

Sec. 31. INSTRUCTIONS TO THE REVISOR.

(a) In the next and subsequent editions of Minnesota Statutes, the revisor shall change the terms “natural parent” and “genetic parent” to “birth parent” wherever they appear.

(b) In the next and subsequent editions of Minnesota Statutes, the revisor shall change the terms “county welfare board” and “county welfare department” to “local social services agency” wherever they appear.

(c) In the next and subsequent editions of Minnesota Statutes, the revisor shall renumber chapter 259 in order to eliminate seven-digit section numbers and make more room for future sections. The revisor shall also correct all cross-references in Minnesota Statutes and Minnesota Rules to reflect the new section numbers in chapter 259.

Presented to the governor May 6, 1994

Signed by the governor May 10, 1994, 3:44 p.m.

 CHAPTER 632—S.F.No. 2913

An act relating to the organization and operation of state government; appropriating money for agriculture, the environment, natural resources, public administration, community development, public safety, transportation, and certain agencies of state government; supplementing, reducing, and transferring earlier appropriations, with certain conditions; regulating certain activities and practices; providing for appointments, penalties, accounts, fees, and reports; amending Minnesota Statutes 1992, sections 3.97, subdivision 11; 3.971, by adding a subdivision; 13.99, by adding subdivisions; 16A.124, subdivisions 2 and 7; 16A.127, as amended; 16A.15, subdivision 3; 16B.01, subdivision 4; 16B.05, subdivision 2; 16B.06, subdivisions 1 and 2; 16B.32, by adding a subdivision; 17B.15, subdivision 1; 32.103; 41A.09, subdivisions 2 and 5; 43A.316, subdivision 9; 43A.37, subdivision 1; 44A.0311; 60A.14, subdivision 1; 60A.19, subdivision 4; 60A.21, subdivision 2; 60K.03, subdivisions 1, 5, and 6; 60K.06; 60K.19, subdivision 8; 69.031, subdivision 5; 82.20, subdivisions 7 and 8; 82.21, by adding a subdivision; 82B.08, subdivisions 4 and 5; 82B.09, subdivision 1; 82B.19, subdivision 1; 83.25; 84.0887, by adding subdivisions; 85.015, subdivision 1; 94.09, subdivision 5; 97A.441, by adding a subdivision; 97A.485, subdivision 8; 103F.725, by adding a subdivision; 103F.745; 103F.761, subdivision 2; 115A.5501, subdivision 2; 116.07, by adding a subdivision; 116.182, subdivisions 2, 3, 4, and 5; 116J.9673, subdivision 4; 129D.14, subdivision 5; 138.01, subdivision 1; 138.34; 138.35, subdivision 1; 138.38; 138.40, subdivisions 3; 138.94, by adding a subdivision; 151.01, subdivision 28; 151.15, subdivision 3; 151.25; 154.11, subdivision 1; 154.12; 168A.29, subdivision 1; 171.06, subdivision 3; 176.102, subdivisions 3a and 14; 176.611, subdivision 6a; 204B.27, by adding a subdivision; 257.0762, subdivision 2; 257.0768; 268.53, subdivision 5; 296.02, subdivision 7; 298.2211, by adding a subdivision; 326.12, subdivision 3; 345.47, subdivision 4; 353.65, subdivision 7; 354.06, subdivision 1; 446A.02, subdivision 1, and by adding a subdivision; 446A.03, by adding a subdivision;

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446A.07, subdivisions 4, 6, 8, 9, and 11; 446A.071, subdivision 1; 446A.11, subdivision 1; 446A.12, subdivision 1; 446A.15, subdivision 6; 462A.05, by adding a subdivision; 466.01, subdivision 1; 477A.12; 504.34, subdivision 3; 570.01; 570.02, subdivision 1; 570.025, subdivision 2; Minnesota Statutes 1993 Supplement, sections 15.50, subdivision 2; 15.91; 16A.152, subdivision 2; 16B.06, subdivision 2a; 16B.08, subdivision 7; 41A.09, subdivision 3; 44A.025; 60A.198, subdivision 3; 82.21, subdivision 1; 82.22, subdivisions 6 and 13; 82.34, subdivision 3; 84.872; 97A.028, subdivision 3; 97B.071; 115C.09, subdivision 1; 116J.966, subdivision 1; 138.763, subdivision 1; 144C.03, subdivision 2; 144C.07, subdivision 2; 239.785, subdivision 2, and by adding a subdivision; 257.0755; 268.98, subdivision 1; 446A.03, subdivision 1; 477A.14; 504.33, subdivisions 5 and 7; and 504.34, subdivisions 1 and 2; Laws 1993, chapters 192, section 17, subdivision 3; and 369, section 5, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 15; 16B; 17; 32; 154; 181; 197; 268; 268A; 299D; 446A; and 645; proposing coding for new law as Minnesota Statutes, chapter 16D; repealing Minnesota Statutes 1992, sections 10.11, subdivision 1; 10.12; 10.14; 10.15; 16A.06, subdivision 8; 16A.124, subdivision 6; 154.16; 154.165; 197.235; 268.31; 268.315; 268.32; 268.33; 268.34; 268.35; 268.36; 355.04; 355.06; 446A.03, subdivision 3; and 446A.08; Laws 1985, First Special Session chapter 12, article 11, section 19.

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

ARTICLE 1

PUBLIC SAFETY

Section 1. PUBLIC SAFETY; APPROPRIATIONS.

The sums set forth in the columns headed "APPROPRIATIONS" are appropriated from the general fund, or another named fund, to the commissioner of public safety for the purposes specified and are to be added to or reduced from appropriations for the fiscal years ending June 30, 1994, and June 30, 1995, in Laws 1993, chapter 266.

	APPROPRIATIONS	
	Available for the Year	
	Ending June 30	
	1994	1995
Sec. 2. PUBLIC SAFETY	\$ (393,000)	\$ 4,884,000

SUMMARY BY FUND

General Fund	15,000	59,000
Special Revenue Fund		4,300,000
Trunk Highway Fund	(408,000)	525,000
(a) Emergency Management	15,000	59,000

These appropriations are added to the

appropriations in Laws 1993, chapter 266, section 5, subdivision 7, and are to pay 50 percent of the costs of three regional office support positions.

(b) State Patrol	(408,000)	4,825,000
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These appropriations are changes to the appropriations in Laws 1993, chapter 266, section 5, subdivision 3. A reduction of \$408,000 the first year is for radio communication consolidation and an increase of \$525,000 the second year is to maintain full staffing at the ten state patrol communication centers. These appropriations are from the trunk highway fund.

Of this appropriation \$4,300,000 is from the state patrol motor vehicle account in the transportation services fund for purchasing motor vehicles used by state troopers. Of this amount, up to \$54,000 in fiscal year 1995 may be used by the department for the implementation of the title registration fee change in section 4.

Sec. 3. TRAFFIC ESCORT SERVICES REPORT.

The commissioner of public safety shall report to the chairs of the transportation policy and finance committees of the senate and house of representatives by October 1, 1994, on the usage of the Minnesota state patrol for traffic escort services when a special permit is required for over-sized loads. The report shall include usage from July 1, 1990, until June 30, 1994, and report time worked and amounts paid to patrol officers, amounts reimbursed to the state, accident claims, and all expenses associated with special permit traffic escort services incurred by the state. The report should also include any special training and safety procedures followed for mobile traffic control.

Sec. 4. Minnesota Statutes 1992, section 168A.29, subdivision 1, is amended to read:

Subdivision 1. **AMOUNTS.** (a) The department shall be paid the following fees:

(1) for filing an application for and the issuance of an original certificate of title, the sum of \$2;

(2) for each security interest when first noted upon a certificate of title,

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including the concurrent notation of any assignment thereof and its subsequent release or satisfaction, the sum of \$2;

(3) for the transfer of the interest of an owner and the issuance of a new certificate of title, the sum of \$2;

(4) for each assignment of a security interest when first noted on a certificate of title, unless noted concurrently with the security interest, the sum of \$1;

(5) for issuing a duplicate certificate of title, the sum of \$4.

(b) In addition to each of the fees required under paragraph (a), clauses (1) and (3), the department shall be paid:

(1) from July 1, 1994, to June 30, 1997, \$3.50; but then

(2) after June 30, 1997, \$1.

The additional fee collected under this paragraph must be deposited in the transportation services fund and credited to the state patrol motor vehicle account established in section 299D.10.

Sec. 5. Minnesota Statutes 1992, section 171.06, subdivision 3, is amended to read:

Subd. 3. CONTENTS OF APPLICATION; OTHER INFORMATION.

An application must state the full name, date of birth, sex and residence address of the applicant, a description of the applicant in such manner as the commissioner may require, and must state whether or not the applicant has theretofore been licensed as a driver; and, if so, when and by what state or country and whether any such license has ever been suspended or revoked, or whether an application has ever been refused; and, if so, the date of and reason for such suspension, revocation, or refusal, together with such facts pertaining to the applicant and the applicant's ability to operate a motor vehicle with safety as may be required by the commissioner. An application for a Class CC, Class B, or Class A driver's license also must state the applicant's social security number. An application for a Class C driver's license must have a space for the applicant's social security number and state that providing the number is optional, or otherwise convey that the applicant is not required to enter the social security number. The application form must contain a space where the applicant may indicate a desire to make an anatomical gift. If the applicant does not indicate a desire to make an anatomical gift when the application is made, the applicant must be offered a donor document in accordance with section 171.07, subdivision 5. The application form must contain statements sufficient to comply with the requirements of the uniform anatomical gift act (1987), sections 525.921 to 525.924, so that execution of the application or donor document will make the anatomical gift as provided in section 171.07, subdivision 5, for those indicating a desire to make an anatomical gift. The application form must contain a notification to the applicant of the availability of a living will designation on the

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license under section 171.07, subdivision 7. The application must be in the form prepared by the commissioner.

The application form must be accompanied by a pamphlet containing relevant facts relating to:

- (1) the effect of alcohol on driving ability;
- (2) the effect of mixing alcohol with drugs;
- (3) the laws of Minnesota relating to operation of a motor vehicle while under the influence of alcohol or a controlled substance; and
- (4) the levels of alcohol-related fatalities and accidents in Minnesota and of arrests for alcohol-related violations.

The application form must also be accompanied by a pamphlet describing Minnesota laws regarding anatomical gifts and the need for and benefits of anatomical gifts.

Sec. 6. [299D.10] STATE PATROL MOTOR VEHICLE ACCOUNT.

The state patrol motor vehicle account is created in the transportation services fund, consisting of the fees collected under section 168A.29, subdivision 1, paragraph (b).

Sec. 7. EFFECTIVE DATE.

This article is effective July 1, 1994, except that any provisions appropriating money for fiscal year 1994 are effective the day following final enactment.

ARTICLE 2

ENVIRONMENT AND NATURAL RESOURCES

Section 1. APPROPRIATIONS.

Except as otherwise provided in this article, the sums set forth in the columns designated "1994 and 1995 APPROPRIATION CHANGE" are appropriated from the general fund, or other named fund, to the agencies for the purposes specified in this article and are to be added to or reduced from appropriations for the fiscal years ending June 30, 1994 and June 30, 1995, in Laws 1993, chapter 172, or another named law. Amounts to be reduced are designated by parentheses.

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

SUMMARY BY FUND

	1994	1995
General	\$	\$ 6,666,000
Game and Fish	(1,206,000)	(3,207,000)
Environmental Trust	1,346,000	
Minnesota Future Resources	1,404,000	
TOTAL	1,544,000	3,459,000
	APPROPRIATIONS	
	Available for the Year	
	Ending June 30	
	1994	1995
	\$	\$

Sec. 2. BOARD OF WATER AND
SOIL RESOURCES

-0- 1,135,000

\$1,005,000 is appropriated for implementation of the state revolving fund. Of this amount, \$865,000 is for local implementation of the state revolving fund, which provides grants to soil and water conservation districts (SWCDs). The SWCDs must use the grants to hire staff to assist landowners to implement a variety of conservation practices.

\$130,000 is appropriated for fiscal year 1995 to the board of water and soil resources to fund a cooperative effort with the Minnesota extension service to work on groundwater education efforts with local units of government and landowners and for grants under the groundwater education activities program.* (The preceding paragraph beginning "\$130,000" was vetoed by the governor.)

Sec. 3. POLLUTION CONTROL

-0- 2,373,000

(a) Feedlot Assistance and Compliance

\$1,800,000 is appropriated in fiscal year 1995, for feedlot compliance and local assistance.

Of this amount, \$900,000 is for grants for county administration of the feedlot permit program, to be administered by

the board of water and soil resources in accordance with Minnesota Statutes, section 103B.3369, in cooperation with the pollution control agency. Grants must be matched with a combination of local cash or in-kind contributions. Counties receiving these grants shall submit an annual report to the pollution control agency regarding activities conducted under the grant, expenditure made, and local match contributions. First priority for funding shall be given to counties that have requested and received delegation from the pollution control agency for processing of animal feedlot permit applications under Minnesota Statutes, section 116.07, subdivision 7. Delegated counties shall be eligible to receive a grant of \$5,000 plus either: \$5 multiplied by the number of livestock or poultry farms with sales greater than \$10,000, as reported in the 1992 Census of Agriculture, published by the United States Bureau of Census; or \$15 multiplied by the number of feedlots with greater than ten animal units as determined by a level 2 or level 3 feedlot inventory conducted in accordance with the Feedlot Inventory Guidebook published by the board of water and soil resources, dated June 1991.

To receive the additional funding that is based on the county feedlot inventory, the county shall submit a copy of the inventory to the board of water and soil resources.

Any remaining money is transferred to the board of water and soil resources for distribution to counties on a competitive basis through the challenge grant process for the conducting of feedlot inventories, development of delegated county feedlot programs, and for information and education or technical assistance efforts to reduce feedlot-related pollution hazards.

(b) Nonpoint Source Implementation

\$300,000 is appropriated in fiscal year 1995, for administrative support for nonpoint source pollution activities, including storm water assistance, individual septic tank systems, and partnerships with local entities to abate nonpoint source pollution.

(c) City of Morton Loan Forgiveness

The city of Morton need not repay money advanced to the city under the municipal litigation loan pilot project established in Laws 1988, chapter 686, article 1, section 69.

(d) External Cost Study

\$200,000 is appropriated for an independent study of the external costs of electricity generation in the state. The commissioner must consult with the department of public service, utilities, environmental groups, and other interested persons in the design and scope of the study and selection of a study contractor. Unless the commissioner determines another methodology is more appropriate, the study must include a literature search and peer review of the data; and employ one or more of the following methodologies based upon the commissioner's consultation with interested persons: (1) damage cost; (2) cost of control; and (3) willingness to pay.

The study must be completed by July 1, 1995, and must be transmitted by the commissioner to the public utilities commission for use in its consideration of environmental cost values under Minnesota Statutes, section 216B.2422, subdivision 2. The commission must not make a final decision on cost value until it has considered the study prepared under this section.

This appropriation may not be spent

until the commissioner of the pollution control agency has submitted a work plan to the legislative commission on Minnesota resources and the commission has approved the work plan.* **(The preceding paragraphs beginning "(d)" were vetoed by the governor.)**

(e) Citizens Lake-Monitoring Program

\$73,000 is appropriated for the fiscal year ending June 30, 1995, to continue the citizens lake-monitoring program and the electronic lakes bulletin board.

Sec. 4. AGRICULTURE

-0-

1,200,000

\$750,000 is added to the appropriation in Laws 1993, chapter 172, section 7, to provide assistance to feedlot operators, and to implement best management practices for animal waste and sound nutrient management practices. \$50,000 is for grants under Laws 1993, chapter 172, section 7, subdivision 4.

\$175,000 is added to the appropriation in Laws 1993, chapter 172, section 7, subdivision 4, and is for the administrative costs of implementing a rural and agriculture loan program for water quality improvement practices.

\$50,000 is appropriated in fiscal year 1995 for farm safety programs.* **(The preceding paragraph beginning "\$50,000" was vetoed by the governor.)**

\$50,000 is appropriated for fiscal year 1995 to the commissioner of agriculture for coordination and outreach activities relating to sustainable agriculture and integrated pest management programs.

\$100,000 is appropriated for fiscal year 1995 to the commissioner of agriculture for demonstration grants on sustainable agriculture and integrated pest management projects. The appropriation is available until expended.

Notwithstanding Minnesota Statutes, section 41A.09, subdivision 3, and Laws 1993, chapter 172, section 7, subdivision 3, the total payments from the ethanol development account to all producers may not exceed \$14,800,000 for the biennium ending June 30, 1995.

\$75,000 is appropriated for fiscal year 1995 for use in the enforcement and management of the recombinant bovine growth hormone labeling program under Minnesota Statutes, section 32.75.

The department of agriculture and the department of natural resources shall jointly conduct an assessment and report recommendations on developing an integrated pest management program for urban areas. The department shall submit its report to the environment and natural resources finance division of the senate and the environment and natural resources finance committee of the house of representatives by February 15, 1995.

The department of agriculture shall involve technical colleges and other institutions of higher learning in the planning process for the manure-testing program and shall assess the feasibility of including their current or potentially updated laboratories in the future testing program and also study potential curricula for training technicians in the future.

Sec. 5. NATURAL RESOURCES

Subdivision 1. Total Appropriation

Change		(1,206,000)	(1,677,000)
	Summary by Fund		
General	-0-	1,530,000	
Game and Fish	(1,206,000)	(3,207,000)	

The unallotment by the commissioner, as presented to the legislature in the

commissioner's March 14, 1994, correspondence, to the game and fish fund appropriation for fiscal year 1994 is void.

Subd. 2. Water Resources Management

-0-

145,000

\$50,000 is appropriated in fiscal year 1995 to the commissioner of natural resources for a grant to the southwest regional development commission to pay for the activities described in section 65, subdivision 2, paragraph (a), clauses (1) to (4).* **(The preceding paragraph beginning "\$50,000" was vetoed by the governor.)**

\$35,000 is appropriated in fiscal year 1995 for reimbursement of the cost of emergency flood damage repairs to the dike on the Root river in Houston county.

\$60,000 is appropriated in fiscal year 1995 under Minnesota Statutes, section 103G.701, to the commissioner of natural resources for a grant, requiring no local match, to Morrison county for improving water flow along the easterly shoreline of the Mississippi river near Highway 10 in Morrison county, notwithstanding Minnesota Statutes, section 103G.701, subdivision 4.

The remaining balance of the shoreland grant made by the commissioner of natural resources to the city of Laporte may be used by the city for administration of the city's shoreland ordinance.

The commissioner of natural resources shall conduct a study of dams on waters of the state. The study must investigate the type and number of impoundments that exist, their condition, and their probable future life span. The study also must examine dam issues and make recommendations for policies regarding Minnesota dams, including renovation

versus removal, the impact on the ecology of the waterway, any need for additional construction, and the potential for hydropower or drinking water supplies. The commissioner must report back to the house and senate environment committees by February 15, 1995.

Subd. 3. Forest Management	-0-	75,000
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This appropriation is to the commissioner of natural resources to plan and begin restoration and enhancement of Oak Forest and Oak Savannah natural communities in St. Paul's Indian Mounds Park and Battle Creek regional park.* (Subdivision 3 was vetoed by the governor.)

Subd. 4. Parks and Recreation	-0-	270,000*
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(Subdivision 4 was vetoed by the governor.)

Subd. 5. Trails and Waterways	(25,000)	650,000
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Summary by Fund

General	-0-	675,000
Game and Fish	(25,000)	(25,000)

\$600,000 is appropriated in fiscal year 1995 for grant-in-aid snowmobile trail maintenance and construction during the fiscal year ending June 30, 1995. This amount shall not be considered a base increase for fiscal year 1996.

\$75,000 is appropriated in fiscal year 1995 for completion of the shore and pier fishing project on the Mississippi River in South St. Paul.* (The preceding paragraph beginning "\$75,000" was vetoed by the governor.)

Subd. 6. Fish and Wildlife Management	(938,000)	(2,197,000)
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Summary by Fund

General	-0-	177,000
Game and Fish	(938,000)	(2,374,000)

\$87,000 is appropriated in fiscal year 1995 for forest and prairie ecologists, to provide research, inventory, and analy-

sis services necessary in the natural heritage program of the department of natural resources.* (The preceding paragraph beginning "\$87,000" was vetoed by the governor.)

\$90,000 is appropriated in fiscal year 1995 for field resource ecologists. These positions shall work with local units of government to aid in protecting rare and endangered natural areas where development pressure and resource use is high. They also shall interpret county biological survey data for local units.* (The preceding paragraph beginning "\$90,000" was vetoed by the governor.)

Subd. 7. Enforcement	(100,000)	(308,000)
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These reductions are from the game and fish fund.

Subd. 8. Operations Support	(143,000)	(312,000)
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	Summary by Fund	
General	-0-	188,000
Game and Fish	(143,000)	(500,000)

\$150,000 is added to the appropriation in Laws 1993, chapter 172, section 5, subdivision 9, to the commissioner of natural resources for transfer to the environmental quality board. The money must be used for activities related to achieving the sustainable economic development and environmental protection goals of the environmental quality board's sustainable development initiative.* (The preceding paragraph beginning "\$150,000" was vetoed by the governor.)

\$38,000 is appropriated in fiscal year 1995 to the commissioner of natural resources to pay Marshall county road reimbursement costs under Laws 1993, chapter 172, section 89, and Minnesota Statutes, section 84A.32, subdivision 1, paragraph (d).

Sec. 6. MINNESOTA RESOURCES 2,750,000
 Summary by Fund

Minnesota Future Resources Fund	1,404,000
Minnesota Environment and Natural Resources Trust Fund	1,346,000

The following amounts are appropriated from the Minnesota future resources fund and the Minnesota environment and natural resources trust fund. The appropriations are available immediately following enactment and are otherwise subject to the provisions of Laws 1993, chapter 172, section 14.

State Park Betterment	650,000
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This amount is added to the appropriation contained in Laws 1993, chapter 172, section 14, subdivision 10, paragraph (a).

Lake Minnetonka Water Access Acquisition	850,000
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This amount is added to the appropriation contained in Laws 1993, chapter 172, section 14, subdivision 10, paragraph (n).

Of this amount, \$154,000 is from the Minnesota future resources fund and \$696,000 is from the environmental trust fund.

Silver Bay Harbor	1,000,000
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This amount is added to the appropriation contained in Laws 1993, chapter 172, section 14, subdivision 10, paragraph (o).

Local Recreation Grants	250,000
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This appropriation is from the Minnesota future resources fund to the commissioner of natural resources to provide matching grants of \$100,000 each to the White Earth and Leech Lake Reservations and \$50,000 to the Nett

Lake Reservation for community recreation facilities in communities with disproportionate incidences of juvenile delinquency.

Sec. 7. CITIZEN'S COUNCIL ON VOYAGEURS NATIONAL PARK	-0-	58,000
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Sec. 8. OFFICE OF STRATEGIC AND LONG RANGE PLANNING	-0-	300,000
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\$250,000 is appropriated for the fiscal year ending June 30, 1995. This is a one-time appropriation for a grant to the Northern Counties Land Use Coordinating Board.

\$50,000 is appropriated for fiscal year 1995 to the environmental quality board through the director of the office of strategic and long-range planning for the purposes of groundwater protection coordination.* (Section 8 was vetoed by the governor.)

Sec. 9. OFFICE OF WASTE MANAGEMENT	-0-	70,000
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\$70,000 is appropriated in fiscal year 1995 for the purposes of conducting the annual solid waste composition studies.* (Section 9 was vetoed by the governor.)

Sec. 10. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 6b. AGRICULTURE BEST MANAGEMENT PRACTICES LOAN PROGRAM. Data collected by the commissioner on applicants or borrowers for the agriculture best management practices loan program are governed by section 17.117.

Sec. 11. [17.117] AGRICULTURE BEST MANAGEMENT PRACTICES LOAN PROGRAM.

Subdivision 1. PURPOSE. The purpose of the agriculture best management practices loan program is to provide low or no interest financing to farmers, agriculture supply businesses, and rural landowners for the implementation of agriculture best management practices.

Subd. 2. AUTHORITY. The commissioner shall establish, adopt rules for, and implement a program to work with local units of government, federal

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authorities, lending institutions, and other appropriate organizations to provide loans to landowners and businesses for facilities, fixtures, equipment, or other sustainable practices that prevent or mitigate sources of nonpoint source water pollution. The commissioner shall establish pilot projects to develop procedures for implementing the program. The commissioner shall develop administrative guidelines to implement the pilot projects specifying criteria, standards, and procedures for making loans.

Subd. 3. APPROPRIATIONS. Up to \$20,000,000 of the balance in the water pollution control revolving fund in section 446A.07, as determined by the public facilities authority, is appropriated to the commissioner for the establishment of this program.

Subd. 4. DEFINITIONS. For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(a) "Applicant" means a county or a local government unit designated by a county under subdivision 8, paragraph (a).

(b) "Authority" means the Minnesota public facilities authority as established in section 446A.03.

(c) "Best management practices" has the meaning given in sections 103F.711, subdivision 3, and 103H.151, subdivision 2.

(d) "Chair" means the chair of the board of water and soil resources or the designee of the chair.

(e) "Borrower" means an individual farmer, an agriculture supply business, or rural landowner applying for a low-interest loan.

(f) "Commissioner" means the commissioner of agriculture or the designee of the commissioner.

(g) "Comprehensive water management plan" means a state approved and locally adopted plan authorized under section 103B.231, 103B.255, 103B.311, 103C.331, 103D.401, or 103D.405.

(h) "County allocation request" means a loan allocation request from an applicant to implement agriculturally related best management practices defined in paragraph (c).

(i) "Lender agreement" means an agreement entered into between the commissioner and a local lender. The agreement will contain terms and conditions of the loan that will include but need not be limited to general loan provisions, loan management requirements, application of payments, loan term limits, allowable expenses, and fee limitations.

(j) "Local government unit" means a county, soil and water conservation district, or an organization formed for the joint exercise of powers under section 471.59.

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(k) "Local lender" means a local government unit as defined in paragraph (j), a state or federally chartered bank, a savings and loan association, a state or federal credit union, or Farm Credit Services.

(l) "Nonpoint source" has the meaning given in section 103F.711, subdivision 6.

Subd. 5. USES OF FUNDS. Use of funds under this section must be in compliance with the federal Water Pollution Control Act, section 446A.07, and eligible activities listed in the intended use plan authorized in section 446A.07, subdivision 4.

Subd. 6. APPLICATION. (a) The commissioner must prescribe forms and establish an application process for applicants to apply for a county allocation request. The application must include but need not be limited to (1) the geographic area served; (2) the type and estimated cost of activities or projects for which they are seeking a loan allocation; (3) a ranking of proposed activities or projects; and (4) the designation of the local lender and lending practices the applicant intends to use to issue the loans to the borrowers, if a local lender other than the applicant is to be used.

(b) In an area of the state where a county allocation request has not been requested or has been rejected, application forms must be available for a borrower to apply directly to the commissioner for a loan under this program.

(c) If a county allocation request is rejected, the applicant must be notified in writing as to the reasons for the rejection and given 30 days to submit a revised application. The revised application shall be reviewed according to the same procedure used to review the initial application.

Subd. 7. PAYMENTS. Payments made from the water pollution control revolving fund must be made in accordance with applicable state and federal laws and rules governing the payments.

