deliver or mail to the respondent a copy of the request for reconsideration. The commissioner shall either reaffirm or reverse the determination of no probable cause within 20 days after receipt of the request for reconsideration, and shall within ten days notify in writing the charging party and respondent of the decision to reaffirm or reverse.

A decision by the commissioner that no probable cause exists to credit the allegations of an unfair discriminatory practice shall not be appealed to the court of appeals pursuant to section 363.072 or sections 14.63 to 14.68.

(3) If the commissioner determines after investigation that probable cause exists to credit the allegations of unfair discriminatory practices, the commissioner shall serve on the respondent and the respondent's attorney if the respondent is represented by counsel, by first class mail, a notice setting forth a short plain written statement of the alleged facts which support the finding of probable cause and an enumeration of the provisions of law allegedly violated. If the commissioner determines that attempts to eliminate the alleged unfair practices through conciliation pursuant to subdivision 5 have been or would be unsuccessful or unproductive, the commissioner shall issue a complaint and serve on the respondent, by registered or certified mail, a written notice of hearing together with a copy of the complaint, requiring the respondent to answer the allegations of the complaint at a hearing before an administrative law judge at a time and place specified in the notice, not less than ten days after service of said complaint. A copy of the notice shall be furnished to the charging party and the attorney general.

(4) If, at any time after the filing of a charge, the commissioner has reason to believe that a respondent has engaged in any unfair discriminatory practice, the commissioner may file a petition in the district court in a county in which the subject of the complaint occurs, or in a county in which a respondent resides or transacts business, seeking appropriate temporary relief against the respondent, pending final determination of proceedings under this chapter, including an order or decree restraining the respondent from doing or procuring an act tending to render ineffectual an order the commissioner may enter with respect to the complaint. The court shall have power to grant temporary relief or a restraining order as it deems just and proper, but no relief or order extending beyond ten days shall be granted except by consent of the respondent or after hearing upon notice to the respondent and a finding by the court that there is reasonable cause to believe that the respondent has engaged in a discriminatory

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practice. Except as modified by this section, the Minnesota rules of civil procedure shall apply to an application, and the district court shall have authority to grant or deny the relief sought on conditions as it deems just and equitable. All hearings under this section shall be given precedence as nearly as practicable over all other pending civil actions.

(5) If a lessor, after engaging in a discriminatory practice defined in section 363.03, subdivision 2, clause (1)(a), leases or rents a dwelling unit to a person who has no knowledge of the practice or of the existence of a charge with respect to the practice, the lessor shall be liable for actual damages sustained by a person by reason of a final order as provided in this section requiring the person to be evicted from the dwelling unit.

(6) In any complaint issued under this section, the commissioner may seek relief for a class of individuals affected by an unfair discriminatory practice occurring on or after a date ~~300 days~~ one year prior to the filing of the charge from which the complaint originates.

(7) The commissioner may adopt policies to determine which charges are processed and the order in which charges are processed based on their particular social or legal significance, administrative convenience, difficulty of resolution, or other standard consistent with the provisions of this chapter.

(8) The chief administrative law judge shall adopt policies to provide sanctions for intentional and frivolous delay caused by any charging party or respondent in an investigation, hearing, or any other aspect of proceedings before the department under this chapter.

Sec. 38. Minnesota Statutes 1988, section 473.845, subdivision 1, is amended to read:

Subdivision 1. **ESTABLISHMENT.** The metropolitan landfill contingency action fund is created as an account in the state treasury. The fund consists of revenue deposited in the fund under section 473.843, subdivision 2, clause (b); amounts recovered under subdivision ~~6~~ 7; and interest earned on investment of money in the fund.

Sec. 39. Minnesota Statutes 1988, section 480A.02, subdivision 7, is amended to read:

Subd. 7. **COMPENSATION; TRAVEL EXPENSES.** The salary of a judge of the court of appeals shall be as provided by section ~~15A.083~~ 15A.082. Travel expenses shall be paid by the state in the same manner and amount as provided for judges of the district court in section 484.54.

Sec. 40. Minnesota Statutes 1988, section 485.018, subdivision 2, is amended to read:

Subd. 2. **SET BY BOARD.** The county board of each of the counties specified in subdivision 1 annually shall set by resolution the salary of the court

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administrator of district court which shall be paid to the court administrator of district court at such intervals as the board shall determine but not less often than once each month. At the January meeting ~~prior to the first date on which applicants may file for the office of court administrator of district court~~ the board shall set by resolution the minimum salary to be paid the court administrator of district court for the term next following. In the event a vacancy occurs in the office of the court administrator of district court the board may set the annual salary for the remainder of the calendar year at an amount less than was set for that year. The board in any case specified in this subdivision may not set the annual salary at an amount less than the minimums provided in subdivision 1 but it may set the salary in excess of such minimums. The salary of the court administrator of district court shall not be reduced during the term for which the court administrator is ~~elected or~~ appointed.

In the event that duties are assigned to the court administrator of district court which are in addition to the court administrator's duties as court administrator, additional compensation may be provided for the additional duties. The county board by resolution shall determine the additional compensation which shall be paid and specify the duties for which the additional compensation is to be paid.

Sec. 41. Minnesota Statutes 1988, section 515A.3-115, is amended to read:

515A.3-115 LIEN FOR ASSESSMENTS.

(a) The association has a lien on a unit for any assessment levied against that unit from the time the assessment becomes payable. The association's lien may be foreclosed as provided by the laws of this state as if it were a lien under a mortgage containing a power of sale but the association shall give reasonable notice of its action to all lienholders of the unit whose interest would be affected. The rights of the parties shall be the same as those provided by law except that the period of redemption for unit owners shall be six months from the date of sale. Unless the declaration otherwise provides, fees, charges, late charges, and interest charges pursuant to section 515A.3-102(8), (9) and ~~(12)~~ (11) are enforceable as assessments under this section.

(b) A lien under this section is prior to all other liens and encumbrances on a unit except (1) liens and encumbrances recorded before the recordation of the declaration, (2) any recorded mortgage on the unit securing a first mortgage holder, and (3) liens for real estate taxes and other governmental assessments or charges against the unit. This subsection does not affect the priority of mechanics' or material suppliers' liens.

(c) Recording of the declaration constitutes record notice and perfection of the lien, and no further recordation of any claim of lien for assessment under this section is required.

(d) Proceedings to enforce an assessment must be instituted within three years after the last installment of the assessment becomes payable.

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(e) Unit owners at the time an assessment is payable are personally liable to the association for payment of the assessments.

(f) A foreclosure sale, judgment or decree in any action, proceeding or suit brought under this section shall include costs and reasonable attorney's fees for the prevailing party.

(g) The association shall furnish to a unit owner or the owner's authorized agent upon written request of the unit owner or the authorized agent a recordable statement setting forth the amount of unpaid assessments currently levied against the owner's unit. The statement shall be furnished within ten business days after receipt of the request and is binding on the association and every unit owner.

Sec. 42. Minnesota Statutes 1988, section 525.94, subdivision 3, is amended to read:

Subd. 3. **DOCUMENTATION.** Notification under subdivision 4 2, as well as any identified contradiction to organ donation, must be documented in the patient's medical record, which must include the name of the person notified and the person's relationship to the decedent.

Sec. 43. Minnesota Statutes 1988, section 548.09, subdivision 2, is amended to read:

Subd. 2. **JUDGMENT CREDITOR'S AFFIDAVIT.** No judgment, except for taxes, shall be docketed until the judgment creditor, or the creditor's agent or attorney, has filed with the court administrator an affidavit, stating the full name, occupation, place of residence, and post office address of the judgment debtor, to the best of affiant's information and belief. If the residence is within an incorporated place having more than 5,000 inhabitants, the street number of both the judgment ~~creditor's~~ debtor's place of residence and place of business, if the ~~creditor~~ debtor has one, shall be stated.

Sec. 44. Minnesota Statutes 1988, section 604.02, subdivision 1, is amended to read:

Subdivision 1. When two or more persons are jointly liable, contributions to awards shall be in proportion to the percentage of fault attributable to each, except that each is jointly and severally liable for the whole award. Except in cases where liability arises under chapters 18B - pesticide control, 115 - water pollution control, 115A - waste management, 115B - environmental response and liability, 115C - leaking underground storage tanks, and ~~299E~~ 299J - pipeline safety, public nuisance law for damage to the environment or the public health, any other environmental or public health law, or any environmental or public health ordinance or program of a municipality as defined in section 466.01, a person whose fault is 15 percent or less is liable for a percentage of the whole award no greater than four times the percentage of fault, including any amount reallocated to that person under subdivision 2.

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If the state or a municipality as defined in section 466.01 is jointly liable, and its fault is less than 35 percent, it is jointly and severally liable for a percentage of the whole award no greater than twice the amount of fault, including any amount reallocated to the state or municipality under subdivision 2.

Sec. 45. Minnesota Statutes 1988, section 609.506, subdivision 1, is amended to read:

Subdivision 1. **MISDEMEANOR.** Whoever with intent to obstruct justice gives a fictitious name other than a nickname, or gives a false date of birth, or false or fraudulently altered identification card to a peace officer, as defined in section 626.84, subdivision 2 1, paragraph (c), when that officer makes inquiries incident to a lawful investigatory stop or lawful arrest, or inquiries incident to executing any other duty imposed by law, is guilty of a misdemeanor.

Sec. 46. Minnesota Statutes 1988, section 611A.53, subdivision 1, is amended to read:

Subdivision 1. **GENERALLY.** Except as provided in subdivisions 1a and 2, the following persons shall be entitled to reparations upon a showing by a preponderance of the evidence that the requirements for reparations have been met:

- (a) a victim who has incurred economic loss;
- (b) a dependent who has incurred economic loss;
- (c) the estate of a deceased victim if the estate has incurred economic loss;
- (d) any other person who has incurred economic loss by purchasing any of the products, services, and accommodations described in section 611A.52, ~~clause~~ (7) subdivision 8, for a victim;
- (e) the guardian, guardian ad litem, conservator or authorized agent of any of these persons.

Sec. 47. Laws 1988, chapter 640, section 5, is amended to read:

Sec. 5. TAX-FORFEITED LAND SALE; MCLEOD COUNTY.

Notwithstanding Minnesota Statutes, section 282.018, McLeod county may sell in accordance with the other provisions of Minnesota Statutes, chapter 282, the three tax-forfeited parcels described as follows:

- (1) Beginning at the Northwest corner of Lot "A" in Schillings Addition to Lake Addie Townsite, running thence North 65' thence East 206.09', thence South 20', thence East by South 119', thence South 40', thence West 118', thence North 10', thence West 206.09' to the point of beginning, and beginning at a point 65' North of the Northwest corner of Lot "A" in Schillings Addition to Lake Addie Townsite according to the plat thereof thence running North to

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the right-of-way of the Chicago, Milwaukee and St. Paul Railroad Company, thence Northeasterly along said railway right-of-way 341.6', thence South to a point 40' North of the Northeast corner of Lot "M" in Schillings Addition to Lake Addie Townsite, thence Northwesterly 119', thence North 20', thence West to the point of beginning; and, beginning at a point in the center of Buffalo Creek 50' North of the Northeast corner of Lot "M" in Schillings Addition to Lake Addie Townsite, according to the plat thereof on file and of record in the office of the county recorder of McLeod county, thence North 254' to the South line of right-of-way of the Chicago, Milwaukee and St. Paul Railroad Company, thence South ~~34~~ 84 degrees 32 minutes East along said right-of-way a distance of ~~35~~ 85', thence South 261' to the center of Buffalo Creek, thence Northwesterly 85.1' to the place of beginning, all of the above being and lying in the Southeast Quarter of Southwest Quarter of Section 29, Township 115 North, Range 29 West.

(2) Beginning at a point in the center of Buffalo Creek 442.09' East and 50' North of the Northeast Corner of Block 1 in Lake Addie Townsite, according to the plat thereof on file and of record in the office of the county recorder of the county of McLeod, Minnesota thence North to the South Line of the right-of-way of the Chicago, Milwaukee and St. Paul Railroad Company thence Southeasterly along said right-of-way to a point 360' due East of the West line of this tract, thence South to the center of Buffalo Creek, thence Westerly along the center of Buffalo Creek, to the point of beginning, being and lying in the Southeast Quarter of the Southwest Quarter and the Southwest Quarter of the Southeast Quarter of Section 29, Township 115 North, Range 29 West.

(3) United States Government Lot 1 (0.90 ac.) in Section 14, Township 117 North, Range 27 West.

The parcels are all inaccessible and are not necessary for public access to the adjacent public waters.

Sec. 48. Laws 1988, chapter 719, article 12, section 29, is amended to read:

Sec. 29. TRANSITION RULES.

(a) The provisions of sections 3, 6, 10, and ~~14~~ 16 do not apply to proposed tax increment financing districts for which the authority called for a public hearing in a resolution dated March 23, 1987, and for which a public hearing was held on April 28, 1987. The provisions of Minnesota Statutes 1987 Supplement, sections 469.174, subdivision 10, and 469.176, subdivision 4, apply to such districts.

(b) The provisions of sections 3, 6, 10, and ~~14~~ 16 do not apply to candidate sites ~~in the old highway 8 corridor tax increment project area~~, identified in the old highway 8 corridor plan as approved by an authority on October 14, 1986, if the requests for certification of the districts are filed with the county before January 1, 1998. The provisions of Minnesota Statutes 1987 Supplement, sections 469.174, subdivision 10, and 469.176, subdivision 4, apply to such districts.

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(c) The provisions of section ~~44~~ 16, subdivision 4c, do not apply to an economic development district located in a development district approved on November 9, 1987, provided the request for certification of the tax increment district is submitted to the county by September 30, 1988.

Sec. 49. Laws 1965, chapter 267, section 1, is repealed.

Sec. 50. Laws 1971, chapter 830, section 7, is repealed.

Sec. 51. Laws 1976, chapters 2, section 62, and 173, section 53, are repealed.

Sec. 52. Laws 1976, chapter 134, section 2, is repealed.

Sec. 53. Laws 1976, chapter 134, section 79, is amended to read:

Sec. 79. **REPEALS.** Minnesota Statutes 1974, sections ~~3.922~~, subdivision ~~3~~; 10A.02, subdivision 6; 16.823, subdivision 5; 43.03, subdivision 3; 121.02, subdivision 2; 136.16; 136.61, subdivisions 2 and 4; 136A.02, subdivision 4; 175.006, subdivision 3; 216A.03, subdivision 2; 238.04, subdivisions 4 and 5; 241.045, subdivision 5; 271.01, subdivision 3; 299B.05, subdivision 2; 352.03, subdivision 3; 363.04, subdivision 6; 462A.04, subdivisions 2, 3 and 5, are repealed.

Sec. 54. Laws 1976, chapter 163, section 10, is repealed.

Sec. 55. Laws 1977, chapter 35, section 8, is repealed.

Sec. 56. Minnesota Statutes 1988, section 473.605, subdivision 2, is amended to read:

Subd. 2. Each commission member shall be paid a per diem compensation of \$50 for each meeting of the commission, one of its committees, and attendance and participation at a meeting or hearing as a representative of the commission pursuant to state law or rule. Members shall be reimbursed for all actual and necessary expenses incurred in the performance of their duties in the same manner and amount as state employees. The chair shall receive ~~compensation as determined by the commission~~ a salary as prescribed in section 15A.081, subdivision 7, and shall be reimbursed for reasonable expenses to the same extent as a member. The mayors and members of the city councils of Minneapolis and St. Paul shall not be eligible for per diem compensation. The annual budget of the commission shall provide as a separate account anticipated expenditures for per diem, travel and associated expenses for the chair and members, and compensation or reimbursement shall be made to the chair and members only when budgeted.

Sec. 57. Laws 1978, chapter 496, section 1, is repealed.

Sec. 58. Laws 1978, chapter 706, section 31, is repealed.

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- Sec. 59. Laws 1979, chapter 48, section 2, is repealed.
- Sec. 60. Laws 1979, chapter 184, section 3, is repealed.
- Sec. 61. Laws 1981, chapter 271, section 1, is repealed.
- Sec. 62. Laws 1982, chapter 514, section 15, is repealed.
- Sec. 63. Laws 1983, chapter 242, section 1, is repealed.
- Sec. 64. Laws 1983, chapter 247, section 38, is repealed.
- Sec. 65. Laws 1983, chapter 289, section 4, is repealed.
- Sec. 66. Laws 1983, chapter 290, sections 2 and 3, are repealed.
- Sec. 67. Laws 1983, chapter 299, section 26, is repealed.
- Sec. 68. Laws 1983, chapter 303, sections 21 and 22, are repealed.
- Sec. 69. Laws 1984, chapter 654, article 2, section 117, is repealed.
- Sec. 70. Laws 1986, chapter 312, section 1, is repealed.
- Sec. 71. Laws 1986, chapter 400, section 43, is repealed.
- Sec. 72. Laws 1986, chapter 452, section 17, is repealed.
- Sec. 73. Laws 1986, First Special Session chapter 3, article 1, section 74, is repealed.
- Sec. 74. Laws 1986, First Special Session chapter 3, article 1, section 79, is repealed.
- Sec. 75. Laws 1987, chapter 384, article 2, section 25, is repealed.
- Sec. 76. Laws 1987, chapter 385, section 7, is repealed.
- Sec. 77. Laws 1987, chapter 403, article 5, section 1, is repealed.
- Sec. 78. Laws 1987, chapter 404, section 138, is repealed.

ARTICLE 2

OBSOLETE REFERENCE CORRECTIONS

Section 1. INSTRUCTION TO REVISOR.

In each section of Minnesota Statutes referred to in column A, the revisor of statutes shall delete the reference in column B and insert the reference in column C.

<u>Column A</u>	<u>Column B</u>	<u>Column C</u>
<u>13.551</u>	<u>458.196</u>	<u>469.065</u>
<u>13.75, subd. 2</u>	<u>179A.04, subd. 3; and</u> <u>179A.15</u>	<u>179A.16</u>
<u>13.89, subd. 1</u>	<u>245.781 to 245.812</u>	<u>245A.01 to 245A.16</u>
<u>17.72</u>	<u>18A.21 to 18A.45</u>	<u>chapter 18B</u>
<u>40.072, subd. 4</u>	<u>106A.205</u>	<u>106A.202, subd. 5</u>
<u>41A.02, subd. 17</u>	<u>474.02, subds. 1 to 1f</u>	<u>469.153, subd. 2</u>
<u>41A.02, subd. 17</u>	<u>474.03, subd. 4</u>	<u>469.155, subd. 4</u>
<u>41A.036, subd. 2</u>	<u>273.1312, subd. 4</u>	<u>469.168</u>
<u>44A.08, subd. 1</u>	<u>44A.07</u>	<u>44A.023</u>
<u>51A.19, subd. 9</u>	<u>51A.39</u>	<u>51A.385</u>
<u>62A.22</u>	<u>176.012</u>	<u>176.041, subd. 1a</u>
<u>62A.48, subd. 7</u>	<u>62A.58</u>	<u>62A.56</u>
<u>67A.06</u>	<u>300.082</u>	<u>300.083</u>
<u>97B.035, subd. 1</u>	<u>97B.315</u>	<u>97B.106</u>
<u>106A.215, subd. 5</u>	<u>106A.205</u>	<u>106A.202, subd. 5</u>
<u>115B.02, subd. 15</u>	<u>18A.21, subd. 25</u>	<u>18B.01, subd. 18</u>
<u>115B.17, subd. 8</u>	<u>18A.37</u>	<u>18B.15</u>
<u>115C.08, subd. 3</u>	<u>296.13</u>	<u>239.78</u>
<u>116.64, subd. 3</u>	<u>473.488</u>	<u>473.448</u>
<u>116D.04, subd. 1a</u>	<u>458C.01 to 458C.23</u>	<u>469.090 to 469.108</u>
<u>116J.27, subd. 4b</u>	<u>462.421</u>	<u>469.002</u>
<u>120.17, subd. 1</u>	<u>120.10</u>	<u>120.101</u>
<u>120.67</u>	<u>120.10</u>	<u>120.101</u>
<u>122.22, subd. 4</u>	<u>123.32, subd. 1a</u>	<u>201.014</u>
<u>122.34</u>	<u>120.10, subd. 2</u>	<u>120.101</u>
<u>122.48</u>	<u>120.10, subd. 2</u>	<u>120.101</u>
<u>122.87, subd. 4</u>	<u>126.66</u>	<u>126.666</u>
<u>123.42</u>	<u>123.32</u>	<u>123.33</u>
<u>123.76</u>	<u>120.10, subd. 2</u>	<u>120.101</u>
<u>123.77, subd. 3</u>	<u>120.10, subd. 2</u>	<u>120.101, subd. 4</u>
<u>123.932, subd. 3</u>	<u>120.10</u>	<u>120.101</u>
<u>124.17, subd. 2</u>	<u>120.10</u>	<u>120.101</u>
<u>124.272, subd. 3</u>	<u>126.66</u>	<u>126.666</u>
<u>124A.02, subd. 22</u>	<u>120.10</u>	<u>120.101</u>
<u>126.72, subd. 2</u>	<u>126.66, subd. 6</u>	<u>126.666, subd. 4</u>
<u>127.19</u>	<u>120.10</u>	<u>120.101</u>
<u>128A.05, subd. 3</u>	<u>120.10</u>	<u>120.101</u>

New language is indicated by underline, deletions by ~~strikeout~~.

<u>128A.05, subd. 3</u>	<u>120.12</u>	<u>120.103</u>
<u>129.121, subd. 4</u>	<u>120.10</u>	<u>120.101</u>
<u>129B.32, subd. 1</u>	<u>129B.33</u>	<u>129B.375</u>
<u>129B.66, subd. 1</u>	<u>126.66, subd. 3</u>	<u>126.666, subd. 2</u>
<u>129B.71</u>	<u>129B.75</u>	<u>129B.73</u>
<u>141.35</u>	<u>120.10</u>	<u>120.101</u>
<u>144.383</u>	<u>145.913</u>	<u>145A.09</u>
<u>144.653, subd. 1</u>	<u>245.781 to 245.812</u>	<u>245A.01 to 245A.16</u>
<u>144.802, subd. 3</u>	<u>145.918</u>	<u>145A.12, subd. 4</u>
<u>144A.01, subd. 5</u>	<u>245.781 to 245.821</u>	<u>245A.01 to 245A.16</u>
<u>144A.071, subd. 2</u>	<u>245.781 to 245.812</u>	<u>245A.01 to 245A.16</u>
<u>144A.10, subd. 1</u>	<u>245.781 to 245.821</u>	<u>245A.01 to 245A.16</u>
<u>144A.46, subd. 3</u>	<u>14.70</u>	<u>14.69</u>
<u>145.93, subd. 2</u>	<u>473.02, subd. 5</u>	<u>473.121, subd. 2</u>
<u>148B.05, subd. 1</u>	<u>525.612</u>	<u>525.61</u>
<u>153.22, subd. 4</u>	<u>525.612</u>	<u>525.61</u>
<u>157.14</u>	<u>245.781 to 245.812</u>	<u>245A.01 to 245A.16</u>
<u>161.41, subd. 2</u>	<u>chapter 16</u>	<u>chapter 16B</u>
<u>168.041, subd. 4a</u>	<u>14.70</u>	<u>14.69</u>
<u>169.01, subd. 6</u>	<u>120.10</u>	<u>120.101</u>
<u>171.01, subd. 21</u>	<u>120.10</u>	<u>120.101</u>
<u>174.30, subd. 1</u>	<u>245.781 to 245.812</u>	<u>245A.01 to 245A.16</u>
<u>176.011, subd. 21</u>	<u>176.012</u>	<u>176.041, subd. 1a</u>
<u>205.02, subd. 2</u>	<u>205.12</u>	<u>205.121</u>
<u>216C.27, subd. 6</u>	<u>462.421, subd. 2</u>	<u>469.002</u>
<u>237.69, subds. 1,</u>	<u>237.72</u>	<u>237.711</u>
<u>7, and 8</u>		
<u>245.73, subd. 1</u>	<u>245.781 to 245.813</u>	<u>245A.01 to 245A.16</u>
<u>245.85</u>	<u>245.87</u>	<u>245.873</u>
<u>245.73, subd. 2</u>	<u>245.781 to 245.812</u>	<u>245A.01 to 245A.16</u>
<u>252.24, subd. 1</u>	<u>245.781 to 245.813</u>	<u>245A.01 to 245A.16</u>
<u>252.275, subd. 1</u>	<u>245.781 to 245.812</u>	<u>245A.01 to 245A.16</u>
<u>252.28, subd. 3</u>	<u>245.812</u>	<u>245A.11</u>
<u>252.41, subds. 3</u>	<u>245.781 to 245.812</u>	<u>245A.01 to 245A.16</u>
<u>and 9</u>		
<u>252.43</u>	<u>245.781 to 245.812</u>	<u>245A.01 to 245A.16</u>
<u>253B.11, subd. 2</u>	<u>256D.18, subd. 4</u>	<u>256G.09</u>
<u>254B.03, subd. 2</u>	<u>245.781 to 245.812</u>	<u>245A.01 to 245A.16</u>
<u>254B.03, subd. 2</u>	<u>245.791</u>	<u>245A.03</u>
<u>254B.05, subd. 1</u>	<u>245.781 to 245.812</u>	<u>245A.01 to 245A.16</u>
<u>254B.05, subd. 1</u>	<u>245.791</u>	<u>245A.03</u>
<u>256D.05, subd. 1</u>	<u>256D.0505, subd. 2</u>	<u>256D.052</u>
<u>256F.05, subd. 5</u>	<u>145.911 to 145.922</u>	<u>145A.09 to 145A.13</u>
<u>260.015, subd. 3</u>	<u>245.781 to 245.812</u>	<u>245A.01 to 245A.16</u>
<u>260.185, subd. 1</u>	<u>245.781 to 245.812</u>	<u>245A.01 to 245A.16</u>
<u>260.251, subd. 1a</u>	<u>260.194, subd. 1,</u>	<u>260.191, subd. 1,</u>
	<u>clause (b) or (c)</u>	<u>paragraph (b),</u>
		<u>clause (2) or (3)</u>