Subd. 8. APPLICANT; BORROWERS. (a) A county may submit a county allocation request as defined in subdivision 4, paragraph (h). A county or a group of counties may designate another local government unit as defined in subdivision 4, paragraph (j), to submit a county allocation request.

(b) If a county does not submit a county allocation request, and does not designate another local government unit, a soil and water conservation district may submit a county allocation request. In all instances, there may be only one request from a county. The applicant must coordinate and submit requests on behalf of other units of government within the geographic jurisdiction of the applicant.

(c) Borrowers may apply directly to the commissioner if the commissioner does not receive or approve a county allocation request from the county, designated local government unit, or soil and water conservation district in which the proposed activities would be carried out.

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Subd. 9. REVIEW AND RANKING OF ALLOCATION REQUESTS. (a) The commissioner shall chair the subcommittee established in section 103F.761, subdivision 2, paragraph (b), for purposes of reviewing and ranking county allocation requests. The rankings must be in order of priority and shall provide financial assistance within the limits of the funds available. In carrying out the review and ranking, the subcommittee must consist of, at a minimum, the chair, representatives of the pollution control agency, United States Department of Agricultural Stabilization and Conservation Service, United States Department of Agriculture Soil Conservation Service, Association of Minnesota Counties, and other agencies or associations as the commissioner, the chair, and agency determine are appropriate. The review and ranking shall take into consideration other related state or federal programs.

(b) The subcommittee shall use the criteria listed below in carrying out the review and ranking:

(1) whether the proposed activities are identified in a comprehensive water management plan as priorities;

(2) whether the applicant intends to establish a revolving loan program under subdivision 10, paragraph (b);

(3) the potential that the proposed activities have for improving or protecting surface and groundwater quality;

(4) the extent that the proposed activities support areawide or multijurisdictional approaches to protecting water quality based on defined watershed;

(5) whether the activities are needed for compliance with existing water related laws or rules;

(6) whether the proposed activities demonstrate participation, coordination, and cooperation between local units of government and other public agencies;

(7) whether there is coordination with other public and private funding sources and programs; and

(8) whether there are off-site public benefits such as preventing downstream degradation and siltation.

Subd. 10. AUTHORITY OF APPLICANTS. (a) Applicants may enter into agreements with borrowers to finance projects under this section.

(b) Applicants may establish revolving loan programs to finance projects under this section.

(c) In approving county allocation requests, the commissioner shall allow applicants to provide loans under revolving loan programs established under paragraph (b), until 50 percent of the amount appropriated and available under subdivision 3 has been allocated to applicants establishing these programs. In approving any additional county allocation requests, the commissioner may allow applicants to provide loans under these programs.

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Subd. 11. BORROWER ELIGIBILITY; TERMS; REPAYMENT. (a) Local lenders shall use the following criteria in addition to other criteria they deem necessary in determining the eligibility of borrowers for loans:

(1) whether the activity is certified by a local unit of government as meeting priority needs identified in a comprehensive water management plan and is in compliance with accepted standards, specifications, or criteria;

(2) whether the activity is certified as eligible under Environmental Protection Agency or other applicable guidelines; and

(3) whether the repayment is assured from the borrower.

(b) Local lenders shall set the terms and conditions of loans. In all instances, local lenders must provide for sufficient collateral or protection for the loan principal. They are responsible for collecting repayments by borrowers. For direct loans, the borrower must provide sufficient collateral and repay the loan according to a mutually prearranged schedule with the commissioner.

(c) A local lender is responsible for repaying the principal of a loan to the commissioner. The terms of repayment will be identified in the lender agreement. If defaults occur, it is the responsibility of the local lender to obtain repayment from the borrower. For revolving loan programs established under subdivision 10, paragraph (b), the lender agreement must provide that:

(1) repayment of principal to the commissioner must begin ten years after the date the applicant receives the allocation; and

(2) the applicant shall report to the commissioner annually regarding the intended uses of the money in the revolving loan program.

Subd. 12. DATA PRIVACY. The following data on applicants or borrowers collected by the commissioner under this section, are private for data on individuals as provided in section 13.02, subdivision 12, or nonpublic for data not on individuals as provided in section 13.02, subdivision 9; financial information, including, but not limited to, credit reports, financial statements, tax returns and net worth calculations received or prepared by the commissioner.

Subd. 13. ESTABLISHMENT OF ACCOUNT. The authority shall establish an account called the agriculture best management practices revolving fund to provide loans and other forms of financial assistance authorized under section 446A.07. The fund must be credited with repayments.

Subd. 14. FEES; LOAN SERVICES. Origination fees charged directly to borrowers by local lenders upon executing a loan shall not exceed one-half of one percent of the loan amount. Servicing fees assessed to loan repayments must not exceed two percent interest on outstanding principal amounts if the local lender is a local government unit, or three percent interest on outstanding principal amounts if the local lender is a state or federally chartered bank, savings and loan association, a state or federal credit union, or an entity of Farm Credit Services.

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Subd. 15. REPORT. (a) The commissioner and chair shall prepare and submit a report to the legislative water commission by October 15, 1994, and October 15, 1995. Thereafter, the report shall be submitted by October 15 of each odd-numbered year.

(b) The report shall include, but need not be limited to, matters such as loan allocations and uses, the extent to which the financial assistance is helping implement local water planning priorities, the integration or coordination that has occurred with related programs, and other matters deemed pertinent to the implementation of the program.

Subd. 16. ASSESSMENT AGAINST REAL PROPERTY. A county may assess and charge against real property amounts loaned and servicing fees for projects funded under this section. The auditor of the county where the project is located shall extend the amounts assessed and charged on the tax roll of the county against the real property on which the project is located.

Sec. 12. Minnesota Statutes 1992, section 17B.15, subdivision 1, is amended to read:

Subdivision 1. **ADMINISTRATION; APPROPRIATION.** The fees for inspection and weighing shall be fixed by the commissioner and be a lien upon the grain. The commissioner shall set fees for all inspection and weighing in an amount adequate to pay the expenses of carrying out and enforcing the purposes of sections 17B.01 to 17B.23, including the portion of general support costs and statewide indirect costs of the agency attributable to that function, with a reserve sufficient for up to six months. The commissioner shall review the fee schedule twice each year. Fee adjustments are not subject to chapter 14. Payment shall be required for services rendered. If the grain is in transit, the fees shall be paid by the carrier and treated as advance charges, and, if received for storage, the fees shall be paid by the warehouse operator, and added to the storage charges.

All fees collected and all fines and penalties for violation of any provision of this chapter shall be deposited in the grain inspection and weighing account, which is created in the state treasury for carrying out the purpose of sections 17B.01 to 17B.23. The money in the account, including interest earned on the account, is annually appropriated to the commissioner of agriculture to administer the provisions of sections 17B.01 to 17B.23.

Sec. 13. Minnesota Statutes 1992, section 32.103, is amended to read:

32.103 INSPECTION OF DAIRIES.

(a) At times the commissioner determines proper, the commissioner shall cause to be inspected all places where dairy products are made, stored, or served as food for pay, and all places where cows are kept by persons engaged in the sale of milk, and shall require the correction of all insanitary conditions and practices found. During routine inspections or as necessary, the commissioner

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shall inspect for evidence of use of rBGH in violation of section 32.75, by producers providing affidavits of nontreatment under that section.

(b) A refusal or physical threat that prevents the completion of an inspection or neglect to obey a lawful direction of the commissioner or the commissioner's agent given while carrying out this section may result in the suspension of the offender's permit or certification. The offender is required to meet with a representative of the offender's plant or marketing organization and a representative of the commissioner within 48 hours excluding holidays or weekends or the suspension will take effect. A producer may request a hearing before the commissioner or the commissioner's agent if a serious concern exists relative to the retention of the offender's permit or certification to sell milk.

Sec. 14. [32.75] RECOMBINANT BOVINE GROWTH HORMONE LABELING.

Subdivision 1. DEFINITION. For purposes of this section and sections 32.103, 151.01, and 151.15, "recombinant bovine growth hormone" or "rBGH" means a growth hormone, intended for use in bovine animals, that has been produced through recombinant DNA techniques, described alternately as recombinant bovine somatotropin, or rBST.

Subd. 2. LABELING. (a) Products offered for wholesale or retail sale in this state which contain milk, cream, or any product or by-product of milk or cream, which have been processed and handled pursuant to the requirements of this section, may be labeled: "Milk in this product is from cows not treated with rBGH." Labeling of dairy products under this section which are offered for sale within this state may also include an indication that the milk used is "farmer certified rBGH-free." Products offered for wholesale or retail sale in this state need not contain any further label information relative to the use of rBGH in milk production.

(b) The label described in paragraph (a) may appear on the principal display panel, as defined in section 31.01, subdivision 22, of a packaged product, be conspicuously attached to the container of a bulk product, or appear in any advertisement, as defined in section 31.01, subdivision 26, for a product, including media advertising, or displays or placards posted in retail stores.

Subd. 3. AFFIDAVIT; RECORDS. (a) A dairy plant purchasing milk or cream to be used in products labeled pursuant to subdivision 2 shall require an affidavit approved by the commissioner from producers supplying such milk. This affidavit must be signed by the producer or authorized representative and state that all cows used in the producer's dairy operations have not and will not be treated with rBGH, without advanced written notice of at least 30 days to the dairy plant.

(b) Dairy plants shall keep original affidavits on file for a period of not less than two years after receiving written notice from the producer of anticipated rBGH use, as provided in paragraph (a). These affidavits and corresponding records must be made available for inspection by the commissioner. Dairy plants supplying milk or cream to a processor or manufacturer of a product to be

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labeled pursuant to subdivision 2, for use in that product, shall supply a certification to that processor or manufacturer stating that producers of the supplied milk or cream have executed and delivered affidavits pursuant to paragraph (a).

Subd. 4. SEPARATION OF NONTREATED COWS AND MILK. All milk or cream from non-rBGH-treated cows used in manufacturing or processing of products labeled pursuant to subdivision 2, or milk or cream supplied by a producer under an affidavit pursuant to subdivision 3, must be kept fully separate from any other milk or cream through all stages of storage, transportation, and processing until the milk or resulting dairy products are in final packaged form in a properly labeled container. Records of the separation must be kept by the dairy plant and product processor or manufacturer at all stages and made available to the commissioner for inspection.

Sec. 15. Minnesota Statutes 1992, section 41A.09, subdivision 2, is amended to read:

Subd. 2. **DEFINITIONS.** For purposes of this section the terms defined in this subdivision have the meanings given them.

(a) "Ethanol" means agriculturally derived fermentation ethyl alcohol derived from agricultural products, including potatoes, cereal, grains, cheese whey, and sugar beets, forest products, or other renewable resources, including residue and waste generated from the production, processing, and marketing of agricultural products, forest products, and other renewable resources, that:

(1) meets all of the specifications in ASTM specification D 4806-88; and

(2) is denatured with unleaded gasoline or rubber hydrocarbon solvent as defined in Code of Federal Regulations, title 27, parts 211 and 212, as adopted by the Bureau of Alcohol, Tobacco and Firearms of the United States Treasury Department.

(b) "Wet alcohol" means agriculturally derived fermentation ethyl alcohol having a purity of at least 50 percent but less than 99 percent.

Sec. 16. Minnesota Statutes 1993 Supplement, section 41A.09, subdivision 3, is amended to read:

Subd. 3. **PAYMENTS FROM ACCOUNT.** (a) The commissioner of agriculture shall make cash payments from the account to producers of ethanol or wet alcohol located in the state. These payments shall apply only to ethanol or wet alcohol fermented in the state. The amount of the payment for each producer's annual production shall be as follows:

~~(a)~~ (1) for each gallon of ethanol produced on or before June 30, ~~2000~~ 1995, 20 cents per gallon;

~~(b)~~ (2) for each gallon of ethanol produced on or before June 30, 2010, 25 cents per gallon; and

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(3) for each gallon produced of wet alcohol on or before June 30, ~~2000~~ 2010, a payment in cents per gallon calculated by the formula "alcohol purity in percent divided by five," and rounded to the nearest cent per gallon, but not less than 11 cents per gallon.

The producer payment for wet alcohol under this section may be paid to either the original producer of wet alcohol or the secondary processor, at the option of the original producer, but not to both.

(e) (b) The commissioner shall make payments to producers of ethanol in the amount of 1.5 cents for each kilowatt hour of electricity generated using closed-loop biomass in a cogeneration facility at an ethanol plant located in the state. Payments under this paragraph shall be made only for electricity generated at cogeneration facilities that begin operation by June 30, 2000. The payments apply to electricity generated on or before the date ten years after the producer first qualifies for payment under this paragraph. Total payments under this paragraph in any fiscal year may not exceed \$750,000. For the purposes of this paragraph:

(1) "closed-loop biomass" means any organic material from a plant that is planted exclusively for purposes of being used to generate electricity; and

(2) "cogeneration" means the combined generation of:

(i) electrical or mechanical power; and

(ii) steam or forms of useful energy, such as heat, that are used for industrial, commercial, heating, or cooling purposes.

(c) The total payments from the account to all producers may not exceed ~~\$10,000,000~~ \$20,000,000 in any fiscal year during the period beginning July 1, ~~1993~~ 1994, and ending June 30, ~~2000~~ 2010.* (The changes in the preceding sentence beginning "The" were vetoed by the governor.) Total payments from the account to any producer ~~in any fiscal year~~ under paragraph (a) may not exceed:

(1) \$3,000,000 in fiscal year 1995; and

(2) \$3,750,000 in fiscal year 1996 and subsequent fiscal years.

(d) By the last day of October, January, April, and July, each producer shall file a claim for payment for production during the preceding three calendar months. The volume of production must be verified by a certified financial audit performed by an independent certified public accountant using generally accepted accounting procedures.

(e) Payments shall be made November 15, February 15, May 15, and August 15.

Sec. 17. Minnesota Statutes 1992, section 41A.09, subdivision 5, is amended to read:

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Subd. 5. **EXPIRATION.** This section expires July 1, ~~2000~~ 2010, and the unobligated balance of each appropriation under this section on that date reverts to the general fund.

Sec. 18. Minnesota Statutes 1992, section 84.0887, is amended by adding a subdivision to read:

Subd. 7. GROUP HEALTH AND ACCIDENTAL DEATH INSURANCE. The commissioner may provide group health and accidental death insurance coverage for youth and young adult corps members through an insurance carrier under contract with the National Association of Service and Conservation Corps.

Sec. 19. Minnesota Statutes 1992, section 84.0887, is amended by adding a subdivision to read:

Subd. 8. EDUCATION AWARDS. (a) A person employed as a corps member for one year of continuous service, as determined by standards adopted by the commissioner, and who receives a satisfactory evaluation upon termination of employment may be provided an incentive award of \$500 or an education certificate in an amount not less than \$1,000 nor more than stipulated in the National and Community Service Act (Public Law Number 101-610, United States Code, title 42, sections 12501 through 12681).

(b) The commissioner may authorize a partial incentive award or education certificate to a person employed as a corps member who receives a satisfactory evaluation upon termination of employment if the person is employed as a corps member for less than one year of continuous employment if the commissioner determines that employment was terminated because of special circumstances beyond the control of the corps member. Partial awards may also be made if the person is employed as a corps member for at least ten months but less than one year and the commissioner determines that employment was terminated in order to enable the person to attend an institution of higher education, vocational institution, or other training program or to enable the person to obtain other employment.

(c) The education certificate is valid for seven years after the date of issuance for the payment of tuition, related educational expenses, and required program activity fees at any institution of higher education which accepts the certificate. In instances where a corps member has attained a degree or certificate from an institution of higher education and has an education loan outstanding, the education certificate may be used to repay that loan. The commissioner shall authorize payment to the institution of face value of the certificate upon presentation.

Sec. 20. Minnesota Statutes 1993 Supplement, section 84.872, is amended to read:

84.872 YOUTHFUL SNOWMOBILE OPERATORS; PROHIBITIONS.

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Subdivision 1. RESTRICTIONS ON OPERATION. Notwithstanding anything in section 84.87 to the contrary, no person under 14 years of age shall make a direct crossing of a trunk, county state-aid, or county highway as the operator of a snowmobile, or operate a snowmobile upon a street or highway within a municipality. A person 14 years of age or older, but less than 18 years of age, may make a direct crossing of a trunk, county state-aid, or county highway only if the person has in immediate possession a valid snowmobile safety certificate issued by the commissioner or a valid motor vehicle operator's license issued by the commissioner of public safety or the drivers license authority of another state. No person under the age of 14 years shall operate a snowmobile on any public land, public easements, or water ~~under the jurisdiction of the commissioner~~ unless accompanied by one of the following listed persons on the same or an accompanying snowmobile, or on a device towed by the same or an accompanying snowmobile: the person's parent, legal guardian, or other person 18 years of age or older. However, a person 12 years of age or older may operate a snowmobile on public lands, public easements, and waters ~~under the jurisdiction of the commissioner~~ if the person has in immediate possession a valid snowmobile safety certificate issued by the commissioner.

Subd. 2. OWNER DUTIES. It is unlawful for any person who is the owner or in lawful control of a snowmobile to permit the snowmobile to be operated contrary to the provisions of this section.

Subd. 3. REPORTING CONVICTIONS; SUSPENSIONS. When the judge of a juvenile court, or any of its duly authorized agents, shall determine that any person, while less than 18 years of age, has violated the provisions of sections 84.81 to 84.88, or any other state or local law or ordinance regulating the operation of snowmobiles, the judge, or duly authorized agent, shall immediately report ~~such~~ this determination to the commissioner and may recommend the suspension of the person's snowmobile safety certificate. The commissioner is hereby authorized to suspend the certificate, without a hearing.

Sec. 21. Minnesota Statutes 1992, section 85.015, subdivision 1, is amended to read:

Subdivision 1. **ACQUISITION.** (a) The commissioner of natural resources shall establish, develop, maintain, and operate the trails designated in this section. Each trail shall have the purposes assigned to it in this section. The commissioner of natural resources may acquire lands by gift or purchase, in fee or easement, for the trail and facilities related to the trail.

(b) Notwithstanding the offering to public entities, referral to executive council, public sale and related notice and publication requirements of sections 94.09 to 94.165, the commissioner of natural resources, in the name of the state, may sell surplus lands not needed for trail purposes at private sale to adjoining property owners and leaseholders. The conveyance must be by quitclaim in a form approved by the attorney general for a consideration not less than the appraised value.

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Sec. 22. Minnesota Statutes 1992, section 94.09, subdivision 5, is amended to read:

Subd. 5. On or before November 15 of each even numbered year the commissioner of administration shall report to the governor and the legislature for the two-year period immediately preceding the following:

(a) The lands which state departments and agencies have certified as no longer needed.

(b) The lands which have been determined to be no longer needed for state purposes, regarding which the executive council has been formally notified.

(c) The lands which have been publicly sold.

(d) The trail lands which have been privately sold to adjoining property owners and leaseholders under section 85.015, subdivision 1, paragraph (b).

Sec. 23. Minnesota Statutes 1993 Supplement, section 97A.028, subdivision 3, is amended to read:

Subd. 3. **EMERGENCY DETERRENT MATERIALS ASSISTANCE.** (a) For the purposes of this subdivision, "cooperative damage management agreement" means an agreement between a landowner and the commissioner that establishes a program for addressing the problem of destruction of specialty crops by wild animals on the landowner's property.

(b) A person may apply to the commissioner for emergency deterrent materials assistance in controlling destruction of specialty crops by wild animals. Subject to the availability of money appropriated for this purpose, the commissioner shall provide suitable deterrent materials, up to \$3,000 in value per individual or corporation, when the commissioner determines that:

(1) immediate action is necessary to prevent significant damage from continuing; and

(2) a cooperative damage management agreement cannot be implemented immediately.

(c) As a condition of receiving emergency deterrent materials assistance under this subdivision, a landowner shall enter into a cooperative damage management agreement with the commissioner. Deterrent materials provided by the commissioner may include repellents, fencing materials, or other materials recommended in the agreement to alleviate the damage problem. If requested by a landowner, any fencing materials provided must be capable of providing long-term protection of specialty crops. A landowner may not receive emergency deterrent materials assistance under this subdivision more than once. A landowner who receives emergency deterrent materials assistance under this subdivision shall comply with the terms of the cooperative damage management agreement.

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Sec. 24. Minnesota Statutes 1992, section 97A.441, is amended by adding a subdivision to read:

Subd. 6a. TAKING SMALL GAME; DISABLED VETERANS. A person authorized to issue licenses must issue, without a fee, a license to take small game to a resident who is a veteran, as defined in section 197.447, and who has a 100 percent service connected disability as defined by the United States Veterans Administration upon being furnished satisfactory evidence.

Sec. 25. Minnesota Statutes 1992, section 97A.485, subdivision 8, is amended to read:

Subd. 8. **REDEMPTION OF UNSOLD LICENSES.** The commissioner must redeem unsold licenses submitted within the redemption time prescribed by the commissioner. Licenses that are not submitted for redemption within the prescribed time are considered to have been sold and the auditor or county to whom the licenses were furnished are accountable for them. A county auditor must refund the license fees prepaid by the auditor's subagent for unsold licenses submitted within a time period established by the commissioner. Unsold resident and nonresident 24-hour angling licenses held by a subagent may not be returned prior to the end of the license year unless the appointment of the subagent is revoked under subdivision 3, or voluntarily terminated by the subagent.

Sec. 26. Minnesota Statutes 1993 Supplement, section 97B.071, is amended to read:

97B.071 BLAZE ORANGE REQUIREMENTS.

(a) Except as provided in paragraph (b), a person may not hunt or trap during the open season in a zone or area where deer may be taken by firearms under applicable laws and ordinances, unless the visible portion of the person's cap and outer clothing above the waist, excluding sleeves and gloves, is blaze orange. Blaze orange includes a camouflage pattern of at least 50 percent blaze orange within each foot square. This section does not apply to migratory waterfowl hunters on waters of this state or in a stationary shooting location.

~~This section is effective for the 1994 firearms deer season and subsequent firearms deer seasons. The commissioner of natural resources shall, by way of public service announcements and other means, inform the public of the provisions of this section.~~

(b) The commissioner may, by rule, prescribe an alternative color in cases where paragraph (a) would violate the Religious Freedom Restoration Act of 1993, Public Law Number 103-141.

Sec. 27. Minnesota Statutes 1992, section 103F.725, is amended by adding a subdivision to read:

Subd. 1a. FINANCIAL ASSISTANCE; LOANS. (a) Up to \$10,000,000 of

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the balance in the water pollution control revolving fund in section 446A.07, as determined by the public facilities authority shall be appropriated to the commissioner for the establishment of a clean water partnership loan program.

(b) The agency may award loans for up to 100 percent of the costs associated with activities identified by the agency as best management practices pursuant to section 319 and section 320 of the federal Water Quality Act of 1987, as amended, including associated administrative costs.

(c) Loans may be used to finance clean water partnership grant project eligible costs not funded by grant assistance.

(d) The interest rate, at or below market rate, and the term, not to exceed 20 years, shall be determined by the agency in consultation with the public facilities authority.

(e) The repayment must be deposited in the water pollution control revolving fund under section 446A.07.

(f) The local unit of government receiving the loan is responsible for repayment of the loan.

Sec. 28. Minnesota Statutes 1992, section 103F.745, is amended to read:

103F.745 RULES.

(a) The agency shall adopt rules necessary to implement sections 103F.701 to 103F.761. The rules shall contain at a minimum:

(1) procedures to be followed by local units of government in applying for technical or financial assistance or both;

(2) conditions for the administration of assistance;

(3) procedures for the development, evaluation, and implementation of best management practices;

(4) requirements for a diagnostic study and implementation plan;

(5) criteria for the evaluation and approval of a diagnostic study and implementation plan;

(6) criteria for the evaluation of best management practices;

(7) criteria for the ranking of projects in order of priority for assistance;

(8) criteria for defining and evaluating eligible costs and cost-sharing by local units of government applying for assistance; and

(9) other matters as the agency and the commissioner find necessary for the proper administration of sections 103F.701 to 103F.761, including any rules

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determined by the commissioner to be necessary for the implementation of federal programs to control nonpoint source water pollution.

(b) For financial assistance by loan under section 103F.725, subdivision 1a, criteria established by rule for the clean water partnership grants program shall guide requirements and administrative procedures for the loan program until January 1, 1996, or the effective date of the administrative rules for the clean water partnership loan program, whichever occurs first.

Sec. 29. Minnesota Statutes 1992, section 103F.761, subdivision 2, is amended to read:

Subd. 2. **DUTIES.** (a) The project coordination team shall advise the agency in preparation of rules, evaluate projects, and recommend to the commissioner those projects that the team believes should receive financial or technical assistance or both from the agency. After approval of assistance for a project by the agency, the team shall review project activities and assist in the coordination of the state program with other state and federal resource management programs.

(b) For state agencies or departments receiving funding under section 446A.07, subdivision 6, the project coordination team shall provide guidance for the allocation of water pollution control fund nonpoint source pollution funding with consideration to statewide environmental priorities including priorities for types of projects and geographic or watershed priorities. A subcommittee of the project coordination team will be formed for each of the separate funding areas under section 446A.07, subdivision 6, and shall be chaired by the appropriate lead state agency or department. Each subcommittee shall evaluate and rank projects within its area with consideration given to the guidance provided by the project coordination team.

Sec. 30. Minnesota Statutes 1992, section 115A.5501, subdivision 2, is amended to read:

Subd. 2. **MEASUREMENT; PROCEDURES.** To measure the overall percentage of packaging in the statewide solid waste stream, the ~~commissioner~~ director and the chair of the metropolitan council, in consultation with the ~~director~~ commissioner, shall each conduct an annual ~~four-season~~ solid waste composition study in the nonmetropolitan and metropolitan areas respectively or shall develop an alternative method that is as statistically reliable as a waste composition study to measure the percentage of packaging in the waste stream.

~~Beginning in 1993,~~ The chair of the council shall submit the results from the metropolitan area to the ~~commissioner~~ director by ~~March~~ May 1 of each year. The ~~commissioner~~ director shall average the nonmetropolitan and metropolitan results and submit the statewide percentage, along with a statistically reliable margin of error, to the ~~director~~ commissioner by ~~April 1~~ April 1 of each year. ~~The director shall report the information to the legislative commission on waste management by July 1 of each year.~~

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Sec. 31. Minnesota Statutes 1992, section 116.07, is amended by adding a subdivision to read:

Subd. 11. PERMITS; LANDFARMING CONTAMINATED SOIL. (a) If the agency receives an application for a permit to spread soil contaminated by a harmful substance as defined in section 115B.25, subdivision 7a, on land in a township other than the township of origin of the soil, the agency must notify the board of the township where the spreading would occur at least 60 days prior to issuing the permit.

(b) The agency must not issue a permit to spread contaminated soil on land outside the township of origin if, by resolution, the township board of the township where the soil is to be spread requests that the agency not issue a permit.

Sec. 32. Minnesota Statutes 1992, section 116.182, subdivision 2, is amended to read:

Subd. 2. APPLICABILITY. This section governs the commissioner's certification of applications for projects seeking financial assistance under section 103F.725, subdivision 1a, 446A.07, or 446A.071.

Sec. 33. Minnesota Statutes 1992, section 116.182, subdivision 3, is amended to read:

Subd. 3. PROJECT REVIEW. The commissioner shall review a municipality's proposed project and financial assistance application to determine whether they meet it meets the criteria in this section and the rules adopted under this section. The review must include a determination of the essential project components for wastewater treatment projects.