New language is indicated by underline, deletions by ~~strikeout~~.

<u>268.03</u>	<u>268.24</u>	<u>268.231</u>
<u>268.04, subds. 1, 3,</u>	<u>268.24</u>	<u>268.231</u>
<u>6, 10, 12, 13, and 16</u>		
<u>268.05, subd. 1</u>	<u>268.24</u>	<u>268.231</u>
<u>268.06, subds. 1</u>	<u>268.24</u>	<u>268.231</u>
<u>and 21</u>		
<u>268.07, subd. 2</u>	<u>268.24</u>	<u>268.231</u>
<u>268.08, subds. 1, 2,</u>	<u>268.24</u>	<u>268.231</u>
<u>and 3</u>		
<u>268.09, subd. 2</u>	<u>268.24</u>	<u>268.231</u>
<u>268.10, subds. 2</u>	<u>268.24</u>	<u>268.231</u>
<u>and 7</u>		
<u>268.11</u>	<u>268.24</u>	<u>268.231</u>
<u>268.12, subds. 4, 5,</u>	<u>268.24</u>	<u>268.231</u>
<u>6, 9, 11, 12, and 13</u>		
<u>268.13, subds. 1, 3,</u>	<u>268.24</u>	<u>268.231</u>
<u>and 4</u>		
<u>268.14, subds. 1</u>	<u>268.24</u>	<u>268.231</u>
<u>and 2</u>		
<u>268.15, subds. 1</u>	<u>268.24</u>	<u>268.231</u>
<u>and 3</u>		
<u>268.16, subds. 2, 4,</u>	<u>268.24</u>	<u>268.231</u>
<u>and 7</u>		
<u>268.161, subds. 3, 4,</u>	<u>268.24</u>	<u>268.231</u>
<u>and 9</u>		
<u>268.17</u>	<u>268.24</u>	<u>268.231</u>
<u>268.18, subds. 1, 2,</u>	<u>268.24</u>	<u>268.231</u>
<u>5, and 6</u>		
<u>268.20</u>	<u>268.24</u>	<u>268.231</u>
<u>268.21</u>	<u>268.24</u>	<u>268.231</u>
<u>268.38, subd. 12</u>	<u>245.781 to 245.812</u>	<u>245A.01 to 245A.16</u>
<u>290.092, subd. 6</u>	<u>273.1314, subd. 9</u>	<u>469.171</u>
<u>290.50, subd. 1</u>	<u>273.1314, subd. 10a</u>	<u>469.171, subd. 10</u>
<u>290.53, subd. 1</u>	<u>290.531</u>	<u>271.061</u>
<u>297A.25, subd. 30</u>	<u>120.10, subd. 2</u>	<u>120.101, subd. 4</u>
<u>297A.39, subd. 1</u>	<u>297A.391</u>	<u>271.061</u>
<u>317.65, subd. 6</u>	<u>245.781 to 245.812</u>	<u>245A.01 to 245A.16</u>
<u>326.57, subd. 2</u>	<u>326.66</u>	<u>326.65</u>
<u>326.61, subds. 1, 2,</u>	<u>326.66</u>	<u>326.65</u>
<u>and 4</u>		
<u>326.63</u>	<u>326.66</u>	<u>326.65</u>
<u>326.64</u>	<u>326.66</u>	<u>326.65</u>
<u>326.65</u>	<u>326.66</u>	<u>326.65</u>
<u>340A.702</u>	<u>340A.313</u>	<u>340A.312</u>
<u>354B.05, subd. 2</u>	<u>354B.03</u>	<u>354B.04</u>
<u>361.121, subd. 2a</u>	<u>14.70</u>	<u>14.69</u>
<u>375.471</u>	<u>106A.201, subd. 3</u>	<u>106A.212, subd. 2</u>

New language is indicated by underline, deletions by ~~strikeout~~.

<u>402.03</u>	<u>145.913, subd. 3</u>	<u>145A.10, subd. 10</u>
<u>458.1931</u>	<u>458.09 to 458.1991</u>	<u>469.048 to 469.068</u>
<u>462.352, subds. 5,</u>	<u>472B.03 to 472B.07</u>	<u>469.135 to 469.141</u>
<u>7, 9, 10, 15, and 17</u>		
<u>462.357, subd. 6a</u>	<u>245.782, subd. 2</u>	<u>245A.02, subd. 11</u>
<u>462.358, subd. 2a</u>	<u>472B.03 to 472B.07</u>	<u>469.135 to 469.141</u>
<u>462A.05, subd. 28</u>	<u>462.415 to 462.705</u>	<u>469.001 to 469.047</u>
<u>462A.221, subd. 3</u>	<u>462.425</u>	<u>469.003</u>
<u>462C.02, subd. 9</u>	<u>458.191</u>	<u>469.058</u>
<u>462C.12, subd. 2</u>	<u>458C.01 to 458C.23</u>	<u>469.090 to 469.108</u>
<u>469.033, subd. 6</u>	<u>462.445, subd. 4</u>	<u>469.012, subd. 1</u>
<u>469.071, subd. 4</u>	<u>459.192, subd. 2</u>	<u>469.059, subd. 2</u>
<u>469.0722, subd. 8</u>	<u>273.73, subd. 8</u>	<u>469.174, subd. 8</u>
<u>514.950, subd. 2</u>	<u>18A.21</u>	<u>18B.01</u>
<u>626.556, subd. 2</u>	<u>245.781 to 245.812</u>	<u>245A.01 to 245A.16</u>
<u>626.556, subd. 10d</u>	<u>245.781 to 245.812</u>	<u>245A.01 to 245A.16</u>
<u>626.557, subd. 2</u>	<u>245.781 to 245.812</u>	<u>245A.01 to 245A.16</u>
<u>626.557, subd. 2</u>	<u>245.781 to 245.813</u>	<u>245A.01 to 245A.16</u>
<u>626.557, subd. 10a</u>	<u>245.781 to 245.812</u>	<u>245A.01 to 245A.16</u>
<u>626.843, subd. 3</u>	<u>626.849</u>	<u>626.855</u>
<u>626.88, subd. 1</u>	<u>326.331</u>	<u>326.3381</u>

Sec. 2. Minnesota Statutes 1988, section 13.46, subdivision 2, is amended to read:

Subd. 2. **GENERAL.** (a) Unless the data is summary data or a statute specifically provides a different classification, data on individuals collected, maintained, used, or disseminated by the welfare system is private data on individuals, and shall not be disclosed except:

- (1) pursuant to section 13.05;
- (2) pursuant to court order;
- (3) pursuant to a statute specifically authorizing access to the private data;
- (4) to an agent of the welfare system, including a law enforcement person, attorney, or investigator acting for it in the investigation, prosecution, criminal or civil proceeding relating to the administration of a program;
- (5) to personnel of the welfare system who require the data to determine eligibility, amount of assistance, and the need to provide services of additional programs to the individual;
- (6) to administer federal funds or programs;
- (7) between personnel of the welfare system working in the same program;
- (8) the amounts of cash public assistance and relief paid to welfare recipients in this state, including their names and social security numbers, upon

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request by the department of revenue to administer the property tax refund law, supplemental housing allowance, and the income tax;

(9) to the Minnesota department of jobs and training for the purpose of monitoring the eligibility of the data subject for unemployment compensation, for any employment or training program administered, supervised, or certified by that agency, or for the purpose of administering any rehabilitation program, whether alone or in conjunction with the welfare system;

(10) to appropriate parties in connection with an emergency if knowledge of the information is necessary to protect the health or safety of the individual or other individuals or persons; or

(11) data maintained by residential facilities as defined in section ~~245A.02, subdivision 6,~~ 245A.02 may be disclosed to the protection and advocacy system established in this state pursuant to Part C of Public Law Number 98-527 to protect the legal and human rights of persons with mental retardation or other related conditions who live in residential facilities for these persons if the protection and advocacy system receives a complaint by or on behalf of that person and the person does not have a legal guardian or the state or a designee of the state is the legal guardian of the person.

(b) Mental health data shall be treated as provided in subdivisions 7, 8, and 9, but is not subject to the access provisions of subdivision 10, paragraph (b).

Sec. 3. Minnesota Statutes 1988, section 13.75, subdivision 2, is amended to read:

Subd. 2. **MEDIATION DATA.** All data received or maintained by the commissioner or staff of the bureau of mediation services during the course of providing mediation services to the parties to a labor dispute under the provisions of chapter 179 are classified as protected nonpublic data with regard to data not on individuals, pursuant to section 13.02, subdivision 13, and as confidential data on individuals pursuant to section 13.02, subdivision 3, except to the extent the commissioner of the bureau of mediation services determines such data are necessary to fulfill the requirements of ~~sections 179A.04, subdivision 3, and 179A.15~~ section 179A.16, or to identify the general nature of or parties to a labor dispute.

Sec. 4. Minnesota Statutes 1988, section 16A.26, is amended to read:

16A.26 ONE DEPOSITORY ACCOUNT FOR EACH TAX.

Notwithstanding sections ~~290.361,~~ 297.13, 298.17, 298.282, 298.39, 298.396, 297C.02 to 297C.08 and similar laws to the contrary relating to the depositing, disposition, or apportionment of tax receipts, the commissioner may use one depository account for each tax. To do so, there must be enough information to identify and dispose of or apportion the tax under law. The commissioner shall ask the appropriate officials for the transfers and necessary certifications. The commissioner may issue directives to carry out this section.

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Sec. 5. Minnesota Statutes 1988, section 45.028, subdivision 1, is amended to read:

Subdivision 1. **REQUIREMENT.** When a person, including any nonresident of this state, engages in conduct prohibited or made actionable by chapters 45 to 83, 155A, 309, and 332, or any rule or order under those chapters, and the person has not filed a consent to service of process under chapters 45 to 83, 155A, 309, and 332, that conduct is equivalent to an appointment of the commissioner as the person's attorney to receive service of process in any non-criminal suit, action, or proceeding against the person which is based on that conduct and is brought under chapters 45 to 83, 155A, 309, and 332, or any rule or order under those chapters.