Sec. 34. Minnesota Statutes 1992, section 116.182, subdivision 4, is amended to read:

Subd. 4. CERTIFICATION OF APPROVED PROJECTS. The commissioner shall certify to the authority each approved application project, including for wastewater treatment projects a statement of the essential project components and associated costs.

Sec. 35. Minnesota Statutes 1992, section 116.182, subdivision 5, is amended to read:

Subd. 5. RULES. The agency shall adopt rules for the administration of the financial assistance program. For wastewater treatment projects, the rules must include:

(1) application requirements;

(2) criteria for the ranking of projects in order of priority based on factors including the type of project and the degree of environmental impact, and scenic and wild river standards; and

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

(3) criteria for determining essential project components.

Sec. 36. Minnesota Statutes 1992, section 151.01, subdivision 28, is amended to read:

Subd. 28. **VETERINARY LEGEND DRUG.** "Veterinary legend drug" means ~~biosynthetic bovine somatotropin (BST) until June 12, 1992, or a drug that is required by federal law to bear the following statement: "Caution: Federal law restricts this drug to use by or on the order of a licensed veterinarian."~~

Sec. 37. Minnesota Statutes 1992, section 151.15, subdivision 3, is amended to read:

Subd. 3. **UNLICENSED PERSONS; VETERINARY LEGEND DRUGS.** It shall be unlawful for any person other than a licensed veterinarian or pharmacist to compound or dispense veterinary legend drugs except as provided in this chapter. ~~Until June 12, 1992, a veterinarian or veterinarian's assistant may use biosynthetic bovine somatotropin (BST) for medical or research purposes only. Biosynthetic bovine somatotropin (BST) may not be dispensed to, used by, or administered by a person who is not a licensed veterinarian or a veterinarian's assistant under the veterinarian's supervision.~~

Sec. 38. Minnesota Statutes 1992, section 151.25, is amended to read:

151.25 REGISTRATION OF MANUFACTURERS; FEE; PROHIBITIONS.

The board shall require and provide for the annual registration of every person engaged in manufacturing drugs, medicines, chemicals, or poisons for medicinal purposes, now or hereafter doing business with accounts in this state. Upon a payment of a fee as set by the board, the board shall issue a registration certificate in such form as it may prescribe to such manufacturer. Such registration certificate shall be displayed in a conspicuous place in such manufacturer's or wholesaler's place of business for which it is issued and expire on the date set by the board. It shall be unlawful for any person to manufacture drugs, medicines, chemicals, or poisons for medicinal purposes unless such a certificate has been issued to the person by the board. It shall be unlawful for any person engaged in the manufacture of drugs, medicines, chemicals, or poisons for medicinal purposes, or the person's agent, to sell legend drugs ~~or biosynthetic bovine somatotropin (BST) until June 12, 1992,~~ to other than a pharmacy, except as provided in this chapter.

Sec. 39. Minnesota Statutes 1992, section 296.02, subdivision 7, is amended to read:

Subd. 7. **TAX CREDIT FOR AGRICULTURAL ALCOHOL GASOLINE.** Until October 1, 1997, a distributor shall be allowed a credit on each gallon of denatured ethanol commercially blended with gasoline or blended in a tank truck with gasoline on which the tax imposed by subdivision 1 is due and pay-

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able. Denatured ethanol is defined in section 296.01, subdivision 13. After June 30, 1987, The amount of the credit for every gallon of denatured ethanol blended with gasoline to produce agricultural alcohol gasoline is:

- (1) until October 1, 1994, 20 cents;
- (2) until October 1, 1995, 15 cents;
- (3) until October 1, 1996, ten cents; and
- (4) until October 1, 1997, five cents.

The credit allowed a distributor must not exceed the total tax liability under subdivision 1. The tax credit received by a distributor on denatured ethanol blended with motor fuels shall be passed on to the retailer.

Sec. 40. Minnesota Statutes 1992, section 446A.02, subdivision 1, is amended to read:

Subdivision 1. **APPLICABILITY.** For the purposes of ~~sections 446A.01 to 446A.09~~ this chapter, the terms in this section have the meanings given them.

Sec. 41. Minnesota Statutes 1992, section 446A.02, is amended by adding a subdivision to read:

Subd. 1a. AGENCY. "Agency" means the Minnesota pollution control agency.

Sec. 42. Minnesota Statutes 1993 Supplement, section 446A.03, subdivision 1, is amended to read:

Subdivision 1. **MEMBERSHIP.** The Minnesota public facilities authority consists of the commissioner of trade and economic development, the commissioner of finance, the commissioner of the pollution control agency, the commissioner of agriculture, ~~and three additional members appointed by the governor from the general public with the advice and consent of the senate~~ the commissioner of health.

Sec. 43. Minnesota Statutes 1992, section 446A.03, is amended by adding a subdivision to read:

Subd. 3a. DELEGATION. In addition to any powers to delegate that members of the authority have as commissioners, they may delegate to the commissioner of trade and economic development their responsibilities as members of the authority for reviewing and approving financing of eligible projects that have been certified to the authority.

Sec. 44. Minnesota Statutes 1992, section 446A.07, subdivision 4, is amended to read:

Subd. 4. **INTENDED USE PLAN.** The pollution control agency shall

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

annually prepare and submit to the United States Environmental Protection Agency an intended use plan. The plan must identify the intended uses of the amounts available to the water pollution control revolving fund, including a list of wastewater treatment and storm water projects and all other eligible activities to be funded during the fiscal year. Information regarding eligible activities must be submitted to the pollution control agency by the appropriate state agency or department within 30 days of written notification by the pollution control agency. The pollution control agency may not submit the plan until it has received the review and comment of the authority or until 30 days have elapsed since the plan was submitted to the authority, whichever occurs first.

Sec. 45. Minnesota Statutes 1992, section 446A.07, subdivision 6, is amended to read:

Subd. 6. **AWARD AND TERMS OF LOANS.** The authority shall award loans to those municipalities and other entities certified by the pollution control agency; or shall provide funding for the appropriate state agency or department to make loans for eligible activities certified by the pollution control agency provided the use of funds and the terms and conditions of the loans ~~must be~~ are in conformance with the Federal Water Pollution Control Act, this section, and rules of the pollution control agency; and the authority adopted under this section.

Sec. 46. Minnesota Statutes 1992, section 446A.07, subdivision 8, is amended to read:

Subd. 8. **OTHER USES OF REVOLVING FUND.** The water pollution control revolving fund may be used as provided in title VI of the Federal Water Pollution Control Act, including the following uses:

(1) to buy or refinance the debt obligation of governmental units for treatment works where debt was incurred and construction begun after March 7, 1985, at or below market rates;

(2) to guarantee or purchase insurance for local obligations to improve credit market access or reduce interest rates;

(3) to provide a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds issued by the authority if the bond proceeds are deposited in the fund;

(4) to provide loan guarantees, loans, or set-aside for similar revolving funds established by a governmental unit other than state agencies, or state agencies under sections 11, 27, 116J.403, 116J.617, and 462A.05; provided that no more than \$2,000,000 of the balance in the fund may be used for the small cities block grant program under section 116J.403 and the tourism loan program under section 116J.617, taken together, and no more than \$2,000,000 of the balance in the fund may be used for home improvement loan programs under section 462A.05;

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

(5) to earn interest on fund accounts; and

(6) to pay the reasonable costs incurred by the authority and the agency of administering the fund and conducting activities required under the Federal Water Pollution Control Act, including water quality management planning under section 205(j) of the act and water quality standards continuing planning under section 303(e) of the act.

Amounts spent under clause (6) may not exceed the amount allowed under the Federal Water Pollution Control Act.

Sec. 47. Minnesota Statutes 1992, section 446A.07, subdivision 9, is amended to read:

Subd. 9. **PAYMENTS.** Payments from the fund must be made in accordance with the applicable state and federal law governing the payments, except that for projects other than those funded under section 11, 27, 116J.403, 116J.617, or 462A.05, no payment for a project may be made to a governmental unit until and unless the authority has determined the total estimated cost of the project and ascertained that financing of the project is assured by:

(1) a loan authorized by state law or the appropriation of proceeds of bonds or other money of the governmental unit to a fund for the construction of the project; and

(2) an irrevocable undertaking, by resolution of the governing body of the governmental unit, to use all money made available for the project exclusively for the project, and to pay any additional amount by which the cost of the project exceeds the estimate by the appropriation to the construction fund of additional money or the proceeds of additional bonds to be issued by the governmental unit.

Sec. 48. Minnesota Statutes 1992, section 446A.07, subdivision 11, is amended to read:

Subd. 11. **RULES OF THE AGENCY.** The agency shall adopt rules relating to the procedure for preparation of the annual intended use plan and other matters that the agency considers necessary for proper loan administration. Eligible activities are those required under the federal Water Pollution Control Act of 1987, as amended.

Sec. 49. Minnesota Statutes 1992, section 446A.071, subdivision 1, is amended to read:

Subdivision 1. **ESTABLISHMENT OF THE PROGRAM.** (a) The authority shall establish the wastewater infrastructure funding program to provide supplemental assistance, as provided in rules of the authority, to municipalities that receive loans or other assistance from the water pollution control revolving fund under section 446A.07 for wastewater treatment projects excluding storm water projects.

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

(b) The authority may secure funds for the wastewater infrastructure funding program through state appropriations; any source identified in section 446A.04 which may be designated by the authority for the purposes of this section; and any federal funding appropriated by Congress that may be used for the purposes of this section.

(c) The authority may set aside up to ten percent of the money appropriated to the wastewater infrastructure funding program for wastewater projects that are necessary to accommodate economic development projects.

Sec. 50. [446A.081] DRINKING WATER REVOLVING FUND.

Subdivision 1. DEFINITIONS. (a) For the purposes of this section, the terms in this subdivision have the meanings given them.

(b) "Act" means the federal Drinking Water Infrastructure Financing Act.

(c) "Department" means the department of health.

Subd. 2. ESTABLISHMENT OF FUND. The authority shall establish a drinking water revolving fund to provide loans and other forms of financial assistance authorized by the act, as determined by the authority under the rules adopted under this section for the purposes and eligible costs authorized under the act. The fund must be credited with repayments. The act requires that the fund corpus must be managed so as to be available in perpetuity for the financing of drinking water systems in the state. At a minimum, 15 percent of the funds received each federal fiscal year shall be available solely for providing loans to public water systems which regularly serve fewer than 10,000 individuals.

Subd. 3. STATE FUNDS. A state matching fund is established to be used in compliance with federal matching requirements specified in the act.

Subd. 4. CAPITALIZATION GRANT AGREEMENT. The authority shall enter into an agreement with the administrator of the United States Environmental Protection Agency to receive capitalization grants for the fund. The authority and the department may exercise the powers necessary to comply with the requirements specified in the agreement.

Subd. 5. INTENDED USE PLAN. The authority shall annually prepare and submit to the United States Environmental Protection Agency an intended use plan. The plan must identify the intended uses of the amounts available to the drinking water revolving loan fund. The department shall provide a prioritized list of drinking water projects and other eligible activities to be considered for funding by the authority. The plan may be amended by the authority and include additional eligible projects proposed by the department.

Subd. 6. APPLICATIONS. Applications by municipalities, privately owned public water systems, and eligible entities identified in the annual intended use plan for loans from the fund must be made to the authority on the forms prescribed by the rules of the authority and the rules of the department adopted under this section. The authority shall forward the application to the department within ten days of receipt. The department shall approve those

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applications that appear to meet the criteria in the act, this section, and the rules of the department or the authority.

Subd. 7. AWARD AND TERMS OF LOANS. The authority shall award loans to those municipalities, privately owned public water systems, and other eligible entities approved by the department, provided that the applicant is able to comply with the terms and conditions of the authority loan, which must be in conformance with the act, this section, and the rules of the authority adopted under this section.

Subd. 8. LOAN CONDITIONS. (a) When making loans from the drinking water revolving fund, the authority shall comply with the conditions of the act, including the criteria in paragraphs (b) to (e).

(b) Loans must be made at or below market interest rates, including zero interest loans, for terms not to exceed 20 years.

(c) The annual principal and interest payments must begin no later than one year after completion of the project. Loans must be amortized no later than 20 years after project completion.

(d) A loan recipient must identify and establish a dedicated source of revenue for repayment of the loan, and provide for a source of revenue to properly operate, maintain, and repair the water system.

(e) The fund must be credited with all payments of principal and interest on all loans, except the costs as permitted under section 446A.04, subdivision 5, paragraph (a).

Subd. 9. OTHER USES OF FUND. The drinking water revolving loan fund may be used as provided in the act, including the following uses:

(1) to buy or refinance the debt obligations, at or below market rates, of public water systems for drinking water systems, where such debt was incurred after the date of enactment of the act, for the purposes of construction of the necessary improvements to comply with the national primary drinking water regulations under the federal Safe Drinking Water Act;

(2) to purchase or guarantee insurance for local obligations to improve credit market access or reduce interest rates;

(3) to provide a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds issued by the authority if the bond proceeds are deposited in the fund;

(4) to provide loans or loan guarantees for similar revolving funds established by a governmental unit or state agency;

(5) to earn interest on fund accounts; and

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(6) to pay the reasonable costs incurred by the authority and the department for conducting activities as authorized and required under the act up to the limits authorized under the act.

Subd. 10. PAYMENTS. Payments from the fund to borrowers must be in accordance with the applicable state and federal laws governing such payments, except no payment for a project may be made to a borrower until and unless the authority has determined that the total estimated cost of the project and the financing of the project are assured by:

(1) a loan authorized by state law or appropriation of proceeds of bonds or other money of the borrower to a fund for the construction of the project; and

(2) an irrevocable undertaking, by resolution of the governing body of the borrower, to use all money made available for the project exclusively for the project, and to pay any additional amount by which the cost of the project exceeds the estimate by the appropriation to the construction fund of additional money or proceeds of additional bonds to be issued by the borrower.

Subd. 11. RULES OF THE AUTHORITY. The commissioner of trade and economic development shall adopt rules containing the procedures for the administration of the authority's duties as provided by this section that include: setting of interest rates, which shall take into account the financial need of the applicant; the amount of project financing to be provided; the collateral required for public drinking water systems and for privately owned public water systems; dedicated sources of revenue or income streams to ensure repayment of loans; and the requirements to ensure proper operation, maintenance, and repair of the water systems financed by the authority.

Subd. 12. RULES OF THE DEPARTMENT. The department shall adopt rules relating to the procedures for administration of the department's duties under the act and this section. The department and the commissioner of the department of trade and economic development may adopt a single set of rules for the program.

Sec. 51. Minnesota Statutes 1992, section 446A.11, subdivision 1, is amended to read:

Subdivision 1. **POWERS.** In implementing the purposes and the programs transferred to the authority by section 446A.10, subdivision 2 described in this chapter, the authority has the powers in this section.

Sec. 52. Minnesota Statutes 1992, section 446A.12, subdivision 1, is amended to read:

Subdivision 1. **BONDING AUTHORITY.** The authority may issue negotiable bonds in a principal amount that the authority determines necessary to provide sufficient funds for achieving its purposes, including the making of loans and purchase of securities, the payment of interest on bonds of the authority, the

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establishment of reserves to secure its bonds, the payment of fees to a third party providing credit enhancement, and the payment of all other expenditures of the authority incident to and necessary or convenient to carry out its corporate purposes and powers, but not including the making of grants. Bonds of the authority may be issued as bonds or notes or in any other form authorized by law. The principal amount of bonds issued and outstanding under this section at any time may not exceed ~~\$250,000,000~~ \$350,000,000.

Sec. 53. Minnesota Statutes 1992, section 446A.15, subdivision 6, is amended to read:

Subd. 6. **CERTIFICATION AND BUDGET REQUEST.** To assure the payment of the principal of and interest on bonds of the authority issued prior to January 1, 1994, and the continued maintenance of all debt service reserve funds created and established for that payment, the authority shall annually determine and certify to the governor, on or before December 1, the following amounts:

(1) the amount then needed to restore each debt service reserve fund securing in whole or in part the payment of principal of and interest on bonds of the authority issued prior to January 1, 1994, to the minimum amount required by the resolution or indenture establishing the fund, but not exceeding the maximum amount of principal and interest to become due and payable in any later year on all bonds issued prior to January 1, 1994, that are then outstanding and secured by the fund; and

(2) the amount determined by the authority to be needed in the immediately ensuing fiscal year, with other funds pledged and estimated to be received during that year, for the payment of the principal and interest due and payable in that year on all then outstanding bonds secured by a debt service reserve fund securing in whole or in part the payment of principal of and interest on bonds of the authority issued prior to January 1, 1994, the amount of which is then less than the minimum amount agreed, but not exceeding the maximum amount of principal and interest to become due and payable in the immediately ensuing fiscal year on bonds prior to January 1, 1994.

The governor shall include in the proposed biennial budget for the following fiscal year, or in a supplemental budget if the biennial budget has previously been approved, the amounts certified by the authority in accordance with this subdivision.

Sec. 54. Minnesota Statutes 1992, section 477A.12, is amended to read:

477A.12 ANNUAL APPROPRIATIONS; LANDS ELIGIBLE; CERTIFICATION OF ACREAGE.

There is annually appropriated to the commissioner of natural resources from the general fund for payment to counties within the state an amount equal to:

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

(1) for acquired natural resources land, \$3 multiplied by the number of acres of acquired natural resources land, or three-fourths of one percent of the appraised value, whichever is greater;

(2) ~~75~~ 85 cents multiplied by the number of acres of county-administered other natural resources land; and

(3) ~~37.5~~ 42 cents multiplied by the number of acres of commissioner-administered other natural resources land located in each county as of July 1 of each year.

Lands for which payments in lieu are made pursuant to section 97A.061, subdivision 3, and Laws 1973, chapter 567, shall not be eligible for payments under this section. Each county auditor shall certify to the department of natural resources during July of each year the number of acres of county-administered other natural resources land within the county. The department of natural resources may, in addition to the certification of acreage, require descriptive lists of land so certified. The commissioner of natural resources shall determine and certify the number of acres of acquired natural resources land and commissioner-administered natural resources land within each county.

For the purposes of this section, the appraised value of acquired natural resources land is the purchase price for the first five years after acquisition. The appraised value of acquired natural resources land received as a donation is the value determined for the commissioner of natural resources by a licensed appraiser, or the county assessor's estimated market value if no appraisal is done. The appraised value must be determined by the county assessor every five years after the land is acquired.* (The changes in section 54 were vetoed by the governor.)

Sec. 55. Minnesota Statutes 1993 Supplement, section 477A.14, is amended to read:

477A.14 USE OF FUNDS.

Forty percent of the total payment to the county shall be deposited in the county general revenue fund to be used to provide property tax levy reduction. The remainder shall be distributed by the county in the following priority:

(a) ~~37.5~~ 42.5 cents for each acre of county-administered other natural resources land shall be deposited in a resource development fund to be created within the county treasury for use in resource development, forest management, game and fish habitat improvement, and recreational development and maintenance of county-administered other natural resources land. Any county receiving less than \$5,000 annually for the resource development fund may elect to deposit that amount in the county general revenue fund;

(b) From the funds remaining, within 30 days of receipt of the payment to the county, the county treasurer shall pay each organized township 30 cents per

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acre of acquired natural resources land and 7.5 8.5 cents per acre of other natural resources land located within its boundaries. Payments for natural resources lands not located in an organized township shall be deposited in the county general revenue fund. Payments to counties and townships pursuant to this paragraph shall be used to provide property tax levy reduction. Provided that, if the total payment to the county pursuant to section 477A.12 is not sufficient to fully fund the distribution provided for in this clause, the amount available shall be distributed to each township and the county general revenue fund on a pro rata basis; and

(c) Any remaining funds shall be deposited in the county general revenue fund. Provided that, if the distribution to the county general revenue fund exceeds \$35,000, the excess shall be used to provide property tax levy reduction.

Sec. 56. SUSTAINABLE ECONOMIC DEVELOPMENT AND ENVIRONMENTAL PROTECTION TASK FORCE; STAFF.

Subdivision 1. PURPOSE; TASK FORCE MEMBERSHIP. In order to build a consensus on how to achieve the sustainable economic development and environmental protection goals of the environmental quality board sustainable development initiative throughout the state, the sustainable economic development and environmental protection task force is established. The task force consists of 17 members who serve at the pleasure of the appointing authority as follows:

(1) six legislators, including three members of the senate appointed by the subcommittee on committees of the committee on rules and administration, and three members of the house of representatives appointed by the speaker of the house; and

(2) 11 public members who are residents of the state, appointed by the chair of the environmental quality board. Of the 11 members appointed by the chair of the environmental quality board, at least one member shall represent towns, one member shall represent cities, one member shall represent counties, and one shall represent regional development commissions.

At least one legislator from each house appointed under clause (1) must be a member of the minority caucus.

Subd. 2. CHAIRS. The legislative appointing authorities shall designate a legislative appointee to serve as co-chair of the task force and the chair of the environmental quality board shall designate one of the 11 public members as the other co-chair.

Subd. 3. STAFF. The environmental quality board shall provide coordination and staff support for the task force.

Subd. 4. SUNSET. The task force shall expire on June 30, 1995, at which time a final report and recommendation are due.

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Sec. 57. DUTIES.

The task force shall research and recommend:

(1) what policies or goals are of statewide interest relating to sustainable communities and land use that should guide decision making at state, regional, and local levels;

(2) what planning framework and process will enhance collaboration at all levels to help achieve the goals; and

(3) how the planning framework will incorporate the following nonexclusive list of issues: sustainable economic development, protection of natural resources, urban-rural linkages, and citizen involvement.

Sec. 58. PUBLIC INVOLVEMENT.

The environmental quality board and the task force shall ensure extensive, broad-based involvement of citizens and both public and private sectors in the recommendations. The environmental quality board may contract with facilitators or other consultants to help ensure extensive public participation and to help incorporate public comments into the process.

Sec. 59. REPORT.

By January 1, 1995, the environmental quality board and the task force shall submit to the governor and the legislature an initial report of the task force's and the board's findings and recommendations for legislation.

Sec. 60. PAYMENTS IN LIEU OF TAXES; ACQUIRED NATURAL RESOURCES LANDS.

(a) The payments required to be made in July 1994 under section 54 must be made as provided in this section.

(b) In July 1994, the commissioner of natural resources shall make payments to counties based on the per-acre amounts in section 54.

(c) By December 1, 1994, each county auditor shall certify the total appraised value of natural resources land acquired in the county prior to July 1, 1990, or shall certify that the county will accept payment of \$3 per acre of acquired natural resources land in the county as payment in full of amounts due under section 54, clause (1). The commissioner shall make payments of any additional amounts due under section 54, clause (1), by March 1, 1995.

Sec. 61. ST. LOUIS COUNTY WASTE LOANS.

Any outstanding St. Louis county obligations for grants and loans for construction or operation of the Babbitt waste tire facility under Minnesota Statutes 1986, section 116M.07, or Minnesota Statutes, section 115A.54, subdivision 2a, or 298.22, are canceled. If the Babbitt waste tire facility is sold, and if the revenue from the sale exceeds the outstanding principal and interest owed to St. Louis county, the excess revenue must be paid to the state.

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

Sec. 62. WINONA COUNTY SOLID WASTE GRANT OR LOAN FORGIVEN.

Notwithstanding Minnesota Statutes 1992, section 115A.54, subdivision 3, the awarding resolution, or the agreement between Winona county and the state acting through the office of waste management, formerly the waste management board, Winona county need not repay the outstanding balance of the grant or loan made to it under Minnesota Statutes, section 115A.54, subdivision 2.

Sec. 63. OVERHEAD POWER LINE RELOCATION.

An electric public utility company having overhead electric power lines within Indian Mounds Park in the city of Saint Paul must remove the support structures and remove, relocate, or bury the power lines by October 1, 1995.

Sec. 64. MINNESOTA ZOOLOGICAL BOARD STUDY.

The Minnesota Zoological board shall study alternatives to the two free days per month requirement in Minnesota Statutes 1992, section 85A.02, subdivision 17. Alternatives to be considered shall include, but not be limited to:

(1) distributing free admission tickets equal to ten percent of the average total yearly admissions; and

(2) limiting the number of admissions on free days.

Alternatives to be considered must promote zoo visits by low-income residents of Minnesota, and shall include proposals for transporting visitors to and from the zoo.

By January 1, 1995, the board shall submit a report to the house committee on environment and natural resources finance and the senate environment and natural resources finance division. The report must include an implementation plan for the 1995 season.

Sec. 65. LEWIS AND CLARK PROJECT.

Subdivision 1. NEGOTIATIONS; COORDINATION. (a) The governor or an agency designated by the governor may enter into negotiations with appropriate officials and agencies of the United States for purposes of obtaining financial support for the construction of the proposed Lewis and Clark rural water system in southwestern Minnesota.

(b) The governor or designated agency shall cooperate with local project sponsors of the Lewis and Clark rural water system to coordinate state water policy issues and respond to proposals to establish federal financial participation. Local sponsors shall contribute funds in combination with the state in order to match funds provided by the United States. The state cost share shall not exceed 50 percent of the total nonfederal match required for Minnesota project features. The amount contributed by the state of Minnesota for project construction shall be subject to the express appropriation of the legislature.

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

Subd. 2. WORK PROGRAM; PROGRESS REPORTS. (a) The southwest regional development commission shall submit a work program for approval by the commissioner before spending any money appropriated for the purposes of this paragraph under section 5, subdivision 2. The work program shall indicate the activities to be undertaken by the Lewis and Clark rural water system and the four participating Minnesota systems in the following areas:

(1) water conservation activities including leak detection, water use restrictions, water pricing policies, and public education;

(2) groundwater protection activities, including public education programs and technical assistance provided to local water systems;

(3) reporting and coordination of water exploration activity with the Minnesota geological survey and the department of natural resources;

(4) evaluation of constructed or restored wetlands options to address wastewater disposal and interbasin transfer issues at the city of Worthington. The options to be evaluated shall, at a minimum, include establishment of constructed or restored wetlands in the Okabena-Ocheda and Middle Des Moines watershed districts.

(b) An annual progress report on the work program elements shall be prepared by the southwest regional development commission in cooperation with the Lewis and Clark rural water system and the participating Minnesota systems and shall be submitted to the commissioner of natural resources and the legislative water commission by February 15 each year.

Sec. 66. NONSEVERABILITY.

Sections 15 to 17 and 39 are not severable. If the appropriation in section 16 is vetoed, sections 15 to 17 and 39 are void.

Sec. 67. REPEALER.

Minnesota Statutes 1992, sections 446A.03, subdivision 3, and 446A.08, are repealed.

Sec. 68. EFFECTIVE DATE.

(a) Except as provided in paragraph (c), this article is effective the day following final enactment.

(b) Section 31 applies to an application for a permit for land spreading of contaminated soil received by the pollution control agency on or after the effective date of section 31 or that is pending on that date.

(c) Section 16, paragraph (b), is effective July 1, 1995, and applies to electricity generated on or after that date.

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ARTICLE 3

STATE GOVERNMENT

Section 1. STATE GOVERNMENT APPROPRIATIONS.

The sums set forth in the columns headed "APPROPRIATIONS" are appropriated from the general fund, or another named fund, to the agencies for the purposes specified in this article and are added to appropriations for the fiscal years ending June 30, 1994, and June 30, 1995, in Laws 1993, chapter 192, or another named law.