Sec. 6. Minnesota Statutes 1988, section 105.81, is amended to read:

105.81 PETITION; BOND; INVESTIGATION; REPORT; HEARING; ORDER.

To conserve and make more adequate use of our water resources, any person, public or municipal corporation, governmental subdivision, the state or any of its departments or agencies, the commissioner of natural resources, and the United States or any of its agencies, may petition for the installation of dams or other control works in drainage ditch systems to impound or divert waters for beneficial use. The petition must be directed to the county board when a drainage system is wholly within one county and to the joint county board when the system affects two or more counties. The petition must contain the location of the installation, plans, and specifications for the proposed structure and a map of the areas likely to be affected by the impoundment or diversion. The petitioner shall agree to be responsible for the cost of installation and construction of the structure. Upon filing the petition, the petitioners shall file a bond as provided in ~~sections 106A.205 and 106A.211~~ section 106A.202, subdivisions 5 and 6. No bond is required if the petition is filed by the state, any of its departments or agencies, the commissioner of natural resources, the United States or any of its agencies, and cities. The petition must also be accompanied by a permit from the commissioner of natural resources as required in sections 105.41 and 105.42.

On receipt of the petition, bond, and permit, if required, the board or court shall appoint an engineer to investigate the effect of the proposed installation and file a report of findings. Upon filing of the engineer's report, notice must be given and a public hearing held as provided in section 106A.261. If at this hearing it appears from the engineer's report and other evidence presented that the installation will be of a public or private benefit and that it will not impair the utility of the ditch or deprive affected land owners of its benefit, the board or court shall issue a permit authorizing its installation. Before installing or constructing an impoundment or diversion, the petitioner shall obtain rights-of-way and flowage easements from owners of land to be affected by it.

The order of the court modifying the ditch system must provide that con-

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struction and later maintenance and repairs of the ditch modification must be done by the petitioner without cost to the owners of lands and properties previously within the drainage system.

Sec. 7. Minnesota Statutes 1988, section 122.23, subdivision 18, is amended to read:

Subd. 18. (a) If no board is provided for under the foregoing provision, upon receipt of the assigned identification number, the county auditor shall determine a date, not less than 20 nor more than 60 days from the date of the receipt of the assigned identification number, upon which date shall be held a special election in the district for the purpose of electing a board of six members for terms as follows: two until the July 1 one year after the effective date of the consolidation, two until the expiration of one year from said July 1, and two until the expiration of two years from said July 1, to hold office until a successor is elected and qualifies according to provisions of law governing the election of board members in independent districts. If the resolution or petition for consolidation pursuant to subdivision 2 proposed that the board of the newly created district consists of seven members, then seven members shall be elected at this election for the terms provided in this clause except that three members shall hold office until the expiration of two years from said July 1. If the resolution or petition for consolidation pursuant to subdivision 2 proposed the establishment of separate election districts, these members shall be elected from separate election districts according to the provisions of that resolution or petition and of ~~section 122.32~~ chapter 205A.

(b) The county auditor shall give ten days' posted notice of election in the area in which the election is to be held and also if there be a newspaper published in the proposed new district, one weeks' published notice shall be given. The notice shall specify the time, place and purpose of the election.

(c) The county may pay the election judges not to exceed \$1 per hour for their services.

(d) Any person desiring to be a candidate for a school election shall file an application with the county auditor to have the applicant's name placed on the ballot for such office, specifying the term for which the application is made. The application shall be filed not less than 12 days before the election.

(e) The county auditor shall prepare, at the expense of the county, necessary ballots for the election of officers, placing thereon the names of the proposed candidates for each office. The ballots shall be marked and signed as official ballots and shall be used exclusively at the election. The county auditor shall determine the number of voting precincts and the boundaries of each. The county auditor shall determine the location of polling places and the hours the polls shall be open and shall appoint three election judges for each polling place who shall act as clerks of election. Election judges shall certify ballots and results to the county auditor for tabulation and canvass.

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(f) After making a canvass and tabulation, the county auditor shall issue a certificate of election to the candidate for each office who received the largest number of votes cast for the office. The county auditor shall deliver such certificate to the person entitled thereto by certified mail, and each person so certified shall file an acceptance and oath of office with the county auditor within 30 days of the date of mailing of the certificate. A person who fails to qualify prior to the time specified shall be deemed to have refused to serve, but such filing may be made at any time before action to fill vacancy has been taken.

(g) The board of each district included in the new enlarged district shall continue to maintain school therein until the effective date of the consolidation. Such boards shall have power and authority only to make such contracts, to do such things as are necessary to maintain properly the schools for the period prior to that date, and to certify to the county auditor according to levy limitations applicable to the component districts the taxes collectible in the calendar year when the consolidation becomes effective.

(h) It shall be the immediate duty of the newly elected board of the new enlarged district, when the members thereof have qualified and the board has been organized, to plan for the maintenance of the school or schools of the new district for the next school year, to enter into the necessary negotiations and contracts for the employment of personnel, purchase of equipment and supplies, and other acquisition and betterment purposes, when authorized by the voters to issue bonds under the provisions of chapter 475; and on the effective date of the consolidation to assume the full duties of the care, management and control of the new enlarged district. The board of the new enlarged district shall give due consideration to the feasibility of maintaining such existing attendance centers and of establishing such other attendance centers, especially in rural areas, as will afford equitable and efficient school administration and assure the convenience and welfare of the pupils residing in the enlarged district. The obligations of the new board to teachers employed by component districts shall be governed by the provisions of section 122.532.

Sec. 8. Minnesota Statutes 1988, section 122.96, subdivision 3, is amended to read:

Subd. 3. **ELECTION.** The education district board shall not sell and issue bonds for acquisition purposes until the question of their issuance has been submitted to the voters of the education district at a special election held in and for the education district. The date of the election, the question to be submitted, and all other necessary conduct of the election shall be fixed by the board. The election shall be conducted and canvassed under the direction of the education district board in accordance with ~~section 123.32~~ chapter 205A, insofar as may be applicable.

If a majority of the total number of votes cast on the question within the education district is in favor of the question, the board may proceed with the sale and the issuance of the bonds.

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Sec. 9. Minnesota Statutes 1988, section 124A.24, is amended to read:

124A.24 GENERAL EDUCATION LEVY EQUITY.

If a district's general education levy is determined according to section 124A.23, subdivision 3, an amount must be deducted from state aid authorized in this chapter and chapter 124, receivable for the same school year, and from other state payments receivable for the same school year authorized in sections ~~273.115; 273.116;~~ 273.123, subdivision 6; 273.13, subdivision 15a; and Laws 1983, chapter 342, article 8, section 8. The aid in section 124.646 must not be reduced.

The amount of the deduction equals the difference between:

(1) the general education tax capacity rate, according to section 124A.23, times the district's adjusted gross tax capacity used to determine the general education aid for the same school year; and

(2) the district's general education revenue, excluding supplemental revenue, for the same school year, according to section 124A.22.

However, for fiscal year 1989, the amount of the deduction shall be one-fourth of the difference between clauses (1) and (2); for fiscal year 1990, the amount of the deduction shall be one-third of the difference between clauses (1) and (2); for fiscal year 1991, the amount of the deduction shall be one-half of the difference between clauses (1) and (2); for fiscal year 1992, the amount of the deduction shall be four-sixths of the difference between clauses (1) and (2); and for fiscal year 1993, the amount of the deduction shall be five-sixths of the difference between clauses (1) and (2).

Sec. 10. Minnesota Statutes 1988, section 124A.27, subdivision 1, is amended to read:

Subdivision 1. **REQUIREMENT.** An amount equal to 2.20 percent of the basic revenue under section 124A.22, subdivision 2, shall be reserved and may be used only to provide one or more of the programs enumerated in this section. The school board shall determine which programs to provide, the manner in which they will be provided, and the extent to which other money may be used for the programs. Except for the requirements of sections 124A.28 and 124A.29, the remaining general education revenue under section 124A.22 ~~and supplemental revenue under section 124A.25~~ may be used to provide one or more of the programs enumerated in this section.

Sec. 11. Minnesota Statutes 1988, section 127.35, is amended to read:

127.35 NONAPPLICATION OF COMPULSORY ATTENDANCE LAW.

The provisions of ~~Minnesota Statutes 1971, section 120.10~~ 120.101, subdivision ~~4~~ 5, shall not apply to any pupil during a dismissal pursuant to sections 127.26 to 127.39.

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Sec. 12. Minnesota Statutes 1988, section 136C.61, subdivision 1, is amended to read:

Subdivision 1. **MEMBERS.** The district shall be operated by a joint vocational technical board, which shall consist of the number of members from each of the participating school districts specified in the agreement establishing the joint vocational technical district. Board members must be residents of the respective school districts represented and may be members of the school boards of the respective school districts. The first members shall be appointed by their respective school boards. The agreement may provide for election of members to take office at the end of a term of an appointed member. Appointed members serve at the pleasure of their respective school boards and are subject to recall by a majority vote of the appointing board. The election of members is governed by ~~section 123.32~~ chapter 205A. Board members shall report at least quarterly to their appointing boards on the activities of the joint vocational technical district.

Sec. 13. Minnesota Statutes 1988, section 136D.27, subdivision 3, is amended to read:

Subd. 3. **PROHIBITED STATE AIDS.** Notwithstanding section 136D.24 or any law to the contrary, the department of education shall not pay, unless explicitly authorized by statute, any state aid, grant, credit, or other money to the joint school board, except the aid, credit, or money authorized by sections 121.201, 123.3514, ~~124.2137~~, 124.252, 124.32, 124.573, 124.574, and 124.646, and chapter 273.

Sec. 14. Minnesota Statutes 1988, section 136D.71, is amended to read:

136D.71 LISTED DISTRICTS MAY FORM INTERMEDIATE DISTRICT.

Notwithstanding any other law to the contrary, two or more of the independent school districts numbered 12 and 16 of Anoka county, independent school districts numbered 621, 622, 623, and 624 of Ramsey county, and independent school districts numbered 832, 833, and 834 of Washington county, are hereby authorized to enter into an agreement to establish a special intermediate school district upon majority vote of the full membership of each of the boards of the districts entering into the agreement. When such resolution has been adopted by the board of one of the districts, it shall be published once in a newspaper of general circulation in said district. If a petition for referendum on the question of said district entering into such agreement is filed with the clerk of the said board within 60 days after publication of such resolution, signed by the qualified voters of said district equal to five percent of the number of voters at the last annual school election. No board shall enter into such agreement until the question of whether the district shall enter into the agreement has been submitted to the voters of said district at a special election. Said election shall be conducted and canvassed in accordance with ~~section 123.32~~ chapter 205A.

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If a majority of the total number of votes cast on the question within said district is in favor of the question, the board of said school district may thereupon proceed to enter into an agreement to establish the special intermediate school district for purposes herein described. Such school district so created shall be known as northeastern metropolitan intermediate school district, state of Minnesota. The commissioner of education shall assign an appropriate identification number as provided by section 122.03.

Sec. 15. Minnesota Statutes 1988, section 136D.74, subdivision 2b, is amended to read:

Subd. 2b. **PROHIBITED STATE AIDS.** Notwithstanding subdivision 4 or any law to the contrary, the department of education shall not pay, unless explicitly authorized, any state aid, grant, credit, or other money to the intermediate school board, except the aid, credit, or money authorized by sections 121.201, 123.3514, ~~124.2137~~, 124.252, 124.32, 124.573, 124.574, and 124.646, and chapter 273.

Sec. 16. Minnesota Statutes 1988, section 136D.741, subdivision 4, is amended to read:

Subd. 4. **REFERENDUM.** The intermediate school board shall not sell and issue bonds for acquisition or betterment purposes until the question of their issuance has been submitted to the voters of the intermediate school district at a special election held in and for such intermediate district. The date of such election, the question to be submitted, and all other necessary conduct of such election shall be fixed by the intermediate school board and said election shall be conducted and canvassed under the direction of the intermediate school board in accordance with ~~section 123.32~~ chapter 205A, insofar as the same may be deemed applicable.

If a majority of the total number of votes cast on the question within the intermediate school district is in favor of the question, the intermediate school board may thereupon proceed with the sale and the issuance of said bonds.