SUMMARY BY FUND

	1994	1995
General Fund	\$ 95,000	\$ 17,987,000
	APPROPRIATIONS Available for the Year Ending June 30	
	1994	1995
Sec. 2. LEGISLATURE	\$	\$ 200,000
This amount is for the legislative auditor to conduct a best practices review.		
Sec. 3. BOARD OF JUDICIAL STANDARDS	60,000	24,000
These appropriations are added to the appropriations in Laws 1993, chapter 192, section 6, and are for professional and technical services involving the investigations of complaints presented to the board.		
Sec. 4. SECRETARY OF STATE		
Voter Information Telephone Line		80,000*
(Section 4 was vetoed by the governor.)		
Sec. 5. ATTORNEY GENERAL		
(a) Intellectual Property Agreements		161,000
This appropriation is to carry out the attorney general's duties under new Minnesota Statutes, section 16B.483.* (The material beginning "Sec. 5." and ending "16B.483" was vetoed by the governor.)		
(b) Long-Term Care Appeals		

The commissioner of human services is directed to transfer \$178,000 in fiscal year 1994 and \$178,000 in fiscal year 1995, to the special revenue fund to fund the appropriation from the special project account created in Minnesota Statutes, section 256.01, subdivision 2, clause (15), for costs incurred in the resolution of long-term care appeals in Laws of 1993, chapter 192, section 11, subdivision 3.

Sec. 6. OFFICE OF STRATEGIC
AND LONG-RANGE PLANNING

823,000

\$563,000 is added to the appropriation in Laws 1993, chapter 192, section 14, and is to support the state's contribution and final payment to the Great Lakes protection fund.

\$100,000 is for the purpose of maintaining a computerized database of the results of groundwater quality monitoring required in Minnesota Statutes, section 103H.175.

\$150,000 is for a study by the environmental quality board of the option of including the University of Minnesota heating system in a thermal network that would include one or more of the existing thermal network energy systems in Minneapolis and St. Paul.* **(The preceding paragraph beginning "\$150,000" was vetoed by the governor.)**

\$10,000 is for a study by the environmental quality board of the issue of environmental justice as defined by the United States Environmental Protection Agency and as described in Executive Order No. 12898, issued February 11, 1994. The board shall make recommendations by January 1, 1995, to the environment and natural resources committees of the senate and house of representatives.* **(The preceding paragraph beginning "\$10,000" was vetoed by the governor.)**

Sec. 7. ADMINISTRATION

5,000

683,000

\$107,000 in fiscal year 1995 is for agency relocations.

\$126,000 in fiscal year 1995 is to pay real estate taxes due and payable against history center property for the year 1986.

\$400,000 is added to the appropriation in Laws 1993, chapter 192, section 15, subdivision 7, and is to support activities related to the information access council created in Minnesota Statutes, section 15.95.

\$25,000 is for transfer to the University of Minnesota, for purposes of convening a planning group related to an information and telecommunications institute. The planning group shall develop and submit to the state government finance divisions in the house of representatives and the senate by December 1, 1994, a legislative proposal for establishing the institute. The proposal must be developed in consultation with other post-secondary education institutions, entities that provide telecommunication and information services for elementary and secondary educational institutions, libraries, Minnesota Technology, Inc., the department of trade and economic development, telephone companies and telecommunication carriers, potential users of improved telecommunications technology, and other interested persons. The report must include at least: a proposed structure for the institute, including its physical location; proposed membership in the institute; proposed scope of authorities and responsibilities of the institute; and proposed financing for the institute.

\$25,000 is for the central Minnesota

STARS region to install and administer a regional telecommunications pilot project to validate the STARS telecommunications regions' development study findings; to replicate the creation of a regional telecommunications network statewide as set forth in Laws 1992, chapter 513, article 4, section 13; and to develop a master plan for regional telecommunications. The funds must be matched in-kind or monetarily dollar-for-dollar by the region. This appropriation is available until June 30, 1995.

The master plan must include a technology assessment that compares the function, performance, benefits, and costs of available telecommunications technologies, including full and fractional DS1 narrowband communications, DS3 wideband communications, and AM and FM video on fiber optics. The master plan should review regional requirements for telecommunications and make recommendations on the standardization of telecommunications architecture in relation to the technology assessment. The master plan must establish a policy for participation in a regional communications system.

Selection of participants must be based on geographical proximity and natural connections within the general regional areas surrounding St. Cloud, Willmar, and Brainerd. Participants must be by those entities in the following categories: education, state and local governments, and other public service entities including, but not limited to, libraries, courts and criminal justice agencies, health and human services agencies, community and economic development organizations, and cultural and non-profit organizations or institutions.

Participants shall demonstrate collaboration with one or more other entities in

making their connections to the regional system.

Participants in the pilot project and master plan must be represented on a regional advisory organization and together determine the design of the pilot and future master plan of regional telecommunications systems.

\$5,000 the first year is for KSMQ-TV to conduct an engineering study for the placement of a remote transmitter to broadcast throughout the entire southeasternmost region of Minnesota. Any amount not spent in the first year is available in the second year.

\$100,000 of the money appropriated in section 8 for the statewide systems project is for transfer to the information policy office for an evaluation of the statewide systems project, to be conducted by an entity not associated with the project, selected by the information policy office. The evaluation must consider the project from the point of view of the highest benefit to the state, and must make a progress report of its conclusions to the chairs of the house of representatives and senate state government finance divisions and to the legislative commission on planning and fiscal policy by January 15, 1995. Money previously appropriated to the information policy office may be used for this evaluation.

Sec. 8. FINANCE

30,000

14,845,000

\$14,600,000 the second year is added to the appropriation in Laws 1993, chapter 192, section 17, subdivision 3, and is for the statewide systems project to redesign and implement the new statewide accounting, payroll, procurement, human resource, and information access systems. This appropriation is non-recurring and is available until spent.

\$30,000 the first year and \$245,000 the second year are for the statewide performance and outcomes monitoring system to facilitate the compliance with Laws 1993, chapter 192, section 40.

The commissioner of finance must cancel \$68,042 to the general fund or any unliquidated balance in the TRA prior year account previously maintained for satisfying the state obligation under Laws 1985, First Special Session chapter 12, article 11, section 19, which is repealed.

Sec. 9. EMPLOYEE RELATIONS

70,000

\$3,500,000 the second year is transferred from the insurance trust fund created in Minnesota Statutes, section 43A.316, subdivision 9, to the general fund.

\$20,000 the second year is to assist the public employees insurance task force established in section 63 in research, obtaining expert witnesses, and hiring consultants.* **(The preceding paragraph beginning "\$20,000" was vetoed by the governor.)**

\$50,000 the second year is for the stress program study required in section 64.* **(The preceding paragraph beginning "\$50,000" was vetoed by the governor.)**

The contribution account under Minnesota Statutes, sections 355.04 and 355.06, administered by the commissioner of employee relations is eliminated through repeal, and the commissioner of finance is directed under Minnesota Statutes, section 16A.62, to transfer and cancel to the general fund any remaining balance in the FICA clearing account. The amount to be canceled is estimated to be \$354,000.

The balance in the account administered by the commissioner of employee relations related to the career executive service program under Minnesota Statutes, section 43A.21, subdivision 5, which has been repealed, shall cancel to the general fund. The amount to cancel in fiscal year 1994 is \$32,709.

The commissioner of employee relations must conduct a study of the compensation policies of the Minnesota state high school league. The league must provide all information requested by the commissioner for the study. The study must evaluate all forms of compensation, including salaries, health insurance, pensions, and other benefits provided to staff. The report must be provided to the education committees of the house of representatives and the senate and to the governmental operations and gambling committee of the house and the governmental operations and reform committee of the senate by February 15, 1995.

Sec. 10. AMATEUR SPORTS COMMISSION

300,000

This amount is to be used to make a grant to the Minnesota Chippewa tribe to help offset the costs of promoting and hosting the 1995 Indigenous Games. The appropriation is available until June 30, 1995, but the grant may not be made unless matched by an equal amount from nonpublic sources.

Sec. 11. HUMAN RIGHTS

279,000

This appropriation is added to the appropriation in Laws 1993, chapter 192, section 21, and is to enhance information systems and to implement the strategic information plan submitted to the information policy office.

Sec. 12. MILITARY AFFAIRS

50,000

This appropriation is to the adjutant general for a grant to the Minnesota National Guard youth camp to set up and provide initial funding for a foundation to run the camp. The appropriation must be matched by an equal amount from nonstate sources.

Sec. 13. VETERANS AFFAIRS

472,000

(a) County Veterans Services Officers

Of this appropriation, \$75,000 is to the commissioner of veterans affairs for fiscal year 1995 for the funding of county veterans services officers.

(b) Soldiers Assistance Fund

Of this appropriation, \$146,000 is to the commissioner of veterans affairs for fiscal year 1995 for the purpose of the state soldier's assistance program.

(c) Veterans' Cemetery

Of this appropriation, \$250,000 is appropriated from the general fund to the department of veterans affairs for fiscal year 1995 to be transferred to the veterans' cemetery development and maintenance account of the special revenue fund of the state treasury for use in the development, operation, and maintenance of the state veterans' cemetery established in Minnesota Statutes, section 197.236. This amount is available until expended.

Of this appropriation, \$1,000 is appropriated from the general fund to the department of veterans affairs for fiscal year 1995 to be transferred to the veterans' cemetery trust account of the special revenue fund of the state treasury where it shall remain permanently as principal for use as specified in Minnesota Statutes, section 197.236, subdivision 7.

Sec. 14. AMORTIZATION AID

(1,000,000)

The amount appropriated for fiscal year 1995 in Laws 1993, chapter 192, section 32, for police and fire amortization aid is reduced by \$1,000,000. This reduction comes from amounts otherwise payable as amortization and as supplemental amortization aid to the city of Minneapolis, and is due to excess investment earnings by the Minneapolis police and fire relief associations. This reduction is in addition to any other reduction that may be enacted by the 1994 legislature.

Sec. 15. Minnesota Statutes 1992, section 3.97, subdivision 11, is amended to read:

Subd. 11. "Audit" as used in this subdivision means a financial audit, a program evaluation, a best practices review, or an investigation. Data relating to an audit are not public or with respect to data on individuals are confidential until the final report of the audit has been published or the audit is no longer being actively pursued. Data that support the conclusions of the report and that the legislative auditor reasonably believes will result in litigation are not public and with respect to data on individuals are confidential until the litigation has been completed or is no longer being actively pursued. Data on individuals that could reasonably be used to determine the identity of an individual supplying data for an audit are private if the data supplied by the individual were needed for an audit and the individual would not have provided the data to the legislative auditor without an assurance that the individual's identity would remain private, or the legislative auditor reasonably believes that the subject would not have provided the data. The definitions of terms provided in section 13.02 apply for purposes of this subdivision.

Sec. 16. Minnesota Statutes 1992, section 3.971, is amended by adding a subdivision to read:

Subd. 4. (a) To perform best practices reviews, the legislative auditor through the program evaluation division shall examine the procedures and practices used to deliver local government services, including municipalities and counties, determine the methods of local government service delivery, identify variations in cost and effectiveness, and identify practices to save money or provide more effective service delivery. The legislative auditor shall recommend to local governments, service delivery methods and practices to improve the cost-effectiveness of services. The legislative auditor and the board of government innovation and cooperation shall notify each other of projects being conducted relating to improving local government services.

(b) The commission shall identify local government services to be reviewed with advice from an advisory council whose membership shall consist of:

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- (1) three representatives from the Association of Minnesota Counties;
 - (2) three representatives from the League of Minnesota Cities; and
 - (3) two representatives from the Association of Metropolitan Municipalities.
- (c) This subdivision expires June 30, 1999.

Sec. 17. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 6a. STATE DEBT COLLECTION DATA. Data on debtors received, collected, created, or maintained by the commissioner of finance are classified under section 16D.06.

Sec. 18. Minnesota Statutes 1993 Supplement, section 15.91, is amended to read:

15.91 PERFORMANCE REPORTING FOR AGENCIES OF STATE GOVERNMENT.

Subdivision 1. **DEFINITION.** For purposes of sections 15.90 to 15.92, "agency" means a department or agency, as designated in section 15.01 and the pollution control agency.

Subd. 2. **PERFORMANCE REPORTS.** (a) Each agency shall develop a performance report for ~~its operations~~ the major programs that it provides or administers. The report shall include each of the following items or an explanation of why an item does not apply to the agency or its individual programs:

- (1) a statement of the mission, goals, and objectives of the agency including those set forth in statute;
- (2) ~~measures and goals~~ of the output and outcome of the agency program;
- (3) identification of priority and other ~~service~~ populations; or other service measures, served by the programs under current law and how those populations are expected to change within the period of the report;
- (4) plans for how outcome information can be used as an incentive for improving state programs and program outcomes;
- (5) requests for statutory flexibility needed to reach outcome goals;
- (6) ~~explanation of proposals and cost estimates for collecting new outcome information that could be available with new data collection systems;~~ and
- (7) other information that may be required to explain the past and projected performance of state programs.

The goals objectives required under clause (1): (i) must be simple declara-

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tive statements of intent; (ii) should carry benchmarks for accomplishment; and (iii) should be specific enough so citizens can measure progress year to year.

(b) Each agency shall issue a ~~draft report by November 1, 1993, a first annual report by September 1, 1994, and annual updated reports no later than September 1 of each year beginning in 1995.~~ A report must cover a period of four years previous and two years in the future from the date that it is required to be issued, including previous forecasts versus actual measures.

(c) Each agency shall send a copy of each report issued to the governor, the speaker of the house of representatives, the president of the senate, the legislative commission on planning and fiscal policy, the legislative auditor, the commissioner of finance, and two copies to the legislative reference library.

(d) The legislative auditor shall review the drafts and give comments to agencies and the legislature before September 1, 1994, and shall review and give comments on annual reports on a rotating biennial schedule.

(e) State agency reports shall be compiled as required in this paragraph. The commissioner of finance, in consultation with the commissioner of administration, the legislative commission on planning and fiscal policy, and the finance committees and divisions of the house of representatives and senate, shall:

(1) develop forms and instructions and coordinate training for the use of the agencies in the preparation of their reports;

(2) work with individual agencies to determine acceptable measures of staff workload, unit costs, output, and outcome for use in reports; and

(3) request any needed additional information concerning any agency report submitted.

Each agency shall include citizens, agency clients, consumer and advocacy groups, worker participation committees, managers, elected officials, and contractors in its planning.

Sec. 19. **PURPOSE.**

The purposes of sections 15.95 and 15.96 are to establish a process:

(1) for improving public access to government information and data, and therefore for improving the democratic process, through the use of information technology; and

(2) for helping government become more efficient, effective, and responsive to the public through the use of information technology.

Sec. 20. **[15.95] GOVERNMENT INFORMATION ACCESS COUNCIL.**

Subdivision 1. MEMBERSHIP. The government information access council consists of the following members:

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- (1) all Minnesota residents who are members of the president's national information infrastructure advisory group;
- (2) two commissioners of state agencies, appointed by the governor;
- (3) one person appointed by the University of Minnesota board of regents;
- (4) one person appointed by the higher education board;
- (5) one representative of public television, appointed by the Minnesota public television association;
- (6) one representative aligned with the Minnesota equal access network, appointed by the board of the network;
- (7) one member appointed by the telephone company providing access to the largest number of customers within the state;
- (8) one corporate executive from a company that is a member of the Minnesota business partnership, selected by the partnership;
- (9) one representative of the citizens league, appointed by the league;
- (10) one member of the intergovernmental information systems advisory council, appointed by the council;
- (11) one member appointed by the Minnesota AFL-CIO;
- (12) one member of American Federation of State, County, and Municipal Employees, council 6, appointed by the executive board of council 6;
- (13) one member of the joint media committee, appointed by the committee;
- (14) one member representing each of the following groups, appointed by the members of the council appointed under clauses (1) to (13); telephone companies, the cable television industry, and librarians who manage government information;
- (15) four additional members representing diverse communities, or private citizens with unique perspectives regarding information policy, appointed by the members of the council appointed under clauses (1) to (14);
- (16) one person representing a telecommunication carrier providing interexchange service to the largest number of customers within the state, appointed by the members of the council appointed under clauses (1) to (14);
- (17) one member representing a public utility regulated under chapter 216B, appointed by the members of the council appointed under clauses (1) to (14); and

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(18) one member representing nonprofit cable communication access centers serving community populations, appointed by members of the council appointed under clauses (1) to (14).

One member of the house of representatives, appointed by the speaker; one member of the senate, appointed by the subcommittee on committees of the committee on rules and administration; one member of the house of representatives, appointed by the minority leader; and one member of the senate, appointed by the minority leader shall serve as members of the council without votes.

Subd. 2. TERMS; COMPENSATION. Members serve at the pleasure of the appointing authority, and shall be appointed by September 1, 1994. Members receive compensation and expense reimbursement as provided by section 15.059, subdivision 3.

Subd. 3. CHAIR; MEETINGS. The governor shall designate the chair of the council from among its members. The chair shall schedule meetings at least quarterly. The chair must report any council recommendations or actions to the legislature, the governor, and affected state agencies, as appropriate, within one week of making the recommendation or taking the action. All meetings of the council, the executive committee, and work groups are subject to section 471.705.

Subd. 4. EXECUTIVE COMMITTEE; WORK GROUPS. (a) The council must establish and appoint an executive committee. The executive committee consists of the following members of the council: one person who is a member of the president's national information infrastructure advisory group, the University of Minnesota representative, the higher education board representative, the telephone company representative appointed under subdivision 1, clause (7), the Minnesota business partnership representative, the librarian representative, one citizen representative, the AFL-CIO representative, and one other member of the council, designated by the council. The executive committee must meet at least monthly. It must recommend organization of other committees or work groups. The executive committee must develop agenda items for the full council.

(b) The council may establish other committees or work groups. Each committee or work group may include up to two persons who are not members of the council.

Subd. 5. DUTIES. The primary mission of the council is to develop principles to assist elected officials and other government decision-makers in providing citizens with greater and more efficient access to government information, both directly and through private businesses. In developing these principles, the council must consider:

(1) the most effective and efficient means to make information available to the public in a manner that is designed primarily from the perspective of the citizen;

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(2) how to provide the greatest possible public access that is demand driven to the widest possible array of public government data and information maintained by state or local governments, including open access through libraries, schools, nonprofit organizations, businesses, and homes;

(3) what information should be made available free of charge directly from government agencies, in addition to information that is available for inspection free of charge under section 13.03, subdivision 3;

(4) what information should be sold, either by government agencies or through private businesses, and what factors should determine the prices that government should charge to citizens for providing information directly, and to businesses who will resell information;

(5) how government can encourage private businesses to foster the creation of new private business endeavors by making digital information available for the purpose of distributing enhanced government information services to citizens;

(6) what changes need to be made in governmental operations to assure that more government information is readily available to citizens, whether provided directly by government agencies or provided through private businesses;

(7) whether digital information should be made available on an exclusive or nonexclusive basis, and how different types of information should be treated differently for this purpose;

(8) how the state and other governmental units can protect their intellectual property rights, while making government data available to the public as required in chapter 13;

(9) the impact of data collection and dissemination practices on privacy rights of individuals;

(10) what technological changes governmental agencies need to make to facilitate electronic provision of governmental information, either directly to citizens, or to private businesses who will distribute the information; and

(11) how to avoid duplicating services available from private providers, except as necessary to achieve goals set in subdivision 7.

Subd. 6. OTHER DUTIES. (a) The council shall:

(1) coordinate statewide efforts by units of state and local government to plan for and develop a system for providing the data and services in the manner envisioned by this section;

(2) make recommendations that facilitate coordination and assistance of demonstration projects;

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(3) advise units of state and local government on provision of government data to citizens and businesses; and

(4) explore ways and means to improve citizen and business access to public data, including implementation of technological improvements.

(b) In fulfilling its duties under this subdivision, the council shall seek advice from the general public, government units, system users, professional associations, libraries, academic groups, and other institutions and individuals with knowledge of and interest in such areas as networking, electronic mail, public information data access, advanced telecommunications, and electronic transfer and storage of information.

Subd. 7. ACCESS TO DATA. The legislature determines that the greatest possible access to certain government information and data is essential to allow citizens to participate fully in a democratic system of government. The principles that the council develops must assure that certain information and data, including, but not limited to the following, will be provided free of charge or for a nominal cost associated with reproducing the information or data:

(1) directories of government services and institutions;

(2) legislative and rulemaking information, including public information newsletters, bill text and summaries, bill status information, rule status information, meeting schedules, and the text of statutes and rules;

(3) official documents, releases, speeches, and other public information issued by the governor's office and constitutional officers; and

(4) the text of other government documents and publications that the council determines are important to public understanding of government activities.

The council, on a continuing basis, shall identify and take action to ensure that identified government data are available free of charge, or for a nominal cost associated with reproducing the data.

Subd. 8. INFORMATION INSTITUTE. The council shall also advise the legislature on issues relating to an information institute to deal with major public policy issues involving access to government information and to foster the development of private sector information industries.

Subd. 9. APPROVAL OF STATE AGENCY INITIATIVES. No state agency may implement a new initiative for providing electronic access to state government information unless the initiative is reviewed by the council and approved by the information policy office.

Subd. 10. CAPITAL INVESTMENT. No state agency may propose or implement a capital investment plan for a state office building unless:

(1) the agency has developed a plan for increasing telecommuting by

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employees who would normally work in the building, or the agency has prepared a statement describing why such a plan is not practicable; and

(2) the plan or statement has been reviewed by the council and approved by the information policy office.

Subd. 11. SUPPORT. The information policy office shall provide staff and other support services to the council.

Sec. 21. [15.96] DUTIES OF OTHER GROUPS.

(a) The groups in paragraphs (b) to (g) shall work with the government information access council in accomplishing its mission.

(b) The information policy office shall provide technical assistance to the council, and shall oversee state agency efforts to implement projects and programs in accordance with principles adopted by the council.

(c) The University of Minnesota shall continuously assess best practices and conduct other research to keep Minnesota in a leadership role in the area of access to and distribution of government information.

(d) The public utilities commission shall address changes needed in the regulatory environment to facilitate access to and distribution of government information.

(e) The governor, through the state's Washington, D.C. office, shall monitor recommendations of national advisory groups, monitor legal and regulatory developments at the federal level, and review grant proposals made by Minnesota governmental entities to federal agencies.

(f) The departments of trade and economic development and education shall immediately initiate efforts to provide greater access to and distribution of their information working through the council as envisioned by section 15.95.

(g) The department of revenue shall study how tax policy might be used to facilitate entry onto the information highway.

Sec. 22. [15.97] INFORMATION AND TELECOMMUNICATIONS INSTITUTE.

The legislature intends to establish an institute of telecommunications technology applications and education. The institute must be structured as a collaboration between at least the computer science, health science, teacher education, and extension programs at the University of Minnesota, other post-secondary educational institutions in the state, Minnesota Technology, Inc., the department of trade and economic development, libraries, and other institutions and entities that have an interest in applications for and education on telecommunications and information technology. The mission of the institute will be to:

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(1) engage in applied research in order to develop applications and methodologies for use of existing and expanded telecommunications and information resources and networks particularly in the areas of provision of health care, education, business, and employment communications and services; and

(2) provide technical assistance, education, and information to current and potential users of telecommunications networks and systems, including at least health care providers, teachers, employers, and employees and to advocate and promote appropriate and efficient use of the networks and systems to improve efficiency and flexibility of the networks and systems and of their users.

Sec. 23. [15.98] INDOOR ICE FACILITIES.

This section applies to an indoor ice arena operated by a political subdivision, a state agency, the University of Minnesota, a state higher education institution, or any other organization that makes an arena available to the public. If the arena provides more prime ice time to groups of one gender than to groups of the other gender, the arena may not deny a request for prime ice time from the group of the underrepresented gender, provided that the group of the underrepresented gender pays the same price charged to groups of the other gender. An underrepresented gender group must be allowed up to 15 percent of prime ice time for the 1994-1995 season, up to 30 percent by the 1995-1996 season, and up to 50 percent by the 1996-1997 season. This section does not: (1) require an arena to allocate more time to any one group than is generally allocated to other groups; or (2) affect a political subdivision's ability to grant preference to groups based in the political subdivision, provided this preference is not based on gender. For purposes of this section, prime ice time means the hours of 4:00 p.m. to 10:00 p.m. Monday to Friday and 9:00 a.m. to 8:00 p.m. on Saturdays and Sundays. Any group that generates revenue as a result of tickets sold to persons in attendance at arena events must be excluded in determining if the arena provides more prime ice time to groups of one gender than the other.

Sec. 24. Minnesota Statutes 1992, section 16A.124, subdivision 2, is amended to read:

Subd. 2. **COMMISSIONER SUPERVISION.** The commissioner shall ~~exercise constant supervision over~~ monitor state agencies to insure the prompt payment of vendor obligations.

Sec. 25. Minnesota Statutes 1992, section 16A.124, subdivision 7, is amended to read:

Subd. 7. **REPORT TO LEGISLATURE.** The commissioner shall report to the legislature each year summarizing the state's payment record for the preceding year. The report shall include ~~the number and dollar amount of late payments made by each agency;~~ the amount of interest penalties ~~and collection costs paid;~~ and the specific steps being taken to reduce the incidence of late payments in the future.

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Sec. 26. Minnesota Statutes 1992, section 16A.127, as amended by Laws 1993, First Special Session chapter 2, article 3, section 2, is amended to read:

16A.127 INDIRECT COSTS.

Subdivision 1. **STATEWIDE AND AGENCY INDIRECT COSTS.** (a) As used in this section ~~and in section 16A.128~~, "statewide indirect costs" means all operating costs incurred general fund expenditures made by the treasurer and all agencies any state agency attributable to providing general support services to any other state agency except as prohibited by federal law. These operating costs include their proportionate share of costs incurred by the legislative and judicial branches.

(b) As used in this section, "agency indirect costs" means all general support costs within ~~the any~~ agency that are not ~~cannot be~~ directly charged to any agency programs program.

(c) For purposes of this section, "agency" means any entity receiving general support services.

Subd. 2. **STATEWIDE PLAN.** The commissioner shall annually prepare a plan ~~showing the kind~~ identifying the sources and amount ~~amounts~~ of each ~~executive~~ agency's statewide indirect costs for the current fiscal year. The commissioner shall ~~report~~ submit the plan to the ~~cognizant federal agency for approval~~, and provide copies to the governor and the legislature.

Subd. 3. **GENERAL REIMBURSEMENT.** (a) Under the plan, Unless indirect cost recoveries are specifically appropriated in law, agencies are obligated to reimburse the general fund for all statewide indirect costs, and that portion of agency indirect costs attributable to recoveries of general fund expenditures. However, the commissioner may, for reasons of sound financial management, waive the reimbursement under this subdivision for certain non-general fund activities.

(b) The commissioner shall ~~make and~~ record the reimbursement to the general fund of the statewide and agency indirect costs attributable to an ~~executive~~ agency's nongeneral fund ~~receipts activities~~ for the last fiscal year. Unless the commissioner determines that agency indirect cost receipts are a reimbursement for general fund expenditures, the All nonfederal agency indirect cost receipts are appropriated to the agency to pay administrative expenses, unless they are determined to be a reimbursement of general fund expenditures. However, the commissioner may, for reasons of sound financial management, waive the reimbursement under this subdivision for certain nongeneral fund receipts. The commissioner shall report all waivers in the next statewide indirect cost plan.

(b) Subd. 3a. APPROPRIATION. There is annually appropriated from all direct appropriated nongeneral funds an amount sufficient to reimburse the general fund for both statewide indirect costs, and any agency indirect costs attributable to general fund expenditures.

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Subd. 4. **FEDERAL PROPOSALS.** ~~An executive agency's application Agencies applications~~ for federal money shall include necessary submissions to ~~get recover~~ both statewide and agency indirect ~~cost money costs~~. The indirect cost submission must have the prior approval of the commissioner. An agency indirect cost ~~submission plan~~ is unnecessary if the executive agency ~~convinces~~ the commissioner ~~determines~~ that the ~~submission is not economical costs incurred in preparing and maintaining it exceed the benefit received by the state. If less than the entire agency proposal is federally approved, the commissioner may accept reimbursement of less than all of the federal receipts. If no federal funds are approved for indirect costs, the agency must document that fact to the commissioner.~~

Subd. 5. **FEDERAL SHARE REIMBURSEMENT.** The executive agency ~~Agencies~~ shall reimburse the general fund for all federal money received ~~for as a recovery of~~ statewide indirect costs. ~~Unless the commissioner determines that agency indirect cost receipts are a reimbursement for general fund expenditures, the receipts are appropriated to the agency to pay administrative expenses. If less than the entire executive agency proposal is federally approved, the commissioner may accept reimbursement of less than all of the federal receipts. If no federal funds are approved for indirect costs, the executive agency must document that fact to the commissioner. All federal agency indirect cost receipts are appropriated to the agency to pay administrative expenses, unless they are determined to be a reimbursement of general fund expenditures.~~

Subd. 6. **REQUIRED INFORMATION.** ~~An executive agency Agencies~~ must supply the information required by the commissioner, as needed, to carry out the provisions of this section.

Subd. 7. **AUDIT FEES.** The legislative auditor may recommend waiver, and the legislative audit commission may waive all or part of a fee for an audit. A state audited ~~executive~~ agency whose funds are not administered by the treasurer must transfer to the general fund the amount of the cost of the audit attributable to the ~~executive~~ agency's nongeneral fund receipts.

Subd. 8. **EXEMPTION EXEMPTIONS.** (a) No statewide or agency indirect cost liability shall be accrued to any program, appropriation, or account that is specifically exempted from the liability in federal or state law, or if the commissioner determines the funds to be held in trust, or to be a pass through, workshop, or seminar account. Accounts receiving proceeds from bond issues, and those accounts whose funds are determined by the commissioner to originate from the general fund, are also exempt from this section.

(b) Except for the costs of the legislative auditor to conduct financial audits of federal funds, this section does not apply to the community college board, state university board, or the state board of technical colleges. ~~Indirect cost~~ Receipts attributable to financial audits conducted by the legislative auditor of federal funds administered by these post-secondary education boards shall be deposited in the general fund.

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(b) Except for federal funds, this section does not apply to the department of natural resources for agency indirect costs.

Subd. 9. **WAIVER PROVISION FOR NATURAL RESOURCES.** (a) The department of natural resources is exempt from recovering agency indirect costs except where federal funds are involved.

(b) ~~The commissioner of natural resources need not bill the federal government, other states, or Canadian provinces for the indirect costs of providing emergency fire fighting services, and need not reimburse the general fund for those indirect costs; if the commissioner determines that the emergency fire fighting is in the best interest of the state. The commissioner of natural resources need not bill another state or Canadian province for the indirect costs of providing emergency fire fighting services, and need not reimburse the general fund for those indirect costs; if the other state or Canadian province agrees not to bill the state of Minnesota for the indirect costs of emergency fire fighting services provided by the other state if the waiver is reciprocated.~~

Sec. 27. Minnesota Statutes 1992, section 16A.15, subdivision 3, is amended to read:

Subd. 3. **ALLOTMENT AND ENCUMBRANCE.** (a) A payment may not be made without prior obligation. An obligation may not be incurred against any fund, allotment, or appropriation unless the commissioner has certified a sufficient unencumbered balance or the accounting system shows sufficient allotment or encumbrance balance in the fund, allotment, or appropriation to meet it. The commissioner shall determine when the accounting system may be used to incur obligations without the commissioner's certification of a sufficient unencumbered balance. An expenditure or obligation authorized or incurred in violation of this chapter is invalid and ineligible for payment until made valid. A payment made in violation of this chapter is illegal. An employee authorizing or making the payment, or taking part in it, and a person receiving any part of the payment, are jointly and severally liable to the state for the amount paid or received. If an employee knowingly incurs an obligation or authorizes or makes an expenditure in violation of this chapter or takes part in the violation, the violation is just cause for the employee's removal by the appointing authority or by the governor if an appointing authority other than the governor fails to do so. In the latter case, the governor shall give notice of the violation and an opportunity to be heard on it to the employee and to the appointing authority. A claim presented against an appropriation without prior allotment or encumbrance may be made valid on investigation, review, and approval by the commissioner, if the services, materials, or supplies to be paid for were actually furnished in good faith without collusion and without intent to defraud. The commissioner may then draw a warrant to pay the claim just as properly allotted and encumbered claims are paid.

(b) The commissioner may approve payment for materials and supplies in excess of the obligation amount when increases are authorized by section 16B.07, subdivision 2.

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(c) To minimize potential construction delay claims, an agency with a project funded by a building appropriation may allow a contractor to proceed with supplemental work within the limits of the appropriation before money is encumbered. Under this circumstance, the agency may requisition funds and allow contractors to expeditiously proceed with a construction sequence. While the contractor is proceeding, the agency shall immediately act to encumber the required funds.

Sec. 28. Minnesota Statutes 1992, section 16B.01, subdivision 4, is amended to read:

Subd. 4. **STATE CONTRACT.** "State contract" means any written instrument or electronic document containing the elements of offer, acceptance and consideration to which a state agency is a party.

Sec. 29. Minnesota Statutes 1992, section 16B.05, subdivision 2, is amended to read:

Subd. 2. **FACSIMILE SIGNATURES AND ELECTRONIC APPROVALS.** When authorized by the commissioner, facsimile signatures and electronic approvals may be used by personnel of the department of administration in accordance with the commissioner's delegated authority and instructions, copies of which shall be filed with the commissioner of finance, state treasurer, and the secretary of state. A facsimile signature or electronic approval, when used in accordance with the commissioner's delegated authority and instructions, is as effective as an original signature.

Sec. 30. Minnesota Statutes 1992, section 16B.06, subdivision 1, is amended to read:

Subdivision 1. **DUTIES OF COMMISSIONER.** (a) **CONTRACT MANAGEMENT.** The commissioner shall perform all contract management and review functions for state contracts, except those functions performed by the contracting agency, and the attorney general; ~~or the commissioner of finance~~. All agencies shall fully cooperate with the commissioner in the management and review of state contracts. A delegation of the commissioner's duties under this section to the head of an agency or a designated subordinate must be filed with the secretary of state and may not, except with respect to delegations within the department of administration, exceed two years in duration.

(b) **PURCHASING.** The commissioner shall purchase, rent, or otherwise provide for the furnishing of all supplies, materials, equipment, and utility services. The commissioner may lease, rent, or sell supplies, equipment, and services to agencies. The commissioner shall purchase from the state correctional institutions, the University of Minnesota, and other state institutions all articles manufactured by them which are usable by the state. All purchase orders must be ~~made on a form~~ prepared in a format prescribed by the attorney general.

Sec. 31. Minnesota Statutes 1992, section 16B.06, subdivision 2, is amended to read:

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

Subd. 2. **VALIDITY OF STATE CONTRACTS.** (a) A state contract or lease is not valid and the state is not bound by it until:

(1) it has first been executed by the head of the agency or a delegate which is a party to the contract ~~and~~;

(2) ~~it~~ it has been approved ~~in writing~~ by the commissioner or a delegate, under this section;

(3) ~~it has been approved~~ it has been approved by the attorney general or a delegate as to form and execution; ~~and by the commissioner of finance or a delegate who shall determine that the appropriation and~~

(4) ~~the account system shows an allotment have been encumbered or encumbrance balance~~ the account system shows an allotment have been encumbered or encumbrance balance for the full amount of the contract liability.

(b) Paragraph (a), clause (2), does not apply to contracts between state agencies or contracts awarding grants.

(c) The head of the agency may delegate the execution of specific contracts or specific types of contracts to a ~~deputy or assistant head designated subordinate~~ deputy or assistant head designated subordinate within the agency if the delegation has been approved by the commissioner of administration and filed with the secretary of state. ~~A The fully executed copy of every contract or lease extending for a term longer than one year must be filed with the commissioner of finance kept on file at the contracting agency.~~

Sec. 32. Minnesota Statutes 1992, section 16B.32, is amended by adding a subdivision to read:

Subd. 3. GIFTS. The commissioner may accept gifts for energy efficiency improvements in state-owned and wholly-leased buildings. Energy cost savings from these improvements, up to the cost of these improvements, shall be deposited in a special revenue fund established in the state treasury. Money in the special revenue fund is appropriated to the commissioner to implement further energy efficiency improvements in state-owned or wholly-leased buildings.

Sec. 33. [16B.483] INTELLECTUAL PROPERTY.

Before executing a contract or license agreement involving intellectual property developed or acquired by the state, a state agency shall seek review and comment from the attorney general on the terms and conditions of the contract or agreement.

Sec. 34. [16B.615] RESTROOM FACILITIES.

Subdivision 1. DEFINITION. For purposes of this section, "place of public accommodation" means a publicly or privately owned sports or entertainment arena, stadium, theater, community or convention hall, special event center, amusement facility, or special event center in a public park, that is designed for occupancy by 200 or more people.

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

Subd. 2. APPLICATION. This section applies only to a place of public accommodation for which construction, or alterations exceeding 50 percent of the estimated replacement value of the existing facility, begins after the effective date of this subdivision.

Subd. 3. RATIO. In a place of public accommodation subject to this section, the ratio of water closets for women to the total of water closets and urinals provided for men must be at least three to two, unless there are two or fewer fixtures for men.

Subd. 4. RULES. The commissioner of administration shall adopt rules to implement this section. The rules may provide for a greater ratio of women's to men's facilities for certain types of occupancies than is required in subdivision 3, and may apply the required ratios to categories of occupancies other than those defined as places of public accommodation under subdivision 1.

Sec. 35. [16D.01] CITATION AND SCOPE.

Subdivision 1. CITATION. This chapter may be cited as the "debt collection act."

Subd. 2. SCOPE. The collection procedures and remedies under this chapter are in addition to any other procedure or remedy available by law. If the referring agency's applicable state or federal law provides for the use of a particular remedy or procedure for the collection of a debt, that particular remedy or procedure governs the collection of that debt to the extent the procedure or remedy is inconsistent with this chapter.

Sec. 36. [16D.02] DEFINITIONS.

Subdivision 1. APPLICATION. The definitions in this section apply to this chapter.

Subd. 2. COMMISSIONER. "Commissioner" means the commissioner of finance.

Subd. 3. DEBT. "Debt" means an amount owed to the state directly, or through a state agency, on account of a fee, duty, lease, direct loan, loan insured or guaranteed by the state, rent, service, sale of real or personal property, overpayment, fine, assessment, penalty, restitution, damages, interest, tax, bail bond, forfeiture, reimbursement, liability owed, an assignment to the state including assignments under sections 256.72 to 256.87, the Social Security Act, or other state or federal law, recovery of costs incurred by the state, or any other source of indebtedness to the state. Debt also includes amounts owed to individuals for which the state or state agency acts in a fiduciary capacity in providing collection services in accordance with the regulations adopted under the Social Security Act at Code of Federal Regulations, title 45, section 302.33. Debt also includes an amount owed to the courts or University of Minnesota for which the commissioner provides collection services pursuant to contract.

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Subd. 4. DEBTOR. "Debtor" means an individual, corporation, partnership, an unincorporated association, a limited liability company, a trust, an estate, or any other public or private entity, including a state, local, or federal government, or an Indian tribe, that is liable for a debt or against whom there is a claim for a debt.

Subd. 5. DEBT QUALIFICATION PLAN. "Debt qualification plan" means an agreement entered into between a referring agency and the commissioner that defines the terms and conditions by which the commissioner will provide collection services to the referring agency.

Subd. 6. REFERRING AGENCY. "Referring agency" means a state agency, the University of Minnesota, or a court that has entered into a debt qualification plan with the commissioner to refer debts to the commissioner for collection.

Subd. 7. STATE AGENCY. "State agency" means a state office, officer, board, commission, bureau, division, department, authority, agency, public corporation, or other unit of state government.

Sec. 37. [16D.03] SUPERVISION OF STATE DEBT COLLECTION.

Subdivision 1. RESPONSIBILITY. The commissioner of finance shall supervise and report on state debt collection:

Subd. 2. STATE AGENCY REPORTS. State agencies shall report quarterly to the commissioner the debts owed to them. The commissioner, in consultation with the commissioners of revenue and human services, and the attorney general, shall establish internal guidelines for the recognition, tracking, reporting, and collection of debts owed the state. The internal guidelines must include accounting standards, performance measurements, and uniform reporting requirements applicable to all state agencies.

Subd. 3. REPORT OF THE COMMISSIONER. By January 15 of each year, the commissioner shall report on the management of debts owed the state, including performance measurements and progress of the debt collection efforts undertaken by state agencies and the commissioner. The report must be made to the governor and the chairs of the committee on finance of the senate and the committee on ways and means of the house of representatives.

Sec. 38. [16D.04] COLLECTION ACTIVITIES.

Subdivision 1. DUTIES. The commissioner shall provide services to the state and its agencies to collect debts owed the state. The commissioner is not a collection agency as defined by section 332.31, subdivision 3, and is not licensed, bonded, or regulated by the commissioner of commerce under sections 332.31 to 332.35 or 332.38 to 332.45. The commissioner is subject to section 332.37, except clause (9) or (10). The commissioner may contract with the commissioner of revenue for collection services.

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Subd. 2. AGENCY PARTICIPATION. A state agency may, at its option, refer debts to the commissioner for collection. The ultimate responsibility for the debt, including the reporting of the debt to the commissioner and the decision with regard to the continuing collection and uncollectibility of the debt, remains with the referring state agency.

Subd. 3. SERVICES. The commissioner shall provide collection services for a state agency, and may provide for collection services for the University of Minnesota or a court, in accordance with the terms and conditions of a signed debt qualification plan.

Subd. 4. AUTHORITY TO CONTRACT. The commissioner may contract with credit bureaus, private collection agencies, and other entities as necessary for the collection of debts. A private collection agency acting under a contract with the commissioner is subject to sections 332.31 to 332.45, except that the private collection agency may indicate that it is acting under a contract with the commissioner. The commissioner may not delegate the powers provided under section 16D.08 to any nongovernmental entity.

Sec. 39. [16D.05] PRIORITY OF SATISFACTION OF DEBTS.

Subdivision 1. MULTIPLE DEBTS. If two or more debts owed by the same debtor are submitted to the commissioner, amounts collected on those debts must be applied as prescribed in this section.

Subd. 2. ENFORCEMENT OF LIENS. If the money received is collected on a judgment lien under chapter 550, a lien provided by chapter 514, a consensual lien or security interest, protection of an interest in property through chapter 570, by collection process provided by chapters 551 and 571, or by any other process by which the commissioner is enforcing rights in a particular debt, the money must be applied to that particular debt.

Subd. 3. OTHER METHODS OF COLLECTION. If the money is collected in any manner not specified in subdivision 2, the money collected must apply first to the satisfaction of any debts for child support. Any debts other than child support must be satisfied in the order in time in which the commissioner received the debts from the referring agency.

Sec. 40. [16D.06] DEBTOR INFORMATION.

Subdivision 1. ACCESS TO GOVERNMENT DATA NOT PUBLIC. Notwithstanding chapter 13 or any other state law classifying or restricting access to government data, upon request from the commissioner, state agencies, political subdivisions, and statewide systems shall disseminate not public data to the commissioner for the sole purpose of collecting debt. Not public data disseminated under this subdivision is limited to financial data of the debtor or data related to the location of the debtor or the assets of the debtor.

Subd. 2. DISCLOSURE OF DATA. Data received, collected, created, or

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maintained by the commissioner to collect debts are classified as private data on individuals under section 13.02, subdivision 12, or nonpublic data under section 13.02, subdivision 9. The commissioner may disclose not public data:

- (1) under section 13.05;
- (2) under court order;
- (3) under a statute specifically authorizing access to the not public data;
- (4) to provide notices required or permitted by statute;

(5) to an agent of the commissioner, including a law enforcement person, attorney, or investigator acting for the commissioner in the investigation or prosecution of a criminal or civil proceeding relating to collection of a debt;

(6) to report names of debtors, amount of debt, date of debt, and the agency to whom debt is owed to credit bureaus; and

(7) when necessary to locate the debtor, locate the assets of the debtor, or to enforce or implement the collection of a debt.

The commissioner may not disclose data that is not public to a private collection agency or other entity with whom the commissioner has contracted under section 16D.04, subdivision 4, unless disclosure is otherwise authorized by law.

Sec. 41. **[16D.07] NOTICE TO DEBTOR.**

The referring agency shall send notice to the debtor by United States mail or personal delivery at the debtor's last known address at least 20 days before the debt is referred to the commissioner. The notice must state the nature and amount of the debt, identify to whom the debt is owed, and inform the debtor of the remedies available under this chapter.

Sec. 42. **[16D.08] COLLECTION DUTIES AND POWERS.**

Subdivision 1. DUTIES. The commissioner shall take all reasonable and cost-effective actions to collect debts referred to the commissioner.

Subd. 2. POWERS. In addition to the collection remedies available to private collection agencies in this state, the commissioner, with legal assistance from the attorney general, may utilize any statutory authority granted to a referring agency for purposes of collecting debt owed to that referring agency.

Sec. 43. **[16D.09] UNCOLLECTIBLE DEBTS.**

When a debt is determined by a state agency to be uncollectible, the debt may be written off by the state agency from the state agency's financial accounting records and no longer recognized as an account receivable for financial reporting purposes. A debt is considered to be uncollectible when (1) all reasonable collection efforts have been exhausted, (2) the cost of further collection

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action will exceed the amount recoverable, (3) the debt is legally without merit or cannot be substantiated by evidence, (4) the debtor cannot be located, (5) the available assets or income, current or anticipated, that may be available for payment of the debt are insufficient, (6) the debt has been discharged in bankruptcy, (7) the applicable statute of limitations for collection of the debt has expired, or (8) it is not in the public interest to pursue collection of the debt. The determination of the uncollectibility of a debt must be reported by the state agency along with the basis for that decision as part of its quarterly reports to the commissioner. Determining that the debt is uncollectible does not cancel the legal obligation of the debtor to pay the debt.

Sec. 44. [16D.10] CASE REVIEWER.

The commissioner shall make a case reviewer available to debtors. The reviewer must be available to answer a debtor's questions concerning the collection process and to review the collection activity taken. If the reviewer reasonably believes that the particular action being taken is unreasonable or unfair, the reviewer may make recommendations to the commissioner in regard to the collection action.

Sec. 45. RECOMMENDATION; SUPERVISION OF STATE DEBT COLLECTION.

By February 15, 1996, the commissioners of finance, human services, and revenue and the attorney general shall conduct an evaluation and make a recommendation to the legislature regarding the appropriate state officer to supervise state debt collection under Minnesota Statutes, section 16D.04.

Sec. 46. Minnesota Statutes 1992, section 43A.316, subdivision 9, is amended to read:

Subd. 9. **INSURANCE TRUST FUND.** The insurance trust fund in the state treasury consists of deposits of the premiums received from employers participating in the plan and transfers before July 1, 1994, from the public employees insurance reserve excess contributions holding account established by section 353.65, subdivision 7. All money in the fund is appropriated to the commissioner to pay insurance premiums, approved claims, refunds, administrative costs, and other related service costs. Premiums paid by employers to the fund are exempt from the tax imposed by sections 60A.15 and 60A.198. The commissioner shall reserve an amount of money to cover the estimated costs of claims incurred but unpaid. The state board of investment shall invest the money according to section 11A.24. Investment income and losses attributable to the fund must be credited to the fund.

Sec. 47. Minnesota Statutes 1992, section 43A.37, subdivision 1, is amended to read:

Subdivision 1. **CERTIFICATION ACCURACY OF PAYROLL.** ~~Neither the commissioner of finance nor any other fiscal officer of this state may draw,~~

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sign, or issue, or authorize the drawing, signing, or issuing of any warrant on the treasurer or other disbursing officer of the state, nor may the treasurer or other disbursing officer of the state pay any salary or compensation to any person in the civil service, unless a payroll register for the salary or compensation containing the name of every person to be paid bears the certificate of the commissioner that the persons named in the payroll register The appointing authority shall ensure that all employees have been appointed as required by law, rules, or administrative procedures and that the salary or compensation is within the compensation plan fixed by law. The appointing authority shall certify ensure that all employees ~~named in the payroll register~~ are performing service as required by law. This provision does not apply to positions defined in section 43A.08, subdivision 1, clauses (8), (9), (10), and (12). Employees to whom this subdivision does not apply may be paid on the state's payroll system, and the appointing authority or fiscal officer submitting their payroll register is responsible for the accuracy and legality of the payments.

Salary or compensation claims presented against existing appropriations, which have been deemed in violation of the provisions of this subdivision, may be certified for payment if, upon investigation, the commissioner determines the personal services for which payment is claimed actually have been rendered in good faith without collusion and without intent to defraud.

Sec. 48. Minnesota Statutes 1992, section 69.031, subdivision 5, is amended to read:

Subd. 5. **DEPOSIT OF STATE AID.** (1) The municipal treasurer, on receiving the fire state aid, shall within 30 days after receipt transmit it to the treasurer of the duly incorporated firefighters' relief association if there is one organized and the association has filed a financial report with the municipality; but if there is no relief association organized, or if any association dissolve, be removed, or has heretofore dissolved, or has been removed as trustees of state aid, then the treasurer of the municipality shall keep the money in the municipal treasury as provided for in section 424A.08 and shall be disbursed only for the purposes and in the manner set forth in that section.

(2) The municipal treasurer, upon receipt of the police state aid, shall disburse the police state aid in the following manner:

(a) For a municipality in which a local police relief association exists and all peace officers are members of the association, the total state aid shall be transmitted to the treasurer of the relief association within 30 days of the date of receipt, and the treasurer of the relief association shall immediately deposit the total state aid in the special fund of the relief association;

(b) For a municipality in which police retirement coverage is provided by the public employees police and fire fund and all peace officers are members of the fund, the total state aid shall be applied toward the municipality's employer contribution to the public employees police and fire fund pursuant to section 353.65, subdivision 3, and any state aid in excess of the amount required to

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meet the employer's contribution pursuant to section 353.65, subdivision 3, shall be deposited in the ~~public employees insurance reserve~~ excess contributions holding account of the public employees retirement association; or

(c) For a municipality other than a city of the first class with a population of more than 300,000 in which both a police relief association exists and police retirement coverage is provided in part by the public employees police and fire fund, the municipality may elect at its option to transmit the total state aid to the treasurer of the relief association as provided in clause (a), to use the total state aid to apply toward the municipality's employer contribution to the public employees police and fire fund subject to all the provisions set forth in clause (b), or to allot the total state aid proportionately to be transmitted to the police relief association as provided in this subdivision and to apply toward the municipality's employer contribution to the public employees police and fire fund subject to the provisions of clause (b) on the basis of the respective number of active full-time peace officers, as defined in section 69.011, subdivision 1, clause (g).

For a city of the first class with a population of more than 300,000, in addition, the city may elect to allot the appropriate portion of the total police state aid to apply toward the employer contribution of the city to the public employees police and fire fund based on the covered salary of police officers covered by the fund each payroll period and to transmit the balance to the police relief association.

(3) The county treasurer, upon receipt of the police state aid for the county, shall apply the total state aid toward the county's employer contribution to the public employees police and fire fund pursuant to section 353.65, subdivision 3, and any state aid in excess of the amount required to meet the employer's contribution pursuant to section 353.65, subdivision 3, shall be deposited in the ~~public employees insurance reserve~~ excess contributions holding account of the public employees retirement association.

(4) The designated metropolitan airports commission official, upon receipt of the police state aid for the metropolitan airports commission, shall apply the total police state aid toward the commission's employer contribution to the Minneapolis employees retirement fund under section 422A.101, subdivision 2a.

Sec. 49. Minnesota Statutes 1992, section 129D.14, subdivision 5, is amended to read:

Subd. 5. STATE COMMUNITY SERVICE BLOCK GRANTS. (a) The commissioner shall determine eligibility for block grants and the allocation of block grant money on the basis of audited financial records of the station to receive the block grant funds for the station's fiscal year preceding the year in which the grant is made, as well as on the basis of the other requirements set forth in this section. The commissioner shall annually distribute block grants equally to all stations that comply with the eligibility requirements and for which a licensee applies for a block grant. The commissioner may promulgate

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rules to implement this section. For this purpose the commissioner may promulgate emergency rules pursuant to sections 14.29 to 14.36. ~~An applicant's share of the grant money shall be based on:~~

(1) The amount received in the preceding year by the station to which the grant would be distributed in private nontax generated contributions from sources within the state; no contributions made for the purpose of capital expenditures shall be counted; and

(2) The dollar value in the preceding year of contributions of volunteer time to station operations; provided that the volunteer time was not used for the purpose of raising money for the station. Volunteer time shall be valued at the federal minimum wage per hour. A station's total allocation for volunteer time shall not exceed 20 percent of its total grant pursuant to this section.

(b) The commissioner shall match every verified contribution dollar under paragraph (a); clause (1) and volunteer time dollar, as calculated under paragraph (a); clause (2); with two state dollars for each eligible applicant until the station to which the grant is distributed has received \$10,000 in grant money under this section; and thereafter grant money shall be distributed on a dollar for dollar basis until the total amount appropriated for that year has been distributed equally among all stations. A station may receive state matching money only until the station's total verified contribution and volunteer time has been matched or the amount of the grant received equals one-third of the station's total operating income for the previous fiscal year.

(e) ~~(b)~~ A station may use grant money under this section for any radio station expenses.

Sec. 50. Minnesota Statutes 1993 Supplement, section 144C.03, subdivision 2, is amended to read:

Subd. 2. **TRUST ACCOUNT.** (a) There is established in the general fund an ambulance service personnel longevity award and incentive trust account and an ambulance service personnel longevity award and incentive suspense account.

(b) The trust account must be credited with:

(1) general fund appropriations for that purpose;

(2) transfers from the ambulance service personnel longevity award and incentive suspense account; and

(3) investment earnings on those accumulated proceeds. The assets and income of the trust account must be held and managed by the commissioner of finance and the state board of investment for the benefit of the state of Minnesota and its general creditors.