Sec. 17. Minnesota Statutes 1988, section 136D.87, subdivision 3, is amended to read:

Subd. 3. **PROHIBITED STATE AIDS.** Notwithstanding section 136D.24 or any law to the contrary, the department of education shall not pay, unless explicitly authorized, any state aid, grant, credit, or other money to the joint school board, except for aid, credit, or money authorized by sections 121.201, 123.3514, ~~124.2137~~, 124.252, 124.32, 124.573, 124.574, and 124.646, and chapter 273.

Sec. 18. Minnesota Statutes 1988, section 145A.07, subdivision 1, is amended to read:

Subdivision 1. **AGREEMENTS TO PERFORM DUTIES OF COMMIS-**

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SIONER. (a) The commissioner of health may enter into an agreement with any board of health to delegate all or part of the licensing, inspection, reporting, and enforcement duties authorized under sections 144.12; 144.381 to 144.388; 144.411 to 144.417; 144.71 to 144.76; 145A.04, subdivision 6; provisions of chapter 156A pertaining to construction, repair, and abandonment of water wells; chapter 157; and sections 327.14 to 327.28.

(b) Agreements are subject to subdivision 3.

(c) This subdivision does not affect agreements entered into under Minnesota Statutes 1986, section 145.031, 145.55, or 145.918, subdivision 2.

Sec. 19. Minnesota Statutes 1988, section 145A.13, is amended to read:

145A.13 COMMUNITY HEALTH SERVICES SUBSIDY.

Subdivision 1. **SUBSIDY FORMULA.** The commissioner of health shall distribute a subsidy for the operations of ~~boards of health~~ community health boards organized and operating under sections ~~145.911 to 145.92~~ 145A.09 to 145A.13.

(a) Each city or county eligible for a subsidy under section ~~145.917~~ 145A.09, subdivision 2, shall receive no less for any calendar year than the total community health services subsidy that was allocated for that city or county by the commissioner of health under this section for calendar year 1985.

(b) Additional money appropriated for the operations of ~~boards of health as defined in section 145A.02, subdivision 2,~~ community health boards organized and operating under sections ~~145.911 to 145.92~~ 145A.09 to 145A.13 shall be distributed in proportion to population.

Subd. 2. **LOCAL MATCH.** Each ~~board of health~~ community health board that receives a subsidy shall provide local matching money equal to that subsidy during the year for which the subsidy is made, subject to the following provisions:

(a) the local matching funds may include local tax levies, gifts, fees for services and revenues from contracts;

(b) when the amount of local matching funds for a ~~board of health~~ community health board is less than the amount specified, the subsidy provided for that ~~board of health~~ community health board under this section shall be reduced proportionally;

(c) when a ~~board of health~~ community health board fails to expend the full amount of the subsidy to which it would be entitled in any one year under the provisions of sections ~~145.911 to 145.922~~ 145A.09 to 145A.13, the state commissioner of health may retain the surplus, subject to disbursement to the ~~board of health~~ community health board in the following calendar year if the ~~board of health~~ community health board can demonstrate a need for and ability to expend the surplus for the purposes provided in section ~~145.918~~ 145A.10; and

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(d) a city organized under the provisions of sections ~~145.911 to 145.922~~ 145A.09 to 145A.13 that levies a tax for provision of community health services shall be exempted from any county levy for the same services to the extent of the levy imposed by the city.

Subd. 3. PAYMENT. When a ~~board of health~~ community health board meets the requirements prescribed in section ~~145.917~~ 145A.09, subdivision 2, the state commissioner of health shall pay the amount of subsidy to the ~~board of health~~ community health board or its designee according to applicable rules from the money appropriated for the purpose and according to the following:

(a) the commissioner of health shall make payments for community health services to each ~~board of health~~ community health board or its designee in 12 installments a year;

(b) the commissioner shall ensure that the pertinent payment of the allotment for each month is made on the first working day after the end of each month of the calendar year, except for the last month of the calendar year;

(c) the commissioner shall ensure that each ~~board of health~~ community health board or its designee receives its payment of the allotment for that month no later than the last working day of that month. The payment described in this subdivision for services rendered during June, 1985, shall be made on the first working day of July, 1985; and

(d) the commissioner shall make payment to a human services board organized and operating under section ~~145.913, subdivision 1, paragraph (a)~~ 145A.09, subdivision 5, or to its designee, as prescribed in section 402.02, subdivision 4.

Sec. 20. Minnesota Statutes 1988, section 157.03, is amended to read:

157.03 LICENSES REQUIRED; FEES.

Each year every person, firm, or corporation engaged in the business of conducting an hotel, motel, restaurant, lodging house, boarding house, or resort, or place of refreshment, or who shall hereafter engage in conducting any such business, except vending machine operators licensed under the license provisions of sections 28A.01 to 28A.16, must procure a license for each hotel, motel, restaurant, lodging house, boarding house, or resort, or place of refreshment so conducted. For any hotel, motel, resort, campground, or manufactured home park as defined in section 327.15, in which food, fountain, or bar service is furnished, one license, in addition to the hotel, resort, manufactured home park, or campground license, shall be sufficient for all restaurants and places of refreshment conducted on the same premises and under the same management with the hotel, motel, resort, manufactured home park, or campground. Each license shall expire and be renewed as prescribed by the commissioner pursuant to section 144.122. Any proprietor who operates a place of business after the expiration date without first having made application for a license and without having made payment of the fee thereof shall be deemed to have violated the

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provisions of this chapter and be subject to prosecution, as provided in this chapter. In addition thereto, a penalty in an amount prescribed by the commissioner pursuant to section 144.122 shall be added to the amount of the license fee and paid by the proprietor, as provided herein, if the application has not reached the office of the state commissioner of health within 30 days following the expiration of license; or, in the case of a new business, 30 days after the opening date of the business. The state commissioner of health shall furnish to any person, firm, or corporation desiring to conduct an hotel, motel, restaurant, lodging house, boarding house, or resort, or place of refreshment an application blank to be filled out by the person, firm, or corporation, for a license therefor, which shall require the applicant to state the full name and address of the owner of the building, structure, or enclosure, the lessee and manager of the hotel, motel, restaurant, lodging house, boarding house, or resort, or place of refreshment, the location of the same, the name under which the business is to be conducted, and any other information as may be required therein by the state commissioner of health to complete the application for license. The application shall be accompanied by a license fee as hereinafter provided.

For hotels, motels, lodging houses, and resorts the license fee may be graduated according to the number of sleeping rooms and the amount of the fees shall be prescribed by the state commissioner of health pursuant to section 144.122.

For restaurants, places of refreshment, and boarding houses the license fee may be based on the average number of employees. If the license fee is so computed, the commissioner shall consider each full-time employee as one employee and each part-time employee as that fraction of one employee as the number of months the employee is employed is to the 12 months of the year. Employees shall include all persons, except children of the licensee under the age of 18, at work in any capacity, either voluntary or paid, and whether or not reported under the labor laws of this state.

If the license fee is based upon the average number of employees, every licensee shall, at the time of application, certify as to the number of employees on forms provided by the state commissioner of health and the state commissioner of health shall have access, on demand, to any and all employment records for purposes of substantiating or correcting numbers of declared employees.

License fees for restaurants, places of refreshment, and boarding houses shall be in an amount prescribed by the state commissioner of health pursuant to section 144.122.

No school, as defined in sections 120.05 and ~~420.10, subdivision 2~~ 120.101, may be required to pay a license fee.

Sec. 21. Minnesota Statutes 1988, section 168A.24, subdivision 2, is amended to read:

Subd. 2. The department may:

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(1) Make necessary investigations to procure information required to carry out the provisions of sections 168A.01 to 168A.31;

(2) Assign a new identifying number to a vehicle if it has none, or its identifying number is destroyed or obliterated;

(3) Adopt and enforce such rules as may be necessary to carry out the provisions of sections 168A.01 to 168A.31;

(4) Adopt and enforce such rules as the department may deem necessary or appropriate to require the payment of fees imposed by ~~sections 168.30 and~~ section 168.54, as a condition for deferring application for a certificate of title by a dealer or secured party in cases provided for in section 168A.11 or 168A.12, subdivision 2. Such rules shall permit the use of the "Transfer Filing Fee" stamp prescribed by section 168.54, when feasible.

(5) Adopt a rule which may require the owner or secured party, as the case may be, to deposit the certificate of title with the department during the period when the vehicle for which such certificate was issued is registered pursuant to section 168.31, subdivision 4, or is subject to the lien imposed by section 168.31, subdivision 6.

Sec. 22. Minnesota Statutes 1988, section 168A.29, subdivision 3, is amended to read:

Subd. 3. Subject to subdivision 2, the department shall not issue a certificate of title to a vehicle until all fees prescribed by sections ~~168.30 and~~ 168.54 and 168A.10, subdivision 6, with respect to any prior transfer of ownership or registration of the vehicle shall have been paid.

Sec. 23. Minnesota Statutes 1988, section 176.081, subdivision 1, is amended to read:

Subdivision 1. (a) A fee for legal services of 25 percent of the first \$4,000 of compensation awarded to the employee and 20 percent of the next \$27,500 of compensation awarded to the employee is permissible and does not require approval by the commissioner, compensation judge, or any other party except as provided in clause (b). If the employer or the insurer or the defendant is given written notice of claims for legal services or disbursements, the claim shall be a lien against the amount paid or payable as compensation. In no case shall fees be calculated on the basis of any undisputed portion of compensation awards. Allowable fees under this chapter shall be based solely upon genuinely disputed portions of claims, including disputes related to the payment of rehabilitation benefits or to other aspects of a rehabilitation plan. Fees for administrative conferences under section ~~176.242, 176.2421, 176.243, or 176.244~~ 176.239 shall be determined on an hourly basis, according to the criteria in subdivision 5.

(b) An attorney who is claiming legal fees under this section shall file a statement of attorney's fees with the commissioner, compensation judge before

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whom the matter was heard, or workers' compensation court of appeals on cases before the court. A copy of the signed retainer agreement shall also be filed. The employee and insurer shall receive a copy of the statement. The statement shall be on a form prescribed by the commissioner and shall clearly and conspicuously state that the employee or insurer has ten calendar days to object to the attorney fees requested. If no objection is timely made by the employee or insurer, the amount requested shall be conclusively presumed reasonable providing the amount does not exceed the limitation in subdivision 1. The commissioner, compensation judge, or court of appeals shall issue an order granting the fees and the amount requested shall be awarded to the party requesting the fee.

If a timely objection is filed, or the fee is determined on an hourly basis, the commissioner, compensation judge, or court of appeals shall review the matter and make a determination based on the criteria in subdivision 5.

If no timely objection is made by an employer or insurer, reimbursement under subdivision 7 shall be made if the statement of fees requested this reimbursement.

Sec. 24. Minnesota Statutes 1988, section 176.101, subdivision 3e, is amended to read:

Subd. 3e. **END OF TEMPORARY TOTAL COMPENSATION; SUIT-ABLE JOB.** (a) Ninety days after an employee has reached maximum medical improvement and the medical report described in clause (c) has been served on the employee, or 90 days after the end of an approved retraining program, whichever is later, the employee's temporary total compensation shall cease. This cessation shall occur at an earlier date if otherwise provided by this chapter.

(b) If at any time prior to the end of the 90-day period described in clause (a) the employee retires or the employer furnishes work to the employee that is consistent with an approved plan of rehabilitation and meets the requirements of section 176.102, subdivision 1, or, if no plan has been approved, that the employee can do in the employee's physical condition and that job produces an economic status as close as possible to that the employee would have enjoyed without the disability, or the employer procures this employment with another employer or the employee accepts this job with another employer, temporary total compensation shall cease and the employee shall, if appropriate, receive impairment compensation pursuant to subdivision 3b. This impairment compensation is in lieu of economic recovery compensation under subdivision 3a, and the employee shall not receive both economic recovery compensation and impairment compensation. Temporary total compensation and impairment compensation shall not be paid concurrently. Once temporary total compensation ceases no further temporary total compensation is payable except as specifically provided by this section.

(c) Upon receipt of a written medical report indicating that the employee has reached maximum medical improvement, the employer or insurer shall

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serve a copy of the report upon the employee and shall file a copy with the division. The beginning of the 90-day period described in clause (a) shall commence on the day this report is served on the employee for the purpose of determining whether a job offer consistent with the requirements of this subdivision is made. A job offer may be made before the employee reaches maximum medical improvement.