(c) The suspense account must be credited with transfers from the excess contributions holding account established in section 353.65, subdivision 7, any per-year-of-service allocation under section 144C.07, subdivision 2, paragraph

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(c), that was not made for an individual, and investment earnings on those accumulated proceeds. The suspense account must be managed by the commissioner of finance and the state board of investment. From the suspense account to the trust account there must be transferred to the ambulance service personnel longevity award and incentive trust account, as the suspense account balance permits, the following amounts:

(1) an amount equal to any general fund appropriation to the ambulance service personnel longevity award and incentive trust account for that fiscal year; and

(2) an amount equal to the percentage of the remaining balance in the account after the deduction of the amount under clause (1), as specified for the applicable fiscal year:

<u>Fiscal year</u>	<u>Percentage</u>
<u>1995</u>	<u>20</u>
<u>1996</u>	<u>40</u>
<u>1997</u>	<u>50</u>
<u>1998</u>	<u>60</u>
<u>1999</u>	<u>70</u>
<u>2000</u>	<u>80</u>
<u>2001</u>	<u>90</u>
<u>2002 and thereafter</u>	<u>100</u>

Sec. 51. Minnesota Statutes 1993 Supplement, section 144C.07, subdivision 2, is amended to read:

Subd. 2. **POTENTIAL ALLOCATIONS.** (a) On September 1, annually, the commissioner of health or the commissioner's designee under section 144C.01, subdivision 2, shall determine the amount of the allocation of the prior year's accumulation to each qualified ambulance service person. The prior year's net investment gain or loss under paragraph (b) must be allocated and that year's general fund appropriation, plus any transfer from the suspense account under section 144C.03, subdivision 2, and after deduction of administrative expenses, also must be allocated.

(b) The difference in the market value of the assets of the ambulance service personnel longevity award and incentive trust account as of the immediately previous June 30 and the June 30 occurring 12 months earlier must be reported on or before August 15 by the state board of investment. The market value gain or loss must be expressed as a percentage of the total potential award accumulations as of the immediately previous June 30, and that positive or negative percentage must be applied to increase or decrease the recorded potential award accumulation of each qualified ambulance service person.

(c) The appropriation for this purpose, after deduction of administrative expenses, must be divided by the total number of additional ambulance service personnel years of service recognized since the last allocation or 1,000 years of

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service, whichever is greater. If the allocation is based on the 1,000 years of service, any allocation not made for a qualified ambulance service person must be credited to the suspense account under section 144C.03, subdivision 2. A qualified ambulance service person must be credited with a year of service if the person is certified by the chief administrative officer of the ambulance service as having rendered active ambulance service during the 12 months ending as of the immediately previous June 30. If the person has rendered prior active ambulance service, the person must be additionally credited with one-fifth of a year of service for each year of active ambulance service rendered before June 30, 1993, but not to exceed in any year one additional year of service or to exceed in total five years of prior service. Prior active ambulance service means employment by or the provision of service to a licensed ambulance service before June 30, 1993, as determined by the person's current ambulance service based on records provided by the person that were contemporaneous to the service. The prior ambulance service must be reported on or before August 15 to the commissioner of health in an affidavit from the chief administrative officer of the ambulance service.

Sec. 52. Minnesota Statutes 1992, section 176.611, subdivision 6a, is amended to read:

Subd. 6a. **APPROPRIATIONS CONSTITUTING FUND.** The revolving fund consists of \$3,437,690 appropriated from the general fund and other funds, along with credited investment gains or losses attributable to balances in the account. The state board of investment shall invest the fund's assets according to section 11A.24.

Sec. 53. [197.236] **VETERANS' CEMETERY.**

Subdivision 1. ADVISORY COUNCIL; PURPOSE. The veterans' cemetery advisory council is established for the purpose of managing the fundraising for the veterans' cemetery trust account established in subdivision 7. The council consists of seven members appointed by and serving at the pleasure of the governor. Members serve without per diem and without reimbursement for expenses. The council and the terms of members expire December 31, 1996.

Subd. 2. MEMBERSHIP. Members must be persons experienced in policy development, civic and community affairs, forms of public service, or legal work. At least two members must be veterans. At least three, but no more than four of the members must be residents of the metropolitan area, as defined in section 473.121, subdivision 2. No more than four of the members may be of the same gender.

Subd. 3. OPERATION AND MAINTENANCE. The commissioner of veterans affairs shall supervise and control the veterans' cemetery established under this section. The commissioner may contract for the maintenance and operation of the cemetery. All personnel, equipment, and support necessary for maintenance and operation of the cemetery, must be included in the department's budget.

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Subd. 4. ACQUISITION OF PROPERTY. By August 1, 1994, or as soon thereafter as practicable, the department of veterans affairs shall receive by gift and establish ownership of the site of approximately 36 acres adjacent to Camp Ripley in Morrison county that has been prepared for the purpose of a state veterans' cemetery by the Minnesota state veterans' cemetery association. Prior to the acquisition of this land, the department must obtain the approval of the Morrison county board. The department may also receive any equipment and materials granted to the state or any of its political subdivisions for this purpose.

Subd. 5. RULES. The commissioner of veterans affairs may adopt rules regarding the operation of the cemetery. If practicable, the commissioner shall require that upright granite markers be used to mark all gravesites.

Subd. 6. PERMANENT DEVELOPMENT AND MAINTENANCE ACCOUNT. A veterans' cemetery development and maintenance account is established in the special revenue fund of the state treasury. Receipts for burial fees, earnings from the veterans' cemetery trust account, designated appropriations, and any other cemetery receipts must be deposited into this account. The money in the account, including interest earned, is appropriated to the commissioner to be used for the development, operation, maintenance, and improvement of the cemetery. To the extent practicable, the commissioner of veterans affairs must apply for available federal grants for the development and operation of the cemetery.

Subd. 7. PERMANENT TRUST ACCOUNT. A veterans' cemetery trust account is established in the special revenue fund of the state treasury. All designated appropriations and monetary donations to the cemetery must be placed in this account. The principal of this account must be invested by the state board of investment and may not be spent. The income from this account must be transferred as directed by the account manager to the veterans' cemetery development and maintenance account.

Subd. 8. ELIGIBILITY. Any person who is eligible for burial in a national veterans cemetery is eligible for burial in the state veterans' cemetery.

Subd. 9. BURIAL FEES. The commissioner of veterans affairs shall establish a fee schedule, which may be adjusted from time to time, for the interment of eligible family members. The fees shall cover as nearly as practicable the actual costs of interment, excluding the value of the plot. The department may accept the social security burial allowance, if any, of the eligible family members in an amount not to exceed the actual cost of the interment. The commissioner may waive the fee in the case of an indigent eligible person.

No plot or interment fees may be charged for the burial of eligible veterans, members of the national guard, or military reservists, except that funds available from the social security or veterans burial allowances, if any, must be paid to the commissioner in an amount not to exceed the actual cost of the interment, excluding the value of the plot.

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Prior to the interment of an eligible person, the commissioner shall request the cooperation of the eligible person's next of kin in applying to the appropriate federal agencies for payment to the cemetery of any allowable interment allowance.

Subd. 10. ALLOCATION OF PLOTS. A person, or survivor of a person, eligible for interment in the state veterans' cemetery may apply for a burial plot for the eligible person by submitting a request to the commissioner of veterans affairs on a form supplied by the department. The department shall allot plots on a first-come, first-served basis. To the extent that it is practical, plots must be allocated in a manner permitting the burial of eligible family members above, below, or adjacent to the eligible veteran, member of the national guard, or military reservist.

Sec. 54. Minnesota Statutes 1992, section 204B.27, is amended by adding a subdivision to read:

Subd. 8. VOTER INFORMATION TELEPHONE LINE. The secretary of state shall provide a voter information telephone line for use during the period beginning two weeks before the state primary and ending three days after the state general election. A toll-free number must be provided for use by persons residing outside the metropolitan calling area. The secretary of state shall make available information concerning voter registration, absentee voting, election results, and other election-related information considered by the secretary of state to be useful to the public.

Sec. 55. Minnesota Statutes 1992, section 326.12, subdivision 3, is amended to read:

Subd. 3. CERTIFIED SIGNATURE. Each plan, specification, plat, report, or other document which under sections 326.02 to 326.15 is prepared and submitted to a building official by a licensed architect, licensed engineer, licensed land surveyor, licensed landscape architect, or certified interior designer shall be required to must bear only the signature of the licensed or certified person preparing it, or the signature of the licensed or certified person under whose direct supervision it was prepared. Each signature shall be accompanied by a certification that the signer is licensed under sections 326.02 to 326.15, by the person's license number, and by the date on which the signature was affixed. The provisions of this paragraph shall not apply to documents of an intraoffice or intra-company nature.

Sec. 56. Minnesota Statutes 1992, section 353.65, subdivision 7, is amended to read:

Subd. 7. EXCESS CONTRIBUTIONS HOLDING ACCOUNT. (a) The public employees insurance reserve excess contributions holding account is established in the public employees retirement association. Excess contributions established by section 69.031, subdivision 5, paragraphs (2), clauses (b) and (c), and (3) must be deposited in the account. These contributions and all invest-

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ment earnings associated with them must be regularly transferred to the insurance trust fund established by section 43A.316, subdivision 9 as provided in paragraph (b).

(b) From the amount of the excess contributions and associated investment earnings:

(1) \$1,000,000 must be transferred annually to the ambulance service personnel longevity award and incentive suspense account established by section 144C.03, subdivision 2; and

(2) any remaining balance must be transferred to the general fund.

(c) If a law is enacted creating a police officer stress reduction program, and money is appropriated for the program, an amount equal to the appropriation must be transferred from the excess contributions holding account to the stress reduction program before money is transferred to the general fund under paragraph (b), clause (2).

Sec. 57. Minnesota Statutes 1992, section 354.06, subdivision 1, is amended to read:

Subdivision 1. The management of the fund is vested in a board of eight trustees known as the board of trustees of the teachers retirement fund. It is composed of the following persons: the commissioner of education, the commissioner of finance, ~~the commissioner of commerce~~ a representative of the Minnesota school boards association, four members of the fund elected by the members of the fund, and one retiree elected by the retirees of the fund. The five elected members of the board of trustees must be chosen by mail ballot in a manner fixed by the board of trustees of the fund. In every odd-numbered year there shall be elected two members of the fund to the board of trustees for terms of four years commencing on the first of July next succeeding their election. In every odd-numbered year one retiree of the fund must be elected to the board of trustees for a term of two years commencing on the first of July next succeeding the election. The filing of candidacy for a retiree election must include a petition of endorsement signed by at least ten retirees of the fund. Each election must be completed by June first of each succeeding odd-numbered year. In the case of elective members, any vacancy must be filled by appointment by the remainder of the board, and the appointee shall serve until the members or retirees of the fund at the next regular election have elected a trustee to serve for the unexpired term caused by the vacancy. No member or retiree may be appointed by the board, or elected by the members of the fund as a trustee, if the person is not a member or retiree of the fund in good standing at the time of the appointment or election.

Sec. 58. Minnesota Statutes 1992, section 570.01, is amended to read:

570.01 ALLOWANCE OF ATTACHMENT.

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As a proceeding ancillary to a civil action for the recovery of money and to any action brought by the attorney general under the authority of section 8.31, subdivision 1, or any other law respecting unfair, discriminatory, or other unlawful practices in business, commerce, or trade, the claimant, at the time of commencement of the civil action or at any time ~~thereafter~~ afterward, may have the property of the respondent attached in the manner and in the circumstances prescribed in sections 570.01 to 570.14, as security for the satisfaction of any judgment that the claimant may recover. The order for attachment ~~shall~~ may be issued only by a judge of the court in the county in which the civil action is pending. All property not exempt from execution under the judgment demanded in the civil action ~~may be~~ is subject to attachment.

Sec. 59. Minnesota Statutes 1992, section 570.02, subdivision 1, is amended to read:

Subdivision 1. **FOUNDATIONS.** An order of attachment ~~which that~~ is intended to provide security for the satisfaction of a judgment may be issued only in the following situations:

(1) when the respondent has assigned, secreted, or disposed of, or is about to assign, secrete, or dispose of, any of the respondent's nonexempt property, with intent to delay or defraud the respondent's creditors;

(2) when the respondent has removed, or is about to remove, any of the respondent's nonexempt property from this state, with intent to delay or defraud the respondent's creditors;

(3) when the respondent has converted or is about to convert any of the respondent's nonexempt property into money or credits, for the purpose of placing the property beyond the reach of the respondent's creditors;

(4) when the respondent has committed an intentional fraud giving rise to the claim upon which the civil action is brought; ~~or~~

(5) when the respondent has committed any act or omission, for which the respondent has been convicted of a felony, giving rise to the claim upon which the civil action is brought; or

(6) when the respondent has violated the law of this state respecting unfair, discriminatory, and other unlawful practices in business, commerce, or trade, including but not limited to any of the statutes specifically enumerated in section 8.31, subdivision 1.

Sec. 60. Minnesota Statutes 1992, section 570.025, subdivision 2, is amended to read:

Subd. 2. **CONDITIONS.** A preliminary attachment order may be issued ~~prior to before~~ the hearing specified in section 570.026 only if the following conditions are met:

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(1) the claimant has made a good faith effort to inform the respondent of the application for a preliminary attachment order or that informing the respondent would endanger the ability of the claimant to recover upon a judgment subsequently awarded;

(2) the claimant has demonstrated the probability of success on the merits;

(3) the claimant has demonstrated the existence of one or more of the grounds specified in section 570.02, subdivision 1, clause (1), (2), ~~or (3)~~, or (6); and

(4) due to extraordinary circumstances, the claimant's interests cannot be protected pending a hearing by an appropriate order of the court, other than by directing a prehearing seizure of property.

Sec. 61. Laws 1993, chapter 192, section 17, subdivision 3, is amended to read:

Subd. 3. Accounting Services

19,303,000	<u>12,711,000</u>
<u>19,378,000</u>	<u>12,636,000</u>

~~\$4,640,000~~ \$4,715,000 the first year and ~~\$3,869,000~~ \$3,794,000 the second year are to implement the accounts receivable project. The commissioner of finance may transfer money to the commissioners of human services and revenue and the attorney general. Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

\$10,300,000 the first year and \$4,700,000 the second year are for the statewide systems project. If the appropriation for the statewide systems project in either year is insufficient, the appropriation for the other year is available. The commissioner of finance shall report monthly during the biennium ending June 30, 1995, to the chairs of the senate finance committee and the house of representatives ways and means committee on the expenditure of this appropriation and the progress of the statewide systems project.

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\$285,000 is for transfer by August 1, 1993, to the legislative commission on planning and fiscal policy for the purpose of improving legislative access to executive branch budgeting and accounting information. None of the other money appropriated in this section for the statewide systems project may be spent until the transfer to the legislative commission on planning and fiscal policy has occurred.

The budgeting and accounting portions of the statewide systems project must be designed so that all public data in these systems are available to the legislature at the time the data are available to executive branch agencies.

The commissioner of finance, in consultation with affected agencies, shall reengineer work processes in preparation for the new state accounting, purchasing, and personnel systems.

The commissioner shall develop a joint work plan with the department of administration to implement electronic data interchange. The commissioner shall prepare plans for migrating to open systems, and shall develop plans for an automated interface with the local government financial system. The commissioner must submit these plans to the information policy office for review and approval.

Sec. 62. IMPROVED COORDINATION AND CITIZEN ACCESS.

(a) The legislative coordinating commission shall make recommendations to improve coordination of public information activities between the house of representatives and the senate. The purpose of these recommendations is to eliminate unnecessary duplication in a manner that will improve citizens' access to public information concerning legislative proceedings.

(b) The commission must consider:

(1) joint mailings of material providing updates on recent house and senate activities and schedules for upcoming meetings;

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(2) ensuring that house and senate public information offices each have materials produced by the other office, such as meeting schedules, information on bill introductions, and updates on recent activities, so that a citizen seeking information can obtain it in one place;

(3) ensuring continued cooperation and coordination of television production and other public outreach activities;

(4) ensuring that offices in each legislative body that have contact with the public are expected to and are able to direct citizens to offices and meetings in the other body.

(c) The commission shall make recommendations to the chairs of the governmental operations committees, the chairs of the finance committee divisions having responsibility for the legislature, the speaker of the house, and the majority leader of the senate by November 15, 1994. The recommendations must include the specific topics listed in paragraph (b), and any other topics designed to improve citizen access to the legislature.

Sec. 63. PUBLIC EMPLOYEES INSURANCE PURCHASING COOPERATIVE TASK FORCE.

Subdivision 1. MEMBERSHIP. The public employees insurance purchasing cooperative task force consists of one member each appointed by and representing:

- (1) the department of employee relations;
- (2) the Minnesota school boards association;
- (3) the league of Minnesota cities;
- (4) the association of Minnesota counties;
- (5) the American federation of state, county, and municipal employees;
- (6) the Minnesota education association;
- (7) the Minnesota federation of teachers;
- (8) the Minnesota state building and construction trades council;
- (9) the Minnesota AFL-CIO;
- (10) the Minnesota teamsters;
- (11) the Minnesota police and peace officers association;
- (12) the Minnesota professional firefighters; and
- (13) the educational cooperative service units under Minnesota Statutes, section 123.58.

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The appointing authorities are responsible for costs incurred by members.

Subd. 2. DUTIES. The task force shall study the feasibility of establishing a cooperative of all public employees, excluding state employees, to purchase hospital, dental, and medical insurance coverage. The task force shall identify costs associated with the establishment and operation of a cooperative, determine accessibility for public employees throughout the state, and develop a plan for implementation. The task force shall submit a report and recommendations to the committee on governmental operations and gambling of the house of representatives and the committee on governmental operations and reform of the senate by March 1, 1995. The task force expires upon submission of its report and recommendations.

Subd. 3. DEPARTMENT OF EMPLOYEE RELATIONS. The commissioner of employee relations shall coordinate the formation of the task force by the organizations listed in subdivision 1, provide administrative and staff support to the task force, and assist in preparing its report and recommendations to the legislature.

Sec. 64. STRESS DETECTION, PREVENTION, REDUCTION, AND ACCOMMODATION PROGRAM FEASIBILITY STUDY.

(a) The commissioner of employee relations shall conduct a feasibility study for the establishment of a program in state government to be known as the Minnesota police officers stress program. This program is intended to provide expertise and resources for the prevention of job-related stress in police work. It must also provide a treatment program for posttraumatic stress as experienced by police officers who are certified and licensed by the police officers standards and training board.

(b) Results of the study required under paragraph (a) must be reported to the chairs of the senate governmental operations and reform committee, the house of representatives governmental operations and gambling committee, the senate finance committee, and the house of representatives ways and means committee by January 5, 1995.

Sec. 65. REPEALER.

Minnesota Statutes 1992, sections 10.11, subdivision 1; 10.12; 10.14; 10.15; 16A.06, subdivision 8; 16A.124, subdivision 6; 197.235; 355.04; and 355.06, are repealed.

Laws 1985, First Special Session chapter 12, article 11, section 19, is repealed.

Sec. 66. EFFECTIVE DATE.

Sections 35 to 44 are effective July 1, 1994, and apply to the collection of any debt arising before, on, or after that date.

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Section 34, subdivisions 1 to 3, are effective July 1, 1995.

ARTICLE 4

COMMUNITY DEVELOPMENT

Section 1. COMMUNITY DEVELOPMENT APPROPRIATIONS.

The sums set forth in the columns headed "APPROPRIATIONS" are appropriated from the general fund, or other named fund, to the agencies for the purposes specified in this article and are added to or, if shown in parenthesis, are subtracted from appropriations for the fiscal years ending June 30, 1994 and June 30, 1995, in Laws 1993, chapter 369, or another named law.

SUMMARY BY FUND

	1994	1995
General Fund	\$ 123,000	\$2,694,000
Workers' Compensation Fund		50,000
TOTAL	\$ 123,000	\$2,694,000
	APPROPRIATIONS	
	Available for the Year	
	Ending June 30	
	1994	1995
Sec. 2. TRADE AND ECONOMIC DEVELOPMENT	\$	\$ 1,550,000
(a) Minnesota Film Board		40,000

This appropriation is added to the appropriation in Laws 1993, chapter 369, section 2, subdivision 4, for the Minnesota film board. This appropriation is available only upon receipt by the board of \$1 in matching money or in-kind contributions from nonstate sources for every \$3 provided by this appropriation.

(b) Community Development

The \$6,000,000 to be transferred under the appropriation in Laws 1993, chapter 369, section 2, subdivision 2, in fiscal year 1994 to the regional revolving loan fund account in the special revenue fund is to be transferred instead to the rural rehabilitation account in the special revenue fund.

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(c) Job Skills Partnership

500,000

This appropriation is added to the appropriations made in Laws 1993, chapter 369, section 2, subdivision 5, and the total is the budget base for the next biennium. The appropriation is added to the \$1,088,000 for fiscal year 1995 for the job skills partnership. The purpose for the original \$1,088,000 and the additional appropriation is for the job skills partnership program under Minnesota Statutes, chapter 116L.

(d) Phalen Corridor

450,000

This appropriation is to make a grant to the city of Saint Paul for the first phase of development and for infrastructure analysis of the Phalen corridor, a redevelopment program to transform an underutilized railroad corridor into a 100-acre industrial park for, primarily, manufacturing and industrial employment. This appropriation is not available unless matched by an equal amount from nonstate sources.

(e) Women-Owned Businesses

25,000

This appropriation is to conduct a study of women-owned businesses.* (The preceding paragraphs beginning "(e)" were vetoed by the governor.)

(f) North Metro Business Retention and Development Commission

35,000

This appropriation is added to the grant authorized in Laws 1993, chapter 369, section 2, subdivision 5, for the North Metro Business Retention and Development Commission, and is for the purpose of including the cities of New Brighton and Mounds View in the pilot project. This grant is available only on a demonstration of a dollar-for-dollar cash match from the commission.

(g) Agricultural Processing Facility

500,000

This appropriation is for a grant to a

city that is the site of an agricultural processing facility with a project cost estimated to be at least \$100,000,000. The grant shall be made only if such a facility is located in the city. The grant must be used to pay costs related to the project.

Sec. 3. LABOR INTERPRETIVE CENTER	45,000	140,000
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These general fund appropriations for operational expenditures are in addition to the appropriations transferred in Laws 1993, chapter 369, section 26.

Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

The commissioner of administration shall manage and control the land acquired pursuant to Laws 1987, chapter 400, section 61, until funds are appropriated and construction is authorized by the legislature to begin on the labor interpretive center.

Of the money appropriated for 1994, up to \$10,000 is available immediately to repay any amount owed the bond proceeds fund.

Sec. 4. MINNESOTA TECHNOLOGY INCORPORATED	-0-	200,000
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This appropriation is added to the appropriation for transfer from the general fund to the Minnesota Technology, Inc. fund in Laws 1993, chapter 369, section 3, and is for state match for the first year of a federal grant for a defense conversion consortium.

Sec. 5. JOBS AND TRAINING

Total Appropriation	-0-	600,000
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(a) This appropriation is added to the appropriation in Laws 1993, chapter 369, section 5.

(b) Supported Employment		150,000
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\$75,000 of this appropriation must be used to fund direct services for persons with severe disabilities. \$75,000 of this appropriation is for staff salary cost of living adjustments to extended employment program grants for extended employment and long-term employment under Minnesota Statutes, section 268A.09.

(c) Displaced Homemaker

165,000

This appropriation is for the purpose of the displaced homemaker program under Minnesota Statutes, section 268.96.* (The preceding paragraphs beginning "(c)" were vetoed by the governor.)

(d) Minnesota Youth Programs

235,000

This appropriation is for the summer youth program under Minnesota Statutes, sections 268.56 and 268.561, for a grant of \$150,000 to the Minneapolis park and recreation board and \$85,000 to the city of St. Paul for demonstration programs in hiring youth for summer jobs. These grants must be matched from nonstate sources. The demonstration programs must otherwise comply with Minnesota Statutes, sections 268.56 and 268.561.

(e) Employment Services for Persons With Mental Illness

50,000

Of this appropriation, \$50,000 is appropriated from the general fund to the commissioner of jobs and training for fiscal year 1995 for the grants under Minnesota Statutes, section 268A.13, and the development of a statewide plan for establishing a statewide system to reimburse providers for employment support services for persons with mental illness.* (The preceding paragraphs beginning "(e)" were vetoed by the governor.)

Sec. 6. LABOR AND INDUSTRY

-0-

50,000

SUMMARY BY FUND

General Fund	\$ -0-	\$ -0-
Workers' Compensation Special fund	-0-	50,000
(a) OSHA Supplement Fund		50,000

This appropriation is from the special compensation fund and is added to the appropriation in Laws 1993, chapter 369, section 9, subdivision 3.

(b) OSHA Inspectors

Notwithstanding Minnesota Statutes, section 79.253, \$90,000 is appropriated for fiscal year 1995 from the assigned risk safety account in the special compensation fund to the commissioner of labor and industry for the purpose of hiring two occupational safety and health inspectors. The inspectors shall perform safety consultations for employers through labor-management committees as defined in section 179.81, subdivision 2, under an inter-agency agreement entered into between the commissioners of labor and industry and mediation services.

Sec. 7. COMMERCE	-0-	8,000
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This appropriation is for a study, in consultation with the attorney general, of the pawnbroker industry in Minnesota. The commissioner shall study:

- (1) current licensing and regulation of pawnbrokers by political subdivisions, the effectiveness of that licensing, and the need, if any, for licensing and regulation by the state; and
- (2) rates of interest or fees charged on pawnbroker loans in Minnesota and other states, and whether the state should establish a maximum rate of interest or fee for such loans.

The commissioner shall report findings, conclusions, and recommendations of

the study to the legislature by December 1, 1994.* (Section 7 was vetoed by the governor.)

Sec. 8. PUBLIC SERVICE -0- (220,000)

This reduction is to the appropriation in Laws 1993, chapter 369, section 11, subdivision 5, for transfer to the energy and conservation account under Minnesota Statutes, section 216B.241, subdivision 2a, for programs administered by the commissioner of jobs and training to improve the energy efficiency of residential LP gas heating equipment in low-income households, and when necessary, to provide weatherization services to the homes.

Sec. 9. MINNESOTA WORLD TRADE CENTER CORPORATION 78,000 111,000

The appropriation for the first year is from the balance reduction in the export finance working capital account under Minnesota Statutes, section 116J.9673, subdivision 4. The appropriation for the second year is not available unless matched \$1 for every \$2 of the state appropriation by the St. Paul business community.

The appropriation is for the purposes of paying the accrued debt of the World Trade Center Corporation.

Sec. 10. MINNESOTA HISTORICAL SOCIETY -0- 150,000

(a) Archaeology 50,000

This appropriation is for the state archaeology function and purpose.

(b) Museum of the National Guard 25,000

This appropriation is for a contribution from the state to the Museum of the National Guard in Washington D.C.* (The preceding paragraphs beginning "(b)" were vetoed by the governor.)

(c) Grand Meadow Chert Quarry 35,000

This appropriation is for a grant to the Mower county historical society for acquisition of the historic Grand Meadow chert quarry.* (The preceding paragraphs beginning "(c)" were vetoed by the governor.)

(d) Minnesota Transportation Museum 10,000

This appropriation is for restoration of a president's conference committee street car, and must be matched on a one-for-one basis from private sources, including in-kind contributions.* (The preceding paragraphs beginning "(d)" were vetoed by the governor.)

(e) St. Anthony Falls Area 60,000

Of this appropriation, \$35,000 is for a grant to the Minneapolis parks and recreation board, to be used by the board as a grant to further develop the great river road project in the central Mississippi riverfront park. A grant made by the board from this appropriation is not subject to the matching requirements of Minnesota Statutes, section 138.766. Of this appropriation, \$25,000 is for a grant to the St. Anthony Falls heritage board for board operating costs.* (The preceding paragraphs beginning "(e)" were vetoed by the governor.)