(d) The job which is offered or procured by the employer or accepted by the employee under clause (b) does not necessarily have to commence immediately but shall commence within a reasonable period after the end of the 90-day period described in clause (a). Temporary total compensation shall not cease under this subdivision until the job commences.

(e) If the job offered under clause (a) is offered or procured by the employer and is not the job the employee had at the time of injury it shall be offered and described in writing. The written description shall state the nature of the job, the rate of pay, the physical requirements of the job, and any other information necessary to fully and completely inform the employee of the job duties and responsibilities. The written description and the written offer need not be contained in the same document.

The employee has 14 calendar days after receipt of the written description and offer to accept or reject the job offer. If the employee does not respond within this period it is deemed a refusal of the offer. Where there is an administrative conference to determine suitability under ~~subdivision 3v, or section 176.242~~ 176.239, the period begins to run on the date of the commissioner's decision.

(f) Self-employment may be an appropriate job under this subdivision.

The commissioner shall monitor application of this subdivision and may adopt rules to assure its proper application.

Sec. 25. Minnesota Statutes 1988, section 176.421, subdivision 7, is amended to read:

Subd. 7. **RECORD OF PROCEEDINGS.** At the division's own expense, the commissioner shall make a complete record of all proceedings before the commissioner and shall provide a stenographer or an audio magnetic recording device to make the record of the proceedings.

The commissioner shall furnish a transcript of these proceedings to any person who requests it and who pays a reasonable charge which shall be set by the commissioner. Upon a showing of cause, the commissioner may direct that a transcript be prepared without expense to the person requesting the transcript, in which case the cost of the transcript shall be paid by the division. Transcript fees received under this subdivision shall be paid to the workers' compensation division account in the state treasury and shall be annually appropriated to the division for the sole purpose of providing a record and transcripts as provided in this subdivision. This subdivision does not apply to any administrative

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conference or other proceeding before the commissioner which may be heard de novo in another proceeding including but not limited to proceedings under section ~~176.102, 176.103, 176.242, or 176.243~~ 176.101 or 176.239.

Sec. 26. Minnesota Statutes 1988, section 211B.15, subdivision 4, is amended to read:

Subd. 4. **BALLOT QUESTION.** A corporation may make contributions or expenditures to promote or defeat a ballot question, to qualify a question for placement on the ballot unless otherwise prohibited by law, or to express its views on issues of public concern. ~~A corporation may not take a deduction as provided in section 290.09 for an expenditure made under this subdivision.~~ A corporation may not make a contribution to a candidate for nomination, election, or appointment to a political office or to a committee organized wholly or partly to promote or defeat a candidate.

Sec. 27. Minnesota Statutes 1988, section 245.77, is amended to read:

245.77 LEGAL SETTLEMENT OF PERSONS RECEIVING ASSISTANCE; ACCEPTANCE OF FEDERAL FUNDS.

In the event federal funds become available to the state for purposes of reimbursing the several local agencies of the state for costs incurred in providing financial relief to poor persons under the liability imposed by Minnesota Statutes 1986, section 256D.18, or for reimbursing the state and counties for categorical aid assistance furnished to persons who are eligible for such assistance only because of the United States Supreme Court decision invalidating state residence requirements the commissioner of human services is hereby designated the state agent for receipt of such funds. Upon receipt of any federal funds the commissioner shall in a uniform and equitable manner use such funds to reimburse counties for expenditures made in providing financial relief to poor persons. The commissioner is further authorized to promulgate rules, consistent with the rules and regulations promulgated by the secretary of health, education and welfare, governing the reimbursement provided for by this provision.

Sec. 28. Minnesota Statutes 1988, section 256.991, is amended to read:

256.991 RULES.

The commissioner of human services may promulgate emergency and permanent rules as necessary to implement sections 256.01, subdivision 2; 256.82, subdivision 3; 256.966, subdivision 1; ~~256.968~~; 256D.03, subdivisions 3, 4, 6, and 7; and 261.23. The commissioner shall promulgate emergency and permanent rules to establish standards and criteria for deciding which medical assistance services require prior authorization and for deciding whether a second medical opinion is required for an elective surgery. The commissioner shall promulgate permanent and emergency rules as necessary to establish the methods and standards for determining inappropriate utilization of medical assistance services.

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The commissioner of human services shall adopt emergency rules which meet the requirements of sections 14.29 to 14.36 for the medical assistance demonstration project. Notwithstanding the provisions of section 14.35, the emergency rules promulgated to implement section 256B.69 shall be effective for 360 days and may be continued in effect for an additional 900 days if the commissioner gives notice by publishing a notice in the State Register and mailing notice to all persons registered with the commissioner to receive notice of rulemaking proceedings in connection with the project. The emergency rules shall not be effective beyond December 31, 1986, without meeting the requirements of sections 14.131 to 14.20.

Sec. 29. Minnesota Statutes 1988, section 257.354, subdivision 4, is amended to read:

Subd. 4. **EFFECT OF TRIBAL COURT PLACEMENT ORDERS.** To the extent that any child subject to sections 257.35 to 257.357 is otherwise eligible for social services, orders of a tribal court concerning placement of such child shall have the same force and effect as orders of a court of this state. In any case where the tribal court orders placement through a local social service agency, the court shall provide to the local agency notice and an opportunity to be heard regarding the placement. Determination of county of financial responsibility for the placement shall be determined by the local social service agency in accordance with section ~~256E.08~~ 256G.02, subdivision 4. Disputes concerning the county of financial responsibility shall be settled in the manner prescribed in section ~~256D.18~~; subdivision 4 256G.09.

Sec. 30. Minnesota Statutes 1988, section 268.04, subdivision 32, is amended to read:

Subd. 32. "Nonpublic school" means any school within the state, other than a public school, wherein a resident of Minnesota may legally fulfill the compulsory school attendance requirements of section ~~120.10~~ 120.101, or any school (1) which operates on a nonprofit basis, (2) which admits only prekindergarten children, (3) which has as its primary purpose the education of its students as determined by the commissioner of human services pursuant to section 245A.03, clause (14), and (4) which operates on a regular basis for at least eight months and no more than nine months a year.

Sec. 31. Minnesota Statutes 1988, section 272.02, subdivision 1, is amended to read:

Subdivision 1. All property described in this section to the extent herein limited shall be exempt from taxation:

- (1) all public burying grounds;
- (2) all public schoolhouses;
- (3) all public hospitals;

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- (4) all academies, colleges, and universities, and all seminaries of learning;
- (5) all churches, church property, and houses of worship;
- (6) institutions of purely public charity except parcels of property containing structures and the structures described in section 273.13, subdivision 25, paragraph (c), clause (1) or (2), or paragraph (d), clause (2);
- (7) all public property exclusively used for any public purpose;
- (8) except for the taxable personal property enumerated below, all personal property and the property described in section 272.03, subdivision 1, paragraphs (c) and (d), shall be exempt.

The following personal property shall be taxable:

- (a) personal property which is part of an electric generating, transmission, or distribution system or a pipeline system transporting or distributing water, gas, crude oil, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings and structures;
 - (b) railroad docks and wharves which are part of the operating property of a railroad company as defined in section 270.80;
 - (c) personal property defined in section 272.03, subdivision 2, clause (3);
 - (d) leasehold or other personal property interests which are taxed pursuant to section 272.01, subdivision 2; 273.124, subdivision 7; or 273.19, subdivision 1; or any other law providing the property is taxable as if the lessee or user were the fee owner;
 - (e) manufactured homes and sectional structures; and
 - (f) flight property as defined in section 270.071.
- (9) Real and personal property used primarily for the abatement and control of air, water, or land pollution to the extent that it is so used, other than real property used primarily as a solid waste disposal site.

Any taxpayer requesting exemption of all or a portion of any equipment or device, or part thereof, operated primarily for the control or abatement of air or water pollution shall file an application with the commissioner of revenue. The equipment or device shall meet standards, rules, or criteria prescribed by the Minnesota pollution control agency, and must be installed or operated in accordance with a permit or order issued by that agency. The Minnesota pollution control agency shall upon request of the commissioner furnish information or advice to the commissioner. On determining that property qualifies for exemption, the commissioner shall issue an order exempting the property from taxation. The equipment or device shall continue to be exempt from taxation as long as the permit issued by the Minnesota pollution control agency remains in effect.

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(10) Wetlands. For purposes of this subdivision, "wetlands" means (1) land described in section 105.37, subdivision 15, or (2) land which is mostly under water, produces little if any income, and has no use except for wildlife or water conservation purposes, provided it is preserved in its natural condition and drainage of it would be legal, feasible, and economically practical for the production of livestock, dairy animals, poultry, fruit, vegetables, forage and grains, except wild rice. "Wetlands" shall include adjacent land which is not suitable for agricultural purposes due to the presence of the wetlands. "Wetlands" shall not include woody swamps containing shrubs or trees, wet meadows, meandered water, streams, rivers, and floodplains or river bottoms. Exemption of wetlands from taxation pursuant to this section shall not grant the public any additional or greater right of access to the wetlands or diminish any right of ownership to the wetlands.

(11) Native prairie. The commissioner of the department of natural resources shall determine lands in the state which are native prairie and shall notify the county assessor of each county in which the lands are located. Pasture land used for livestock grazing purposes shall not be considered native prairie for the purposes of this clause ~~and section 273.116~~. Upon receipt of an application for the exemption ~~and credit~~ provided in this clause ~~and section 273.116~~ for lands for which the assessor has no determination from the commissioner of natural resources, the assessor shall refer the application to the commissioner of natural resources who shall determine within 30 days whether the land is native prairie and notify the county assessor of the decision. Exemption of native prairie pursuant to this clause shall not grant the public any additional or greater right of access to the native prairie or diminish any right of ownership to it.

(12) Property used in a continuous program to provide emergency shelter for victims of domestic abuse, provided the organization that owns and sponsors the shelter is exempt from federal income taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1986, as amended through December 31, 1986, notwithstanding the fact that the sponsoring organization receives funding under section 8 of the United States Housing Act of 1937, as amended.

(13) If approved by the governing body of the municipality in which the property is located, property not exceeding one acre which is owned and operated by any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation, and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders; provided the property is used primarily as a clubhouse, meeting facility, or recreational facility by the group or association and the property is not used for residential purposes on either a temporary or permanent basis.

(14) To the extent provided by section 295.44, real and personal property used or to be used primarily for the production of hydroelectric or hydromechanical power on a site owned by the state or a local governmental unit which is developed and operated pursuant to the provisions of section 105.482, subdivisions 1, 8, and 9.

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(15) If approved by the governing body of the municipality in which the property is located, and if construction is commenced after June 30, 1983:

(a) a "direct satellite broadcasting facility" operated by a corporation licensed by the federal communications commission to provide direct satellite broadcasting services using direct broadcast satellites operating in the 12-ghz. band; and

(b) a "fixed satellite regional or national program service facility" operated by a corporation licensed by the federal communications commission to provide fixed satellite-transmitted regularly scheduled broadcasting services using satellites operating in the 6-ghz. band.

An exemption provided by paragraph (15) shall apply for a period not to exceed five years. When the facility no longer qualifies for exemption, it shall be placed on the assessment rolls as provided in subdivision 4. Before approving a tax exemption pursuant to this paragraph, the governing body of the municipality shall provide an opportunity to the members of the county board of commissioners of the county in which the facility is proposed to be located and the members of the school board of the school district in which the facility is proposed to be located to meet with the governing body. The governing body shall present to the members of those boards its estimate of the fiscal impact of the proposed property tax exemption. The tax exemption shall not be approved by the governing body until the county board of commissioners has presented its written comment on the proposal to the governing body, or 30 days has passed from the date of the transmittal by the governing body to the board of the information on the fiscal impact, whichever occurs first.

(16) Real and personal property owned and operated by a private, nonprofit corporation exempt from federal income taxation pursuant to United States Code, title 26, section 501(c)(3), primarily used in the generation and distribution of hot water for heating buildings and structures.

(17) Notwithstanding section 273.19, state lands that are leased from the department of natural resources under section 92.46.

(18) Electric power distribution lines and their attachments and appurtenances, that are used primarily for supplying electricity to farmers at retail.