(f) Hinckley Fire Museum 10,000

This appropriation is for a grant to the Pine county historical society for renovation of the Hinckley fire museum.

(g) Kee Theatre 10,000

This appropriation is for a grant for the restoration of the Kee theatre in Kiester.

(h) Cloquet-Moose Lake Forest Fire Center (50,000)

The appropriation in Laws 1993, chapter 369, section 12, subdivision 6, paragraph (g), is canceled.

Sec. 11. BOARD OF THE ARTS -0- 115,000

This appropriation is for a grant to the city of Minneapolis for capital improvements to the Hennepin center for the arts. The city may give this money as a grant to the governing body of the Hennepin center for the arts.* (Section 11 was vetoed by the governor.)

Sec. 12. COUNCIL ON AFFAIRS OF SPANISH SPEAKING PEOPLE	-0-	10,000
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This appropriation is for (1) making the position of the council's ombudsperson for families a full-time position, and (2) statewide outreach.

The council shall report to the legislature by February 1, 1995, on the results and effects of the statewide outreach.

Sec. 13. COUNCIL ON BLACK MINNESOTANS	-0-	10,000
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This appropriation is for (1) making the position of the council's ombudsperson for families a full-time position, and (2) statewide outreach.

The council shall report to the legislature by February 1, 1995, on the results and effects of the statewide outreach.

Sec. 14. COUNCIL ON ASIAN-PACIFIC MINNESOTANS	-0-	10,000
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This appropriation is for (1) making the position of the council's ombudsperson for families a full-time position, and (2) statewide outreach.

The council shall report to the legislature by February 1, 1995, on the results and effects of the statewide outreach.

Sec. 15. INDIAN AFFAIRS COUNCIL	-0-	10,000
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This appropriation is for (1) making the position of the council's ombudsperson for families a full-time position, and (2) statewide outreach.

The council shall report to the legislature by February 1, 1995, on the results and effects of the statewide outreach.

Sec. 16. **STUDY; WOMEN-OWNED BUSINESSES.**

The commissioner of trade and economic development, in consultation with the commissioner of commerce, shall conduct a study of the status of women-owned businesses in Minnesota. The commissioner shall:

(1) identify and compile information on trends in women business ownership and trends in the size of women-owned businesses;

(2) identify the distribution of women-owned businesses by industry and the demographic profile of women business owners;

(3) identify the current and prospective needs of women-owned businesses for all types of credit and capital, including start-up capital, expansion capital, and working capital, considering the number and type of women-owned businesses and the rate of formation of women-owned businesses;

(4) identify and document the availability of all types of credit and financing for women-owned businesses;

(5) describe any barriers that exist that limit women-owned businesses' access to capital and credit;

(6) examine and document the use of publicly funded capital subsidy programs by women-owned businesses, including business loan and grant programs, interest subsidy programs, and loan insurance and loan guarantee programs;

(7) evaluate the effectiveness of the community reinvestment act in Minnesota as one method of addressing the credit needs of women-owned businesses;

(8) compare the relative access to credit of women-owned businesses in Minnesota and women-owned businesses in other states or regions;

(9) provide recommendations to improve, as necessary, access to credit by, and the availability of credit for, women-owned businesses;

(10) identify the level of participation by women-owned businesses in state procurement programs; and

(11) identify the barriers, by industry, which inhibit the ability of women to compete for and obtain contracts.

The commissioner shall use the most current and reliable information available, including information the commissioner obtains through a survey of Minnesota's women-owned corporations, partnerships, limited liability companies, and sole proprietorships. Any state agency with information or expertise required for the study shall cooperate by supplying data or assistance as

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requested by the commissioner. The commissioner shall prepare a report summarizing the findings and recommendations and present it to the legislature by January 30, 1995.

Sec. 17. **MICRO BUSINESS LOANS.**

The commissioner of trade and economic development shall evaluate ways to encourage micro business loans for small start-up businesses. The commissioner shall report to the legislature as part of the biennial budget process on ways to meet the capital needs of small start-up businesses, including proposed measures of the effectiveness of these loans.

Sec. 18. Minnesota Statutes 1993 Supplement, section 15.50, subdivision 2, is amended to read:

Subd. 2. **CAPITOL AREA PLAN.** (a) The board shall prepare, prescribe, and from time to time, after a public hearing, amend a comprehensive use plan for the capitol area, called the area in this subdivision, which consists of that portion of the city of Saint Paul comprehended within the following boundaries: Beginning at the point of intersection of the center line of the Arch-Pennsylvania freeway and the center line of Marion Street, thence southerly along the center line of Marion Street extended to a point 50 feet south of the south line of Concordia Avenue, thence southeasterly along a line extending 50 feet from the south line of Concordia Avenue to a point 125 feet from the west line of John Ireland Boulevard, thence southwesterly along a line extending 125 feet from the west line of John Ireland Boulevard to the south line of Dayton Avenue, thence northeasterly from the south line of Dayton Avenue to the west line of John Ireland Boulevard, thence northeasterly to the center line of the intersection of Old Kellogg Boulevard and Summit Avenue, thence northeasterly along the center line of Summit Avenue to the center line of the new West Kellogg Boulevard, thence southerly along the east line of the new West Kellogg Boulevard, to the center line of West Seventh Street, thence northeasterly along the center line of West Seventh Street to the center line of the Fifth Street ramp, thence northwesterly along the center line of the Fifth Street ramp to the east line of the right-of-way of Interstate Highway 35-E, thence northeasterly along the east line of the right-of-way of Interstate Highway 35-E to the south line of the right-of-way of Interstate Highway 94, thence easterly along the south line of the right-of-way of Interstate Highway 94 to the west line of St. Peter Street, thence southerly to the south line of Eleventh Street, thence easterly along the south line of Eleventh Street to the west line of Cedar Street, thence southeasterly along the west line of Cedar Street to the center line of Tenth Street, thence northeasterly along the center line of Tenth Street to the center line of Minnesota Street, thence northwesterly along the center line of Minnesota Street to the center line of Eleventh Street, thence northeasterly along the center line of Eleventh Street to the center line of Jackson Street, thence northwesterly along the center line of Jackson Street to the center line of the Arch-Pennsylvania freeway extended, thence westerly along the center line of the Arch-Pennsylvania freeway extended and Marion Street to the point of origin. If construction of the labor

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interpretive center does not commence prior to December 31, ~~1996~~ 1998, at the site recommended by the board, the boundaries of the capitol area revert to their configuration as of 1992.

Under the comprehensive plan, or a portion of it, the board may regulate, by means of zoning rules adopted under the administrative procedure act, the kind, character, height, and location, of buildings and other structures constructed or used, the size of yards and open spaces, the percentage of lots that may be occupied, and the uses of land, buildings and other structures, within the area. To protect and enhance the dignity, beauty, and architectural integrity of the capitol area, the board is further empowered to include in its zoning rules design review procedures and standards with respect to any proposed construction activities in the capitol area significantly affecting the dignity, beauty, and architectural integrity of the area. No person may undertake these construction activities as defined in the board's rules in the capitol area without first submitting construction plans to the board, obtaining a zoning permit from the board, and receiving a written certification from the board specifying that the person has complied with all design review procedures and standards. Violation of the zoning rules is a misdemeanor. The board may, at its option, proceed to abate any violation by injunction. The board and the city of St. Paul shall cooperate in assuring that the area adjacent to the capitol area is developed in a manner that is in keeping with the purpose of the board and the provisions of the comprehensive plan.

(b) The commissioner of administration shall act as a consultant to the board with regard to the physical structural needs of the state. The commissioner shall make studies and report the results to the board when it requests reports for its planning purpose.

(c) No public building, street, parking lot, or monument, or other construction may be built or altered on any public lands within the area unless the plans for the project conform to the comprehensive use plan as specified in paragraph (d) and to the requirement for competitive plans as specified in paragraph (e). No alteration substantially changing the external appearance of any existing public building approved in the comprehensive plan or the exterior or interior design of any proposed new public building the plans for which were secured by competition under paragraph (e) may be made without the prior consent of the board. The commissioner of administration shall consult with the board regarding internal changes having the effect of substantially altering the architecture of the interior of any proposed building.

(d) The comprehensive plan must show the existing land uses and recommend future uses including: areas for public taking and use; zoning for private land and criteria for development of public land, including building areas, open spaces, monuments, and other memorials; vehicular and pedestrian circulation; utilities systems; vehicular storage; elements of landscape architecture. No substantial alteration or improvement may be made to public lands or buildings in the area without the written approval of the board.

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(e) The board shall secure, by competitions plans for any new public building. Plans for any comprehensive plan, landscaping scheme, street plan, or property acquisition that may be proposed, or for any proposed alteration of any existing public building, landscaping scheme or street plan may be secured by a similar competition. A competition must be conducted under rules prescribed by the board and may be of any type which meets the competition standards of the American Institute of Architects. Designs selected become the property of the state of Minnesota, and the board may award one or more premiums in each competition and may pay the costs and fees that may be required for its conduct. At the option of the board, plans for projects estimated to cost less than \$1,000,000 may be approved without competition provided the plans have been considered by the advisory committee described in paragraph (h). Plans for projects estimated to cost less than \$400,000 and for construction of streets need not be considered by the advisory committee if in conformity with the comprehensive plan.

(f) Notwithstanding paragraph (e), an architectural competition is not required for the design of any light rail transit station and alignment within the capitol area. The board and its advisory committee shall select a preliminary design for any transit station in the capitol area. Each stage of any station's design through working drawings must be reviewed by the board's advisory committee and approved by the board to ensure that the station's design is compatible with the comprehensive plan for the capitol area and the board's design criteria. The guideway and track design of any light rail transit alignment within the capitol area must also be reviewed by the board's advisory committee and approved by the board.

(g) Of the amount available for the light rail transit design, adequate funds must be available to the board for design framework studies and review of preliminary plans for light rail transit alignment and stations in the capitol area.

(h) The board may not adopt any plan under paragraph (e) unless it first receives the comments and criticism of an advisory committee of three persons, each of whom is either an architect or a planner, who have been selected and appointed as follows: one by the board of the arts, one by the board, and one by the Minnesota Society of the American Institute of Architects. Members of the committee may not be contestants under paragraph (e). The comments and criticism must be a matter of public information. The committee shall advise the board on all architectural and planning matters. For that purpose, the committee must be kept currently informed concerning, and have access to, all data, including all plans, studies, reports and proposals, relating to the area as the data are developed or in the process of preparation, whether by the commissioner of administration, the commissioner of trade and economic development, the metropolitan council, the city of Saint Paul, or by any architect, planner, agency or organization, public or private, retained by the board or not retained and engaged in any work or planning relating to the area, and a copy of any data prepared by any public employee or agency must be filed with the board promptly upon completion.

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The board may employ stenographic or technical help that may be reasonable to assist the committee to perform its duties.

When so directed by the board, the committee may serve as, and any member or members of the committee may serve on, the jury or as professional advisor for any architectural competition, and the board shall select the architectural advisor and jurors for any competition with the advice of the committee.

The city of Saint Paul shall advise the board.

(i) The comprehensive plan for the area must be developed and maintained in close cooperation with the commissioner of trade and economic development, the planning department and the council for the city of Saint Paul, and the board of the arts, and no plan or amendment of a plan may be effective without 90 days' notice to the planning department of the city of Saint Paul and the board of the arts and without a public hearing with opportunity for public testimony.

(j) The board and the commissioner of administration, jointly, shall prepare, prescribe, and from time to time revise standards and policies governing the repair, alteration, furnishing, appearance, and cleanliness of the public and ceremonial areas of the state capitol building. The board shall consult with and receive advice from the director of the Minnesota state historical society regarding the historic fidelity of plans for the capitol building. The standards and policies developed under this paragraph are binding upon the commissioner of administration. The provisions of sections 14.02, 14.04 to 14.36, 14.38, and 14.44 to 14.45 do not apply to this paragraph.

(k) The board in consultation with the commissioner of administration shall prepare and submit to the legislature and the governor no later than October 1 of each even-numbered year a report on the status of implementation of the comprehensive plan together with a program for capital improvements and site development, and the commissioner of administration shall provide the necessary cost estimates for the program. The board shall report any changes to the comprehensive plan adopted by the board to the committee on governmental operations and gambling of the house of representatives and the committee on governmental operations and reform of the senate and upon request shall provide testimony concerning the changes. The board shall also provide testimony to the legislature on proposals for memorials in the capitol area as to their compatibility with the standards, policies, and objectives of the comprehensive plan.

(l) The state shall, by the attorney general upon the recommendation of the board and within appropriations available for that purpose, acquire by gift, purchase, or eminent domain proceedings any real property situated in the area described in this section, and it may also acquire an interest less than a fee simple interest in the property, if it finds that the property is needed for future expansion or beautification of the area.

(m) The board is the successor of the state veterans' service building com-

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mission, and as such may adopt rules and may reenact the rules adopted by its predecessor under Laws 1945, chapter 315, and amendments to it.

(n) The board shall meet at the call of the chair and at such other times as it may prescribe.

(o) The commissioner of administration shall assign quarters in the state veterans service building to (1) the department of veterans affairs, of which a part that the commissioner of administration and commissioner of veterans affairs may mutually determine must be on the first floor above the ground, and (2) the American Legion, Veterans of Foreign Wars, Disabled American Veterans, Military Order of the Purple Heart, United Spanish War Veterans, and Veterans of World War I, and their auxiliaries, incorporated, or when incorporated, under the laws of the state, and (3) as space becomes available, to other state departments and agencies as the commissioner may deem desirable.

Sec. 19. Minnesota Statutes 1993 Supplement, section 16B.06, subdivision 2a, is amended to read:

Subd. 2a. **EXCEPTION.** The requirements of subdivision 2 do not apply to state contracts of the department of jobs and training distributing state and federal funds for the purpose of subcontracting the provision of program services to eligible recipients. For these contracts, the commissioner of jobs and training is authorized to directly enter into state contracts and encumber available funds. For contracts distributing state or federal funds pursuant to the federal Economic Dislocation and Worker Adjustment Assistance Act, United States Code, title 29, section 1651 et seq.; or Minnesota Statutes, sections 268.977, 268.9771, 268.978, 268.9781, and 268.9782. ~~For these contracts, the commissioner of jobs and training is authorized to directly enter into state contracts with approval of the governor's job training council and encumber available funds to ensure a rapid response to the needs of dislocated workers. The commissioner of jobs and training shall adopt internal procedures to administer and monitor funds distributed under these contracts.~~

Sec. 20. Minnesota Statutes 1993 Supplement, section 16B.08, subdivision 7, is amended to read:

Subd. 7. **SPECIFIC PURCHASES.** (a) The following may be purchased without regard to the competitive bidding requirements of this chapter:

- (1) merchandise for resale at state park refectories or facility operations;
- (2) farm and garden products, which may be sold at the prevailing market price on the date of the sale;
- (3) meat for other state institutions from the technical college maintained at Pipestone by independent school district No. 583; and
- (4) products and services from the Minnesota correctional facilities.

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(b) Supplies, materials, equipment, and utility services for use by a community-based residential facility operated by the commissioner of human services may be purchased or rented without regard to the competitive bidding requirements of this chapter.

(c) Supplies, materials, or equipment to be used in the operation of a hospital licensed under sections 144.50 to 144.56 that are purchased under a shared service purchasing arrangement whereby more than one hospital purchases supplies, materials, or equipment with one or more other hospitals, either through one of the hospitals or through another entity, may be purchased without regard to the competitive bidding requirements of this chapter if the following conditions are met:

(1) the hospital's governing authority authorizes the arrangement;

(2) the shared services purchasing program purchases items available from more than one source on the basis of competitive bids or competitive quotations of prices; and

(3) the arrangement authorizes the hospital's governing authority or its representatives to review the purchasing procedures to determine compliance with these requirements.

(d) Supplies, materials, equipment, and utility services to be used or purchased by the iron range resources and rehabilitation board are subject to the competitive bidding requirements of this chapter only as described in section 298.2211, subdivision 3a.

Sec. 21. Minnesota Statutes 1993 Supplement, section 44A.025, is amended to read:

44A.025 DUTIES.

The board shall:

(1) promote and market the Minnesota world trade center corporation;

(2) sponsor conferences or other promotional events in the conference and service center;

(3) adopt bylaws governing operation of the corporation by November 1, 1987;

(4) conduct public relations, marketing, and liaison activities between the corporation, the Minnesota trade office, and the international business community;

(5) establish and maintain an office in the Minnesota world trade center;
and

(6) not duplicate programs or services provided by the ~~commissioner of~~

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trade and economic development, the Minnesota trade division, or the commissioner of agriculture; and

(7) enter into administrative, programming, and service partnerships with the commissioner of trade and economic development.

Sec. 22. Minnesota Statutes 1992, section 44A.0311, is amended to read:

44A.0311 WORLD TRADE CENTER CORPORATION ACCOUNT.

The world trade center corporation account is in the special revenue fund. All money received by the corporation, including money generated from the use of the conference and service center, ~~except money generated from the use of the center by the Minnesota trade division and by the sale of the assets or ownership of the corporation under section 44A.12,~~ must be deposited in the account. Money in the account including interest earned is appropriated to the board and must be used exclusively for corporation purposes. Any money remaining in the account after sale of the assets or ownership of the corporation under section 44A.12 shall revert to the general fund.

Sec. 23. Minnesota Statutes 1992, section 60A.14, subdivision 1, is amended to read:

Subdivision 1. **FEES OTHER THAN EXAMINATION FEES.** In addition to the fees and charges provided for examinations, the following fees must be paid to the commissioner for deposit in the general fund:

(a) by township mutual fire insurance companies:

(1) for filing certificate of incorporation \$25 and amendments thereto, \$10;

(2) for filing annual statements, \$15;

(3) for each annual certificate of authority, \$15;

(4) for filing bylaws \$25 and amendments thereto, \$10.

(b) by other domestic and foreign companies including fraternal and reciprocal exchanges:

(1) for filing certified copy of certificate of articles of incorporation, \$100;

(2) for filing annual statement, \$225;

(3) for filing certified copy of amendment to certificate or articles of incorporation, \$100;

(4) for filing bylaws, \$75 or amendments thereto, \$75;

(5) for each company's certificate of authority, \$575, annually.

(c) the following general fees apply:

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(1) for each certificate, including certified copy of certificate of authority, renewal, valuation of life policies, corporate condition or qualification, \$25;

(2) for each copy of paper on file in the commissioner's office 50 cents per page, and \$2.50 for certifying the same;

(3) for license to procure insurance in unadmitted foreign companies, \$575;

(4) ~~for receiving and forwarding each notice, proof of loss, summons, complaint or other process served upon the commissioner of commerce, as attorney for service of process upon any nonresident agent or insurance company, including reciprocal exchanges, \$15 plus the cost of effectuating service by certified mail, which amount must be paid by the party serving the notice and may be taxed as other costs in the action;~~

(5) for valuing the policies of life insurance companies, one cent per \$1,000 of insurance so valued, provided that the fee shall not exceed \$13,000 per year for any company. The commissioner may, in lieu of a valuation of the policies of any foreign life insurance company admitted, or applying for admission, to do business in this state, accept a certificate of valuation from the company's own actuary or from the commissioner of insurance of the state or territory in which the company is domiciled;

(6) (5) for receiving and filing certificates of policies by the company's actuary, or by the commissioner of insurance of any other state or territory, \$50;

(7) ~~for issuing an initial license to an individual agent, \$30 per license; for issuing an initial agent's license to a partnership or corporation, \$100; and for issuing an amendment (variable annuity) to a license, \$50; and for renewal of amendment, \$25;~~

(8) (6) for each appointment of an agent filed with the commissioner, a domestic insurer shall remit \$5 and all other insurers shall remit \$3;

(9) ~~for renewing an individual agent's license, \$30 per year per license; and for renewing a license issued to a corporation or partnership, \$60 per year;~~

(10) ~~for issuing and renewing a surplus lines agent's license, \$250;~~

(11) ~~for issuing duplicate licenses, \$10;~~

(12) ~~for issuing licensing histories, \$20;~~

(13) (7) for filing forms and rates, \$50 per filing;

(14) (8) for annual renewal of surplus lines insurer license, \$300.

The commissioner shall adopt rules to define filings that are subject to a fee.

Sec. 24. Minnesota Statutes 1992, section 60A.19, subdivision 4, is amended to read:

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Subd. 4. **FEES SERVICE OF PROCESS.** The commissioner shall be entitled to charge and receive a fee prescribed by section 60A.14, subdivision 1, paragraph (e), clause (4), for each notice, proof of loss, summons, or other process served under the provisions of this subdivision and subdivision 3, to be paid by the persons serving the same. The service of process authorized by this section shall be made in compliance with section 45.028, subdivision 2.

Sec. 25. Minnesota Statutes 1993 Supplement, section 60A.198, subdivision 3, is amended to read:

Subd. 3. **PROCEDURE FOR OBTAINING LICENSE.** A person licensed as an agent in this state pursuant to other law may obtain a surplus lines license by doing the following:

(a) filing an application in the form and with the information the commissioner may reasonably require to determine the ability of the applicant to act in accordance with sections 60A.195 to 60A.209;

(b) maintaining an agent's license in this state;

(c) delivering to the commissioner a financial guarantee bond from a surety acceptable to the commissioner for the greater of the following:

(1) \$5,000; or

(2) the largest semiannual surplus lines premium tax liability incurred by the applicant in the immediately preceding five years; ~~and~~

(d) agreeing to file with the commissioner of revenue no later than February 15 and August 15 annually, a sworn statement of the charges for insurance procured or placed and the amounts returned on the insurance canceled under the license for the preceding six-month period ending December 31 and June 30 respectively, and at the time of the filing of this statement, paying the commissioner a tax on premiums equal to three percent of the total written premiums less cancellations;

(e) ~~annually~~ paying a fee as prescribed by section ~~60A.14~~ 60K.06, subdivision ~~1~~ 2, paragraph ~~(e)~~ (a), clause ~~(4)~~ (4); and

(f) paying penalties imposed under section 289A.60, subdivision 1, as it relates to withholding and sales or use taxes, if the tax due under clause (d) is not timely paid.

Sec. 26. Minnesota Statutes 1992, section 60A.21, subdivision 2, is amended to read:

Subd. 2. **SERVICE OF PROCESS UPON UNAUTHORIZED INSURER.** (1) Any of the following acts in this state effected by mail or otherwise by an unauthorized foreign or alien insurer: (a) the issuance or delivery of contracts of insurance to residents of this state or to corporations authorized to

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do business therein; (b) the solicitation of applications for such contracts; (c) the collection of premiums, membership fees, assessments, or other considerations for such contracts; or (d) any other transaction of insurance business, is equivalent to and shall constitute an appointment by such insurer of the commissioner of commerce and the commissioner's successor or successors in office to be its true and lawful attorney upon whom may be served all lawful process in any action, suit, or proceeding instituted by or on behalf of an insured or beneficiary arising out of any such contract of insurance and any such act shall be significant of its agreement that such service of process is of the same legal force and validity as personal service of process in this state upon such insurer.

(2) Such service of process shall be made in compliance with section 45.028, subdivision 2 ~~and the payment of a filing fee as prescribed by section 60A.14, subdivision 1, paragraph (e), clause (4).~~

(3) Service of process in any such action, suit, or proceeding shall in addition to the manner provided in clause (2) of this subdivision be valid if served upon any person within this state who, in this state on behalf of such insurer, is: (a) soliciting insurance, or (b) making, issuing, or delivering any contract of insurance, or (c) collecting or receiving any premium, membership fee, assessment, or other consideration for insurance; and if a copy of such process is sent within ten days thereafter by certified mail by the plaintiff or plaintiff's attorney to the defendant at the last known principal place of business of the defendant and the defendant's receipt, or the receipt issued by the post office with which the letter is certified showing the name of the sender of the letter and the name and address of the person to whom the letter is addressed, and the affidavit of the plaintiff or plaintiff's attorney showing a compliance herewith are filed with the administrator of the court in which such action is pending on or before the date the defendant is required to appear or within such further time as the court may allow.

(4) No plaintiff or complainant shall be entitled to a judgment by default under this subdivision until the expiration of 30 days from the date of the filing of the affidavit of compliance.

(5) Nothing in this subdivision contained shall limit or abridge the right to serve any process, notice, or demand upon any insurer in any other manner now or hereafter permitted by law.

(6) The provisions of this section shall not apply to surplus line insurance lawfully effectuated under Minnesota law, or to reinsurance, nor to any action or proceeding against an unauthorized insurer arising out of:

(a) Wet marine and transportation insurance;

(b) Insurance on or with respect to subjects located, resident, or to be performed wholly outside this state, or on or with respect to vehicles or aircraft owned and principally garaged outside this state;

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(c) Insurance on property or operations of railroads engaged in interstate commerce; or

(d) Insurance on aircraft or cargo of such aircraft, or against liability, other than employer's liability, arising out of the ownership, maintenance, or use of such aircraft, where the policy or contract contains a provision designating the commissioner as its attorney for the acceptance of service of lawful process in any action or proceeding instituted by or on behalf of an insured or beneficiary arising out of any such policy, or where the insurer enters a general appearance in any such action.

Sec. 27. Minnesota Statutes 1992, section 60K.03, subdivision 1, is amended to read:

Subdivision 1. **PROCEDURE.** An application for a license to act as an insurance agent shall be made to the commissioner by the person who seeks to be licensed. The application for license shall be accompanied by a written appointment from an admitted insurer authorizing the applicant to act as its agent under one or both classes of license. The insurer must also submit its check payable to the state treasurer for the amount of the appointment fee prescribed by section 60A.14, subdivision 1, paragraph (c), clause ~~(9)~~ (6), at the time the agent becomes licensed. The application and appointment must be on forms prescribed by the commissioner.

If the applicant is a natural person, no license shall be issued until that natural person has become qualified.

If the applicant is a partnership or corporation, no license shall be issued until at least one natural person who is a partner, director, officer, stockholder, or employee shall be licensed as an insurance agent.

Sec. 28. Minnesota Statutes 1992, section 60K.03, subdivision 5, is amended to read:

Subd. 5. **SUBSEQUENT APPOINTMENTS.** A person who holds a valid agent's license from this state may solicit applications for insurance on behalf of an admitted insurer with which the licensee does not have a valid appointment on file with the commissioner; provided that the licensee has permission from the insurer to solicit insurance on its behalf and, provided further, that the insurer upon receipt of the application for insurance submits a written notice of appointment to the commissioner accompanied by its check payable to the state treasurer in the amount of the appointment fee prescribed by section 60A.14, subdivision 1, paragraph (c), clause ~~(9)~~ (6). The notice of appointment must be on a form prescribed by the commissioner.

Sec. 29. Minnesota Statutes 1992, section 60K.03, subdivision 6, is amended to read:

Subd. 6. **AMENDMENT OF LICENSE.** An application to the commis-

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sioner to amend a license to reflect a change of name, or to include an additional class of license, or for any other reason, shall be on forms provided by the commissioner and shall be accompanied by the applicant's surrendered license and a check payable to the state treasurer for the amount of fee specified in section ~~60A.14~~ 60K.06, subdivision ~~1~~ 2, paragraph ~~(e)~~ (a).