(19) Transitional housing facilities. "Transitional housing facility" means a facility that meets the following requirements. (i) It provides temporary housing to parents and children who are receiving AFDC or parents of children who are temporarily in foster care. (ii) It has the purpose of reuniting families and enabling parents to advance their education, get job training, or become employed in jobs that provide a living wage. (iii) It provides support services such as child care, work readiness training, and career development counseling; and a self-sufficiency program with periodic monitoring of each resident's progress in completing the program's goals. (iv) It provides services to a resident of the facility for at least six months but no longer than one year, except residents enrolled in an educational or vocational institution or job training program. These resi-

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dents may receive services during the time they are enrolled but in no event longer than four years. (v) It is sponsored by an organization that has received a grant under section 256.7365 for the biennium ending June 30, 1989, for the purposes of providing the services in items (i) to (iv). (vi) It is sponsored by an organization that is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986, as amended through December 31, 1987. This exemption applies notwithstanding the fact that the sponsoring organization receives financing by a direct federal loan or federally insured loan or a loan made by the Minnesota housing finance agency under the provisions of either Title II of the National Housing Act or the Minnesota housing finance agency law of 1971 or rules promulgated by the agency pursuant to it, and notwithstanding the fact that the sponsoring organization receives funding under Section 8 of the United States Housing Act of 1937, as amended.

Sec. 32. Minnesota Statutes 1988, section 290.05, subdivision 3, is amended to read:

Subd. 3. (a) An organization exempt from taxation under subdivision 2 shall, nevertheless, be subject to tax under this chapter to the extent provided in the following provisions of the Internal Revenue Code:

(i) Section 527 (dealing with political organizations) and (ii) section 528 (dealing with certain homeowners associations) but

notwithstanding this subdivision, shall be considered an organization exempt from income tax for the purposes of any law which refers to organizations exempt from income taxes.

(b) The tax shall be imposed on the taxable income of political organizations or homeowner associations. The tax shall be at the corporate rates. The tax shall only be imposed on income and deductions assignable to this state under sections 290.17 to 290.20. To the extent deducted in computing federal taxable income, the deductions contained in ~~sections 290.09 and section~~ 290.21 shall not be allowed in computing Minnesota taxable net income.

Sec. 33. Minnesota Statutes 1988, section 298.2211, subdivision 1, is amended to read:

Subdivision 1. **PURPOSE; GRANT OF AUTHORITY.** In order to accomplish the legislative purposes specified in sections 469.142 to 469.165 and chapter 462C, within tax relief areas as defined in section 273.134, the commissioner of iron range resources and rehabilitation may exercise the following powers: (1) all powers conferred upon a rural development financing authority under sections 469.142 to 469.149; (2) all powers conferred upon a city under chapter 462C; ~~subject to compliance with the provisions of section 474A.07;~~ (3) all powers conferred upon a municipality or a redevelopment agency under sections 469.152 to 469.165; (4) all powers provided by sections 469.142 to 469.151 to further any of the purposes and objectives of chapter 462C and sections 469.152 to 469.165; and (5) all powers conferred upon a municipality or an authority

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under sections 469.174 to 469.177, 469.178, except subdivision 2 thereof, and 469.179, subject to compliance with the provisions of section 469.175, subdivisions 1, 2, and 3; provided that any tax increments derived by the commissioner from the exercise of this authority may be used only to finance or pay premiums or fees for insurance, letters of credit, or other contracts guaranteeing the payment when due of net rentals under a project lease or the payment of principal and interest due on or repurchase of bonds issued to finance a project or program, to accumulate and maintain reserves securing the payment when due on bonds issued to finance a project or program, or to provide an interest rate reduction program pursuant to section 469.012, subdivision 7. Tax increments and earnings thereon remaining in any bond reserve account after payment or discharge of any bonds secured thereby shall be used within one year thereafter in furtherance of this section or returned to the county auditor of the county in which the tax increment financing district is located. If returned to the county auditor, the county auditor shall immediately allocate the amount among all government units which would have shared therein had the amount been received as part of the other ad valorem taxes on property in the district most recently paid, in the same proportions as other taxes were distributed, and shall immediately distribute it to the government units in accordance with the allocation.

Sec. 34. Minnesota Statutes 1988, section 308.11, is amended to read:

308.11 DIRECTORS; OFFICERS.

Every cooperative association organized under sections 308.05 to 308.18 shall be governed by a board of not less than five directors, except in the case of a cooperative ~~apartment~~ housing corporation as defined in section 290.09, ~~subdivision 47~~ 216(b) of the Internal Revenue Code of 1986, as amended through December 31, 1987, in which case the number of directors shall not be less than three, who shall be members of the association. If a member of an association is a family farm corporation within the meaning of section 500.24, subdivision 2, clause (c), or an authorized farm corporation within the meaning of section 500.24, subdivision 2, clause (d), the member may elect or appoint a stockholder of the corporation residing on or actively operating the farm who shall be eligible for election to the board of directors. If a member of an association be other than a natural person, family farm corporation, or an authorized farm corporation, and if the bylaws of the association do not provide otherwise, the member may appoint or elect one or, in the case of associations wholly constituted of other cooperative associations, one or more natural persons who shall be eligible for election to the board of directors. Directors shall be elected for the term, at the time, and in the manner provided in sections 308.05 to 308.18 and the bylaws of the association. The directors shall elect from their number a president and one or more vice-presidents. They shall also elect a secretary and a treasurer, who need not be directors or stockholders. The offices of secretary and treasurer may be combined and when combined the person filling the office shall be termed secretary-treasurer. If the bylaws provide, the board of directors may also elect from their number a chair and one or more vice-chairs, in which case the president and vice-presidents need not be directors or stockholders.

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The board of directors may also elect additional officers as the articles or bylaws may authorize or require, and unless otherwise required by the articles or bylaws, the additional officers need not be directors or stockholders. The stockholders shall have the power, at any regular or special stockholders' meeting regularly called in the manner above provided, to remove a director or officer for cause and to fill the vacancy caused by the removal.

Sec. 35. Minnesota Statutes 1988, section 352.01, subdivision 2b, is amended to read:

Subd. 2b. **EXCLUDED EMPLOYEES.** "State employee" does not include:

- (1) elective state officers;
- (2) students employed by the University of Minnesota, the state universities, and community colleges unless approved for coverage by the board of regents, the state university board, or the state board for community colleges, as the case may be;
- (3) employees who are eligible for membership in the state teachers retirement association except employees of the department of education who have chosen or may choose to be covered by the Minnesota state retirement system instead of the teachers retirement association;
- (4) employees of the University of Minnesota who are excluded from coverage by action of the board of regents;
- (5) officers and enlisted personnel in the national guard and the naval militia who are assigned to permanent peacetime duty and who under federal law are or are required to be members of a federal retirement system;
- (6) election officers;
- (7) persons engaged in public work for the state but employed by contractors when the performance of the contract is authorized by the legislature or other competent authority;
- (8) officers and employees of the senate and house of representatives or a legislative committee or commission who are temporarily employed;
- (9) court employees, referees, receivers, jurors, and notaries public, except employees of the appellate courts and referees and adjusters employed by the department of labor and industry;
- (10) patient and inmate help in state charitable, penal, and correctional institutions including the Minnesota veterans home;
- (11) persons employed for professional services where the service is incidental to regular professional duties and whose compensation is paid on a per diem basis;

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(12) employees of the Sibley House Association;

(13) employees of the Grand Army of the Republic and employees of the ladies of the G.A.R.;

~~(14) operators and drivers employed under section 16.07, subdivision 4;~~

(15) the members of any state board or commission who serve the state intermittently and are paid on a per diem basis; the secretary, secretary-treasurer, and treasurer of those boards if their compensation is \$500 or less per year, or, if they are legally prohibited from serving more than two consecutive terms and their total service is required by law to be less than ten years; and the board of managers of the state agricultural society and its treasurer unless the treasurer is also its full-time secretary;

~~(16)~~ (15) state troopers;

(17) (16) temporary employees of the Minnesota state fair employed on or after July 1 for a period not to extend beyond October 15 of that year; and persons employed at any time by the state fair administration for special events held on the fairgrounds;

(18) (17) emergency employees in the classified service; except that if an emergency employee, within the same pay period, becomes a provisional or probationary employee on other than a temporary basis, the employee shall be considered a "state employee" retroactively to the beginning of the pay period;

(19) (18) persons described in section 352B.01, subdivision 2, clauses (b) and (c) formerly defined as state police officers;

(20) (19) temporary employees in the classified service, temporary employees in the unclassified service appointed for a definite period of not more than six months and employed less than six months in any one-year period and seasonal help in the classified service employed by the department of revenue;

(21) (20) trainees paid under budget classification number 41, and other trainee employees, except those listed in subdivision 2a, clause (10);

~~(22)~~ (21) persons whose compensation is paid on a fee basis;

(23) (22) state employees who in any year have credit for 12 months service as teachers in the public schools of the state and as teachers are members of the teachers retirement association or a retirement system in St. Paul, Minneapolis, or Duluth;

(24) (23) employees of the adjutant general employed on an unlimited intermittent or temporary basis in the classified and unclassified service for the support of army and air national guard training facilities;

(25) (24) chaplains and nuns who have taken a vow of poverty as members of a religious order;

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~~(26)~~ (25) labor service employees employed as a laborer 1 on an hourly basis;

~~(27)~~ (26) examination monitors employed by departments, agencies, commissions, and boards to conduct examinations required by law;

~~(28)~~ (27) members of appeal tribunals, exclusive of the chair, to which reference is made in section 268.10, subdivision 4;

~~(29)~~ (28) persons appointed to serve as members of fact-finding commissions or adjustment panels, arbitrators, or labor referees under chapter 179;

~~(30)~~ (29) temporary employees employed for limited periods under any state or federal program for training or rehabilitation including persons employed for limited periods from areas of economic distress except skilled and supervisory personnel and persons having civil service status covered by the system;

~~(31)~~ (30) full-time students employed by the Minnesota historical society intermittently during part of the year and full-time during the summer months;

~~(32)~~ (31) temporary employees, appointed for not more than six months, of the metropolitan council and of any of its statutory boards, if the board members are appointed by the metropolitan council;

~~(33)~~ (32) persons employed in positions designated by the department of employee relations as student workers;

~~(34)~~ (33) any person who is 65 years of age or older when appointed and who does not have allowable service credit for previous employment, unless the employee gives notice to the director within 60 days after appointment that coverage is desired;

~~(35)~~ (34) members of trades employed by the metropolitan waste control commission with trade union pension plan coverage under a collective bargaining agreement first employed after June 1, 1977;

~~(36)~~ (35) persons employed in subsidized on-the-job training, work experience, or public service employment as enrollees under the federal Comprehensive Employment and Training Act after March 30, 1978, unless the person has as of the later of March 30, 1978 or the date of employment sufficient service credit in the retirement system to meet the minimum vesting requirements for a deferred annuity, or the employer agrees in writing on forms prescribed by the director to make the required employer contributions, including any employer additional contributions, on account of that person from revenue sources other than funds provided under the federal Comprehensive Employment and Training Act, or the person agrees in writing on forms prescribed by the director to make the required employer contribution in addition to the required employee contribution;

~~(37)~~ (36) off-duty peace officers while employed by the metropolitan transit commission under section 629.40, subdivision 5; and

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(38) (37) persons who are employed as full-time firefighters by the department of military affairs and as firefighters are members of the public employees police and fire fund.

Sec. 36. Minnesota Statutes 1988, section 353.01, subdivision 2a, is amended to read:

Subd. 2a. **INCLUDED EMPLOYEES.** The following persons are included in the meaning of "public employee":

- (1) elected or appointed officers and employees of elected officers;
- (2) district court reporters;
- (3) officers and employees of the public employees retirement association;
- (4) employees of the league of Minnesota cities;
- (5) officers and employees of public hospitals owned or operated by, or an integral part of, a governmental subdivision or governmental subdivisions;
- (6) employees of a school district who receive separate salaries for driving their own buses;
- (7) employees of the association of Minnesota counties;
- (8) employees of the metropolitan intercounty association;
- (9) employees of the Minnesota municipal utilities association;
- (10) employees of the metropolitan airports commission if employment initially commenced after June 30, 1979;
- (11) employees of the Minneapolis employees retirement fund, if employment initially commenced after June 30, 1979;
- (12) employees of the range association of municipalities and schools;
- (13) employees of the soil and water conservation districts;
- (14) employees of a county historical society who are county employees;
- (15) employees of a county historical society located in the county whom the county, at its option, certifies to the executive director to be county employees for purposes of retirement coverage under this chapter, which status must be accorded to all similarly situated county historical society employees and, once established, must continue as long as a person is an employee of the county historical society and is not excluded under subdivision 2b;
- (16) employees of an economic development authority created or operating under sections ~~458C.01~~ 469.090 to ~~458C.23~~ 469.108;

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(17) employees of the department of military affairs of the state of Minnesota who are full-time firefighters.

Sec. 37. Minnesota Statutes 1988, section 383B.229, is amended to read:

383B.229 EXISTING HEALTH SERVICE PROGRAMS NOT AFFECTED.

Sections 383B.211 to 383B.229 do not affect the eligibility authority of any statutory or home rule charter city of the first or second class ~~to receive a subsidy pursuant to the provisions of section 145.917 or otherwise affect the authority of any such city to operate or to continue to operate a health service program.~~

Sec. 38. Minnesota Statutes 1988, section 383B.77, is amended to read:

383B.77 HENNEPIN COUNTY HOUSING AND REDEVELOPMENT AUTHORITY.

Subdivision 1. **CREATION.** The Hennepin county housing and redevelopment authority is created in the county of Hennepin. It shall have all of the powers and duties of a housing and redevelopment authority under ~~the municipal housing and redevelopment act, sections 462.411 to 462.716~~ 469.001 to 469.047. For the purposes of applying the municipal housing and redevelopment act to Hennepin county, the county has all of the powers and duties of a ~~municipality city~~, the county board has all the powers and duties of a governing body, the chair of the county board has all of the powers and duties of a mayor, and the area of operation includes the area within the territorial boundaries of the county.

Subd. 2. **LIMITATION.** This section does not limit or restrict any existing housing and redevelopment authority or prevent a municipality from creating an authority. For purposes of this subdivision, "municipal housing and redevelopment authority" includes any municipal department, agency, or authority of the city of Minneapolis which exercises the powers of a ~~municipal~~ housing and redevelopment authority pursuant to section ~~462.425~~ 469.003 or other law. The county authority shall not exercise its powers in a municipality where a ~~municipal~~ housing and redevelopment authority is established pursuant to section ~~462.425~~ 469.003, except as provided in this subdivision. If a ~~municipal city~~ housing and redevelopment authority requests the county housing and redevelopment authority to exercise any power or perform any function of the municipal authority, the county authority may do so.

Subd. 3. **LOCAL APPROVAL.** If a housing or redevelopment project is undertaken in Hennepin county pursuant to this section, the governing body of the city must approve the project before it is undertaken.

Sec. 39. Minnesota Statutes 1988, section 383C.331, is amended to read:

383C.331 DUTIES OF PURCHASING AGENT.

New language is indicated by underline, deletions by ~~strikeout~~.

The county purchasing agent of any such county shall:

(a) purchase or contract for all supplies, materials, equipment and contractual services required by any department, board, commission, or agency of the county government, subject to the provisions set forth in sections 383C.33 to 383C.34;

(b) ~~enforce standard specifications established in accordance with section 383C.339 and which shall apply to all supplies, materials and equipment purchased for the use of the county government;~~

(~~e~~) (~~b~~) negotiate leases for all grounds, buildings, office or other space required by all county departments, boards, commissions, or agencies;

(~~d~~) (~~c~~) have charge of all central storerooms now operated by, or hereafter established by the county government or any department, board, commission, or agency thereof;

(~~e~~) (~~d~~) transfer to or between county departments, boards, commissions, and agencies, or sell supplies, materials, and equipment which are surplus, obsolete, or unused; and

(~~f~~) (~~e~~) establish and operate a central duplicating and mailing room for the county departments, boards, commissions, and agencies at the county seat.

Sec. 40. Minnesota Statutes 1988, section 383C.334, is amended to read:

383C.334 PURCHASES; CONTRACTS; LIMITATIONS.

All purchases of, and contracts for, supplies, materials equipment or contractual services, and all sales of personal property which has become obsolete and unusable, shall be based wherever possible on competitive bids. If the amount of the expenditure or sale is estimated to exceed \$1,000, sealed bids shall be solicited by public notice inserted at least once in a newspaper of general circulation and at least five calendar days before the final date of submitting bids. Such notice shall include a general description of the commodities or contractual services to be purchased, or personal property to be sold, and shall state where bid blanks and specifications may be obtained and the time and place for the opening of bids. The county purchasing agent shall also solicit sealed bids by sending requests by mail to prospective suppliers and by posting notice on a public bulletin board in the purchasing agent's office.

All purchases or sales of less than \$1,000 in amount shall be made in the open market without newspaper notice, but shall wherever possible be based on at least three competitive bids.

Sales shall be made to the highest responsible bidder.

~~Bids on purchases shall in all cases be based on such standard specifications as may be adopted by the board of standardization in accordance with the~~

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~~provisions of section 383C.339.~~ The purchasing agent shall accept the lowest bid and award the contract to such lowest bidder unless the agent on account of the quality or character of the goods, materials, or supplies proposed to be furnished by the lowest bidder or because of the financial responsibility and reputation of said bidder, deems it not to the best advantage of the county to accept such bid, and, in the case of capital expenditures, the agent shall present to the county board, or to the interested board or commission, as the case may be, a written statement of the reasons why such lowest bid should not be accepted and shall advise the appropriate body which bid in the purchasing agent's judgment is to the best advantage of the county, and the county board or such interested board or commission, may thereupon concur with the agent to accept the recommended bid or reject all bids. All bids may be rejected and new bids solicited if the public interest shall be served thereby. If all bids received on a pending contract are for the same unit price or total amount, the county purchasing agent shall have authority to award the contract to one of the tie bidders by drawing lots in public, or to reject all bids and to purchase the required supplies, materials, equipment or contractual services in the open market, provided the price paid in the open market shall not exceed the lowest responsible bid. It shall be the duty of the purchasing agent to discourage uniform bidding and to endeavor to obtain as full and open competition as possible on all purchases and sales. Each bid, with the name of the bidder, shall be entered on a record, and each record with the successful bid indicated thereon, shall, after the award of the order or contract, be open to public inspection.

All contracts shall be approved as to form by the county attorney and a copy of each contract shall be filed with the county auditor of any such county.

Sec. 41. Minnesota Statutes 1988, section 469.0721, is amended to read:

469.0721 CANNON FALLS; REDWOOD FALLS; PORT AUTHORITY.

Each of the cities of Cannon Falls and Redwood Falls may, by adoption of an enabling resolution in compliance with the procedural requirements of section 469.0723, establish a port authority commission that, subject to section 469.0722, has the same powers as a port authority established under section ~~458.09~~ 469.049, or other law, and a housing and redevelopment authority established under chapter ~~462~~ 469, or other law, and is an agency that may administer one or more municipal development districts under ~~section 472A.10~~ 469.131. The port authority commission may exercise any of these powers within industrial development districts or within other property under the jurisdiction of the commission. The port authority commission may enter into agreements with nonprofit organizations or corporations, including, but not limited to, joint venture and limited partnership agreements, in order to carry out its purposes. If a city establishes a port authority commission under this section, the city shall exercise all the powers in dealing with a port authority that are granted to a city by chapter 458, and all powers in dealing with a housing and redevelopment authority that are granted to a city by chapter 462, or other law.

New language is indicated by underline, deletions by ~~strikeout~~.

Sec. 42. Minnesota Statutes 1988, section 469.121, subdivision 1, is amended to read:

Subdivision 1. **ACCOUNT CREATED.** In the economic development fund ~~created in~~ continued by section ~~116M.06, subdivision 4~~ 116J.968, there is created a Minnesota account, to be used by the authority in the manner and for the purposes provided in sections 469.109 to 469.123.

Sec. 43. Minnesota Statutes 1988, section 469.129, subdivision 1, is amended to read:

Subdivision 1. **GENERAL OBLIGATION BONDS.** The governing body may authorize, issue, and sell general obligation bonds to finance the acquisition and betterment of real and personal property needed to carry out the development program within the development district together with all relocation costs incidental thereto. The bonds shall mature within 30 years from the date of issue and shall be issued in accordance with sections 475.51, 475.53, 475.54, 475.55, 475.56, 475.60, 475.61, 475.62, 475.63, 475.65, 475.66, 475.69, 475.70, 475.71. All tax increments received by the city pursuant to Minnesota Statutes ~~1986~~ 1978, section 472A.08, shall be pledged for the payment of these bonds and used to reduce or cancel the taxes otherwise required to be extended for that purpose. The bonds shall not be included when computing the city's net debt. Bonds shall not be issued under this paragraph subsequent to August 1, 1979.

Sec. 44. Minnesota Statutes 1988, section 471.562, subdivision 4, is amended to read:

Subd. 4. **PROJECT.** "Project" means an industrial development district as defined in section ~~458.194~~ 469.058, subdivision 1; a project as defined in section ~~462.421~~ 469.002, subdivision ~~4~~ 12; a development district as defined in ~~chapter 472A~~ sections 469.124 to 469.134 or any special law; or a project as defined in section ~~474.02, subdivision 1, 1a, or 1b~~ 469.153, subdivision 2.

Sec. 45. Minnesota Statutes 1988, section 471.563, is amended to read:

471.563 USES OF LOAN REPAYMENTS.

Subject to any restrictions imposed on their use by any related federal or state grant, economic development loan repayments, and the proceeds of any bonds issued pursuant to section 471.564 may be applied by a municipality to any of the following purposes:

(1) to finance or otherwise pay the costs of a project;

(2) to pay principal and interest on any bonds issued pursuant to section ~~273.77~~ 469.178, with respect to a project, certification of which is requested before August 1, 1987, or pursuant to chapter 474, 458, 462, or section 471.564, to purchase insurance or other credit enhancement for any of those obligations or to create or maintain reserves therefor; or

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(3) for any other purpose authorized by law.

If economic development loan repayments are used to pay principal or interest on any such obligations, the municipality may be reimbursed for the amount so applied with interest not exceeding the rate of interest on the obligations from subsequent collections of taxes or other revenues that had been designated as the primary source of payment of the obligations.

Sec. 46. Minnesota Statutes 1988, section 474A.02, subdivision 18, is amended to read:

Subd. 18. **NOTICE OF ENTITLEMENT ALLOCATION.** "Notice of entitlement allocation" means a notice provided to an entitlement issuer under section 474.04 474A.04, subdivision 5.

Presented to the governor May 19, 1989

Signed by the governor May 23, 1989, 6:05 p.m.

CHAPTER 210—S.F.No. 764

An act relating to local government; changing conditions for the establishment and operation of special service districts in St. Cloud; amending Laws 1985, chapter 301, sections 5, subdivision 5; 7, subdivision 1; 9; 12; and 13, subdivision 2, and by adding a subdivision; repealing Laws 1985, chapter 301, section 7, subdivision 4.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Laws 1985, chapter 301, section 5, subdivision 5, is amended to read:

Subd. 5. "~~Assessed value~~ Net tax capacity" means the ~~assessed value~~ net tax capacity as most recently certified by the ~~commissioner of revenue~~ county auditor before the effective date of the ordinance or resolution adopted pursuant to section 6 or 7.

Sec. 2. Laws 1985, chapter 301, section 7, subdivision 1, is amended to read:

Subdivision 1. **TAXES; HEARING.** Ad valorem taxes may be levied on taxable nonhomestead property or service charges may be imposed by the city within the special service district at a rate or amount sufficient to produce the revenues required to provide special services within the district. To determine the appropriate ~~mill~~ tax rate, ~~nonhomestead taxable property or value~~ net tax capacity shall be determined without regard to captured or original assessed value under Minnesota Statutes, section ~~273.76~~ 469.177 or to the distribution or contribution value under Minnesota Statutes, section 473F.08. Taxes and serv-

New language is indicated by underline, deletions by ~~strikeout~~.