An applicant who surrenders an insurance license pursuant to this subdivision retains licensed status until an amended license is received.

Sec. 30. Minnesota Statutes 1992, section 60K.06, is amended to read:

60K.06 RENEWAL FEE FEES.

Subdivision 1. RENEWAL FEES. (a) Each agent licensed pursuant to section 60K.03 shall ~~annually~~ pay in accordance with the procedure adopted by the commissioner a renewal fee as prescribed by ~~section 60A.14~~, subdivision ~~1~~, ~~paragraph (e)~~; ~~clause (10)~~ 2.

(b) Every agent, corporation, limited liability company, and partnership renewal license expires on October 31 of the year for which period a license is issued is valid for a period of 24 months. The commissioner may stagger the implementation of the 24-month licensing program so that approximately one-half of the licenses will expire on October 31 of each even-numbered year and the other half on October 31 of each odd-numbered year. Those licensees who will receive a 12-month license on November 1, 1994, because of the staggered implementation schedule, will pay for the license a fee reduced by an amount equal to one-half the fee for renewal of the license.

(c) Persons whose applications have been properly and timely filed who have not received notice of denial of renewal are approved for renewal and may continue to transact business whether or not the renewed license has been received on or before November 1. Applications for renewal of a license are timely filed if received by the commissioner on or before October 15 of the year due, on forms duly executed and accompanied by appropriate fees. An application mailed is considered timely filed if addressed to the commissioner, with proper postage, and postmarked by October 15.

~~(d) The commissioner may issue licenses for agents, corporations, or partnerships for a three-year period. If three-year licenses are issued, the fee is three times the annual license fee.~~

Subd. 2. LICENSING FEES. (a) In addition to the fees and charges provided for examinations, each agent licensed pursuant to section 60K.03 shall pay to the commissioner:

(1) a fee of \$60 per license for an initial license issued to an individual agent, and a fee of \$60 for each renewal;

(2) a fee of \$160 for an initial license issued to a partnership, limited liability company, or corporation, and a fee of \$120 for each renewal;

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(3) a fee of \$75 for an initial amendment (variable annuity) to a license, and a fee of \$50 for each renewal;

(4) a fee of \$500 for an initial surplus lines agent's license, and a fee of \$500 for each renewal;

(5) for issuing a duplicate license, \$10; and

(6) for issuing licensing histories, \$20.

(b) Persons whose applications have been properly and timely filed who have not received notice of denial of renewal are approved for renewal and may continue to transact business whether or not the renewed license has been received on or before November 1 of the renewal year. Applications for renewal of a license are timely filed if received by the commissioner on or before the 15th day preceding the license renewal date of the applicant on forms duly executed and accompanied by appropriate fees. An application mailed is considered timely filed if addressed to the commissioner, with proper postage, and post-marked on or before the 15th day preceding the licensing renewal date of the applicant.

(c) Initial licenses issued under this section must be valid for a period not to exceed two years. The commissioner shall assign an expiration date to each initial license so that approximately one-half of all licenses expire each year. Each initial license must expire on October 31 of the expiration year assigned by the commissioner.

(d) All fees shall be retained by the commissioner and are nonreturnable, except that an overpayment of any fee must be refunded upon proper application.

Subd. 3. INITIAL LICENSE EXPIRATION; FEE REDUCTION. If an initial license issued under subdivision 2, paragraph (a), expires less than 12 months after issuance, the license fee must be reduced by an amount equal to one-half the fee for a renewal of the license.

Sec. 31. Minnesota Statutes 1992, section 60K.19, subdivision 8, is amended to read:

Subd. 8. MINIMUM EDUCATION REQUIREMENT. Each person subject to this section shall complete annually a minimum of ~~45~~ 30 credit hours of courses accredited by the commissioner during each 24-month licensing period after the expiration of his or her initial licensing period. At least 15 of the 30 credit hours must be completed during the first 12 months of the 24-month licensing period. Any person whose initial licensing period extends more than six months shall complete 15 hours of courses accredited by the commissioner during the initial license period. Any person teaching or lecturing at an accredited course qualifies for 1-1/2 times the number of credit hours that would be granted to a person completing the accredited course. No more than ~~7-1/2~~ 15

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credit hours per year licensing period may be credited to a person for courses sponsored by, offered by, or affiliated with an insurance company or its agents. Continuing education must be earned no later than September 30 of the renewal year. Courses sponsored by, offered by, or affiliated with an insurance company or agent may restrict its students to agents of the company or agency.

Sec. 32. Minnesota Statutes 1992, section 82.20, subdivision 7, is amended to read:

Subd. 7. **EFFECTIVE DATE OF LICENSE.** Every license issued Licenses renewed pursuant to this chapter shall expire on the June 30 next following the issuance of said license. are valid for a period of 24 months. New licenses issued during a 24-month licensing period will expire on June 30 of the expiration year assigned to the license. Implementation of the 24-month licensing program must be staggered so that approximately one-half of the licenses will expire on June 30 of each even-numbered year and the other one-half on June 30 of each odd-numbered year. Those licensees who will receive a 12-month license on July 1, 1995, because of the staggered implementation schedule will pay for the license a fee reduced by an amount equal to one-half the fee for renewal of the license.

Sec. 33. Minnesota Statutes 1992, section 82.20, subdivision 8, is amended to read:

Subd. 8. **RENEWALS.** (a) Persons whose applications have been properly and timely filed who have not received notice of denial of renewal are deemed to have been approved for renewal and may continue to transact business either as a real estate broker, salesperson, or closing agent whether or not the renewed license has been received on or before July 1 of the renewal year. Application for renewal of a license shall be deemed to have been timely filed if received by the commissioner by, or mailed with proper postage and postmarked by, June 15 ~~in~~ each of the renewal year. Applications for renewal shall be deemed properly filed if made upon forms duly executed and sworn to, accompanied by fees prescribed by this chapter and contain any information which the commissioner may require.

(b) Persons who have failed to make a timely application for renewal of a license and who have not received the renewal license as of July 1 of the renewal year, shall be unlicensed until such time as the license has been issued by the commissioner and is received.

Sec. 34. Minnesota Statutes 1993 Supplement, section 82.21, subdivision 1, is amended to read:

Subdivision 1. **AMOUNTS.** The following fees shall be paid to the commissioner:

(a) A fee of ~~\$100 per year~~ \$150 for each initial individual broker's license, and a fee of ~~\$50 per year~~ \$100 for each renewal thereof;

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(b) A fee of ~~\$50 per year~~ \$70 for each initial salesperson's license, and a fee of ~~\$20 per year~~ \$40 for each renewal thereof;

(c) A fee of ~~\$55 per year~~ \$85 for each initial real estate closing agent license, and a fee of ~~\$30 per year~~ \$60 for each renewal thereof;

(d) A fee of ~~\$100 per year~~ \$150 for each initial corporate, limited liability company, or partnership license, and a fee of ~~\$50 per year~~ \$100 for each renewal thereof;

(e) A fee of ~~\$40 per year~~ for payment to the education, research and recovery fund in accordance with section 82.34;

(f) A fee of \$20 for each transfer;

(g) A fee of \$50 for a corporation, limited liability company, or partnership name change;

(h) A fee of \$10 for an agent name change;

(i) A fee of \$20 for a license history;

(j) A fee of \$10 for a duplicate license;

(k) A fee of \$50 for license reinstatement;

(l) A fee of \$20 for reactivating a corporate, limited liability company, or partnership license without land;

(m) A fee of \$100 for course coordinator approval; and

(n) A fee of \$20 for each hour or fraction of one hour of course approval sought.

Sec. 35. Minnesota Statutes 1992, section 82.21, is amended by adding a subdivision to read:

Subd. 4. INITIAL LICENSE EXPIRATION; FEE REDUCTION. If an initial license issued under subdivision 1, paragraph (a), (b), (c), or (d) expires less than 12 months after issuance, the license fee shall be reduced by an amount equal to one-half the fee for a renewal of the license.

Sec. 36. Minnesota Statutes 1993 Supplement, section 82.22, subdivision 6, is amended to read:

Subd. 6. **INSTRUCTION; NEW LICENSES.** (a) Every applicant for a salesperson's license shall be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before taking the examination specified in subdivision 1. Every applicant for a salesperson's license shall be required to successfully complete an additional course of study in the real estate field consisting of 60 hours of

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instruction approved by the commissioner, of which three hours shall consist of training in state and federal fair housing laws, regulations, and rules, and of which two hours must consist of training in laws and regulations on agency representation and disclosure, before filing an application for the license. Every salesperson shall, within one year of licensure, be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner.

(b) The commissioner may approve courses of study in the real estate field offered in educational institutions of higher learning in this state or courses of study in the real estate field developed by and offered under the auspices of the national association of realtors, its affiliates, or private real estate schools. The commissioner shall not approve any course offered by, sponsored by, or affiliated with any person or company licensed to engage in the real estate business. The commissioner may by rule prescribe the curriculum and qualification of those employed as instructors.

(c) An applicant for a broker's license must successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner, of which three hours shall consist of training in state and federal fair housing laws, regulations, and rules. The course must have been completed within six months prior to the date of application for the broker's license.

(d) An applicant for a real estate closing agent's license must successfully complete a course of study relating to closing services consisting of eight hours of instruction approved by the commissioner.

Sec. 37. Minnesota Statutes 1993 Supplement, section 82.22, subdivision 13, is amended to read:

Subd. 13. **CONTINUING EDUCATION.** (a) After their first renewal date, all real estate salespersons and all real estate brokers shall be required to successfully complete ~~45~~ 30 hours of real estate continuing education, either as a student or a lecturer, in courses of study approved by the commissioner, ~~each year after their initial annual renewal date or after the expiration of their currently assigned three year continuing education due date~~ during each 24-month license period. At least 15 of the 30 credit hours must be completed during the first 12 months of the 24-month licensing period. Salespersons and brokers whose initial license period extends more than 12 months are required to complete 15 hours of real estate continuing education during the initial license period. All salespersons and brokers shall report continuing education on an annual basis must be earned no later than May 31 of the renewal year. Hours in excess of 15 earned in any one year may be carried forward to the following year. Those licensees who will receive a 12-month license on July 1, 1995, because of the staggered implementation schedule must complete 15 hours of real estate continuing education as a requirement for renewal on July 1, 1996.

(b) The commissioner shall adopt rules defining the standards for course and instructor approval, and may adopt rules for the proper administration of this subdivision.

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(c) Any program approved by Minnesota continuing legal education shall be approved by the commissioner of commerce for continuing education for real estate brokers and salespeople if the program or any part thereof relates to real estate.

(d) As part of the continuing education requirements of this section, the commissioner shall require that all real estate brokers and salespersons receive:

(1) at least two hours of training ~~every year~~ during each license period in courses in laws or regulations on agency representation and disclosure; and

(2) at least two hours of training ~~every even-numbered year~~ during each license period in courses in state and federal fair housing laws, regulations, and rules, or other antidiscrimination laws.

Clause (1) does not apply to real estate salespersons and real estate brokers engaged solely in the commercial real estate business who file with the commissioner a verification of this status ~~on an annual basis no later than May 31 as part of the annual report~~ along with the continuing education report required under paragraph (a).

Sec. 38. Minnesota Statutes 1993 Supplement, section 82.34, subdivision 3, is amended to read:

Subd. 3. **FEE FOR REAL ESTATE FUND.** Each real estate broker, real estate salesperson, and real estate closing agent entitled under this chapter to renew a license shall pay in addition to the appropriate renewal fee a further fee of ~~\$25 per year~~ \$50 per licensing period which shall be credited to the real estate education, research, and recovery fund. Any person who receives an initial license shall pay ~~the fee of \$50,~~ in addition to all other fees payable, a fee of \$75 if the license expires more than 12 months after issuance, \$50 if the license expires less than 12 months after issuance.

Sec. 39. Minnesota Statutes 1992, section 82B.08, subdivision 4, is amended to read:

Subd. 4. **EFFECTIVE DATE OF LICENSE.** ~~A license~~ Initial licenses issued under this chapter ~~expires on the August 31 next following the issuance of the license~~ are valid for a period not to exceed two years. The commissioner shall assign an expiration date to each initial license so that approximately one-half of all licenses expire each year. Each initial license must expire on August 31 of the expiration year assigned by the commissioner.

Sec. 40. Minnesota Statutes 1992, section 82B.08, subdivision 5, is amended to read:

Subd. 5. **RENEWALS.** (a) Licenses renewed under this chapter are valid for a period of 24 months. Persons whose applications have been properly and timely filed who have not received notice of denial of renewal are considered to have been approved for renewal and may continue to transact business as a real

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estate appraiser whether or not the renewed license has been received on or before September 1 of the renewal year. Application for renewal of a license is considered to have been timely filed if received by the commissioner by, or mailed with proper postage and postmarked by, August 1 ~~in each of the renewal~~ year. Applications for renewal are considered properly filed if made upon forms duly executed and sworn to, accompanied by fees prescribed by this chapter and containing information the commissioner requires.

(b) Persons who have failed to make a timely application for renewal of a license and who have not received the renewal license as of September 1 of the renewal year are unlicensed until the time the license has been issued by the commissioner and is received.

Sec. 41. Minnesota Statutes 1992, section 82B.09, subdivision 1, is amended to read:

Subdivision 1. **AMOUNTS.** The following fees must be paid to the commissioner:

(1) ~~a fee of \$100~~ for each initial individual real estate appraiser's license; \$150 if the license expires more than 12 months after issuance, \$100 if the license expires less than 12 months after issuance; and a fee of ~~\$50~~ \$100 for each annual renewal;

(2) a fee of \$10 for a change in personal name or trade name or personal address or business location;

(3) a fee of \$10 for a license history;

(4) a fee of \$25 for a duplicate license;

(5) a fee of \$100 for appraiser course coordinator approval; and

(6) a fee of \$10 for each hour or fraction of one hour of course approval sought.

Sec. 42. Minnesota Statutes 1992, section 82B.19, subdivision 1, is amended to read:

Subdivision 1. **LICENSE RENEWALS.** A licensed real estate appraiser shall present evidence satisfactory to the commissioner of having met the continuing education requirements of this chapter before the commissioner renews a license.

The basic continuing education requirement for renewal of a license is the completion by the applicant either as a student or as an instructor, during the immediately preceding term of licensing, of at least ~~15~~ 30 classroom hours ~~per year~~, of instruction in courses or seminars that have received the approval of the commissioner. If the applicant's immediately preceding term of licensing consisted of 12 or more months, but fewer than 24 months, the applicant must pro-

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vide evidence of completion of 15 hours of instruction during the license period. If the immediately preceding term of licensing consisted of fewer than 12 months, no continuing education need be reported.

Sec. 43. Minnesota Statutes 1992, section 83.25, is amended to read:

83.25 LICENSE REQUIRED.

Subdivision 1. No person shall offer or sell in this state any interest in subdivided lands without having obtained:

(1) a license under chapter 82; and

(2) an additional license to offer or dispose of subdivided lands. This license may be obtained by submitting an application in writing to the commissioner upon forms prepared and furnished by the commissioner. Each application shall be signed and sworn to by the applicant and accompanied by a license fee of \$10 per year. The commissioner may also require an additional examination for this license.

Subd. 2. Every license issued pursuant to this section ~~expires on June 30 following the date of issuance. It may~~ must be renewed, transferred, suspended, revoked or denied in the same manner as provided in chapter 82 for licenses issued pursuant to that chapter.

Subd. 3. This section does not apply to persons offering or disposing of interests in subdivided lands which are registered as securities pursuant to chapter 80A.

Sec. 44. Minnesota Statutes 1993 Supplement, section 115C.09, subdivision 1, is amended to read:

Subdivision 1. **REIMBURSABLE COSTS.** (a) The board shall provide partial reimbursement to eligible responsible persons for reimbursable costs incurred after June 4, 1987.

(b) The following costs are reimbursable for purposes of this section:

(1) corrective action costs incurred by the responsible person and documented in a form prescribed by the board, except the costs related to the physical removal of a tank;

(2) costs that the responsible person is legally obligated to pay as damages to third parties for bodily injury ~~or~~, property damage, or corrective action costs incurred by a third party caused by a release ~~if~~ where the responsible person's liability for the costs has been established by a court order ~~or a~~ consent decree, or a court-approved stipulation of settlement approved before the effective date of this section for which the responsible party has assigned its rights to reimbursement under this section to a third-party claimant; and

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(3) up to 180 days worth of interest costs, incurred after May 25, 1991, associated with the financing of corrective action. Interest costs are not eligible for reimbursement to the extent they exceed two percentage points above the adjusted prime rate charged by banks, as defined in section 270.75, subdivision 5, at the time the financing contract was executed.

(c) A cost for liability to a third party is incurred by the responsible person when an order or consent decree establishing the liability is entered. Except as provided in this paragraph, reimbursement may not be made for costs of liability to third parties until all eligible corrective action costs have been reimbursed. If a corrective action is expected to continue in operation for more than one year after it has been fully constructed or installed, the board may estimate the future expense of completing the corrective action and, after subtracting this estimate from the total reimbursement available under subdivision 3, reimburse the costs for liability to third parties. The total reimbursement may not exceed the limit set forth in subdivision 3.

Sec. 45. Minnesota Statutes 1993 Supplement, section 116J.966, subdivision 1, is amended to read:

Subdivision 1. **GENERALLY.** (a) The commissioner shall promote, develop, and facilitate trade and foreign investment in Minnesota. In furtherance of these goals, and in addition to the powers granted by section 116J.035, the commissioner may:

- (1) locate, develop, and promote international markets for Minnesota products and services;
- (2) arrange and lead trade missions to countries with promising international markets for Minnesota goods, technology, services, and agricultural products;
- (3) promote Minnesota products and services at domestic and international trade shows;
- (4) organize, promote, and present domestic and international trade shows featuring Minnesota products and services;
- (5) host trade delegations and assist foreign traders in contacting appropriate Minnesota businesses and investments;
- (6) develop contacts with Minnesota businesses and gather and provide information to assist them in locating and communicating with international trading or joint venture counterparts;
- (7) provide information, education, and counseling services to Minnesota businesses regarding the economic, commercial, legal, and cultural contexts of international trade;
- (8) provide Minnesota businesses with international trade leads and infor-

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mation about the availability and sources of services relating to international trade, such as export financing, licensing, freight forwarding, international advertising, translation, and custom brokering;

(9) locate, attract, and promote foreign direct investment and business development in Minnesota to enhance employment opportunities in Minnesota;

(10) provide foreign businesses and investors desiring to locate facilities in Minnesota information regarding sources of governmental, legal, real estate, financial, and business services; ~~and~~

(11) enter into contracts or other agreements with private persons and public entities, including agreements to establish and maintain offices and other types of representation in foreign countries, to carry out the purposes of promoting international trade and attracting investment from foreign countries to Minnesota and to carry out this section, without regard to sections 16B.07 and 16B.09;

(12) enter into administrative, programming, and service partnerships with the Minnesota world trade center; and

(13) market trade-related materials to businesses and organizations, and the proceeds of which must be placed in a special revolving account and are appropriated to the commissioner to prepare and distribute trade-related materials.

(b) The programs and activities of the commissioner of trade and economic development and the Minnesota trade division may not duplicate programs and activities of the commissioner of agriculture or the Minnesota world trade center corporation.

(c) The commissioner shall notify the chairs of the senate finance and house appropriations committees of each agreement under this subdivision to establish and maintain an office or other type of representation in a foreign country.

Sec. 46. Minnesota Statutes 1992, section 116J.9673, subdivision 4, is amended to read:

Subd. 4. **WORKING CAPITAL ACCOUNT.** An export finance authority working capital account is created as a special account in the state treasury. All premiums and interest collected under subdivision 3, clause (6), must be deposited into this account. Fees collected must be credited to the general fund. The balance in the account may exceed \$918,000 on June 30, 1994, and \$1,000,000 on June 30 of each subsequent year through accumulated earnings. Any balance in excess of \$918,000 on June 30, 1994, and \$1,000,000 on June 30 of every subsequent year must be transferred to the general fund. Money in the account including interest earned and appropriations made by the legislature for the purposes of this section, is appropriated annually to the finance authority for the purposes of this section. The balance in the account may decline below \$918,000 on June 30, 1994, and \$1,000,000 on June 30 of each subsequent year as required to pay defaults on guaranteed loans.

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Sec. 47. Minnesota Statutes 1992, section 138.01, subdivision 1, is amended to read:

Subdivision 1. ~~For the purposes of Laws 1925, chapter 426, the Minnesota state historical society shall be construed to be an agency of the state government.~~ All appropriations made to the Minnesota historical society shall be subject to the charter of the Minnesota historical society of 1849 and as amended in 1856.

Sec. 48. Minnesota Statutes 1992, section 138.34, is amended to read:

138.34 ADMINISTRATION OF THE ACT.

The ~~Minnesota historical society~~ state archaeologist shall act as the ~~agency agent~~ of the state to administer and enforce the provisions of sections 138.31 to 138.42. Some enforcement provisions are shared with the ~~state archaeologist society~~.

Sec. 49. Minnesota Statutes 1992, section 138.35, subdivision 1, is amended to read:

Subdivision 1. **APPOINTMENT.** The state archaeologist shall be a professional archaeologist who ~~is meets~~ the United States secretary of the interior's professional qualification standards in Code of Federal Regulations, title 36, part 61, appendix A. ~~The state archaeologist shall be paid a salary in the range of salaries paid to comparable state employees in the classified service.~~ The state archaeologist may not be employed by the Minnesota historical society and. ~~The state archaeologist shall be appointed by the board of the Minnesota historical society in consultation with the Indian affairs council for a four-year term.~~

Sec. 50. Minnesota Statutes 1992, section 138.38, is amended to read:

138.38 REPORTS OF STATE ARCHAEOLOGIST.

The state archaeologist shall consult with and keep the Indian affairs council ~~and the~~ director of the historical society informed as to significant field archaeology, projected or in progress, and as to significant discoveries made. Annually, and also upon leaving office, the state archaeologist shall file with the Indian affairs council ~~and the~~ director of the historical society a full report of the office's activities including a summary of the activities of licensees, from the effective date hereof or from the date of the last full report of the state archaeologist.

Sec. 51. Minnesota Statutes 1992, section 138.40, subdivision 3, is amended to read:

Subd. 3. When significant archaeological or historic sites are known or suspected to exist on public lands or waters, the agency or department controlling said lands or waters shall submit construction or development plans to the state archaeologist and the director of the society for review prior to the time bids are

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advertised. The state archaeologist and the society shall promptly review such plans and make recommendations for the preservation of archaeological or historic sites which may be endangered by construction or development activities. When archaeological or historic sites are related to Indian history or religion, the state archaeologist shall submit the plans to the Indian affairs council ~~must be afforded the opportunity to~~ for the council's review and recommend action.

Sec. 52. Minnesota Statutes 1993 Supplement, section 138.763, subdivision 1, is amended to read:

Subdivision 1. **MEMBERSHIP.** There is a St. Anthony Falls heritage board consisting of ~~17~~ 19 members with the director of the Minnesota historical society as chair. The members include the mayor, the chair of the Hennepin county board of commissioners or the chair's designee, the president of the Minneapolis park and recreation board or the president's designee, the superintendent of the park board, two members each from the house of representatives appointed by the speaker, the senate appointed by the rules committee, the city council, the Hennepin county board, and the park board, and one each from the preservation commission, the preservation office, Hennepin county historical society, and the society.

Sec. 53. Minnesota Statutes 1992, section 138.94, is amended by adding a subdivision to read:

Subd. 3. CONTRACTUAL SERVICES. The society may contract with existing state departments and agencies or other entities for materials and services as may be necessary for the history center.

Sec. 54. Minnesota Statutes 1992, section 154.11, subdivision 1, is amended to read:

Subdivision 1. **EXAMINATION OF NONRESIDENTS.** A person who meets all of the requirements for licensure in this chapter and either has a license, certificate of registration, or an equivalent as a practicing barber or instructor of barbering from another state or country which in the discretion of the board has substantially the same requirements for licensing or registering barbers and instructors of barbering as required by this chapter or can prove by sworn affidavits practice as a barber or instructor of barbering in another state or country for at least five years immediately prior to making application in this state, shall, upon payment of the required fee, ~~be called by the board for issued a certificate of registration without examination to determine fitness to receive a certificate of registration to practice barbering or to instruct in barbering, provided that the other state or country grants the same privileges to holders of Minnesota certificates of registration.~~

Sec. 55. Minnesota Statutes 1992, section 154.12, is amended to read:

154.12 EXAMINATION OF NONRESIDENT APPRENTICES.

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A person who meets all of the requirements for licensure in this chapter who has a license, a certificate of registration, or their equivalent as an apprentice in a state or country which in the discretion of the board has substantially the same requirements for registration as an apprentice as is provided by this chapter shall, upon payment of the required fee, be called by the board for issued a certificate of registration without examination to determine fitness to receive a certificate of registration as an apprentice. A person failing to pass the required examination must conform to the requirements of section 154.06 before being permitted to take another examination, provided that the other state or country grants the same privileges to holders of Minnesota certificates of registration.

Sec. 56. **[154.161] REGISTRATION; ISSUANCE, REVOCATION, SUSPENSION, DENIAL.**

Subdivision 1. PROCEEDINGS. If the board, or a complaint committee if authorized by the board, has a reasonable basis for believing that a person has engaged in or is about to engage in a violation of a statute, rule, or order that the board has adopted or issued or is empowered to enforce, the board or complaint committee may proceed as provided in subdivision 2 or 3. Except as otherwise provided in this section, all hearings must be conducted in accordance with the administrative procedure act.

Subd. 2. LEGAL ACTIONS. (a) When necessary to prevent an imminent violation of a statute, rule, or order that the board has adopted or issued or is empowered to enforce, the board, or a complaint committee if authorized by the board, may bring an action in the name of the state in the district court of Ramsey county in which jurisdiction is proper to enjoin the act or practice and to enforce compliance with the statute, rule, or order. On a showing that a person has engaged in or is about to engage in an act or practice that constitutes a violation of a statute, rule, or order that the board has adopted or issued or is empowered to enforce, the court shall grant a permanent or temporary injunction, restraining order, or other appropriate relief.

(b) For purposes of injunctive relief under this subdivision, irreparable harm exists when the board shows that a person has engaged in or is about to engage in an act or practice that constitutes violation of a statute, rule or order that the board has adopted or issued or is empowered to enforce.

(c) Injunctive relief granted under paragraph (a) does not relieve an enjoined person from criminal prosecution by a competent authority, or from action by the board under subdivision 3, 4, 5, or 6 with respect to the persons' license, certificate, or application for examination, license, or renewal.

Subd. 3. CEASE AND DESIST ORDERS. (a) The board, or compliance committee if authorized by the board, may issue and have served upon an unlicensed person, or a holder of a certificate of registration or a shop registration card, an order requiring the person to cease and desist from an act or practice that constitutes a violation of a statute, rule, or order that the board has adopted

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or issued or is empowered to enforce. The order must (1) give reasonable notice of the rights of the person named in the order to request a hearing, and (2) state the reasons for the entry of the order. No order may be issued under this subdivision until an investigation of the facts has been conducted under section 214.10.

(b) Service of the order under this subdivision is effective when the order is personally served on the person or counsel of record, or served by certified mail to the most recent address provided to the board for the person or counsel of record.

(c) The board must hold a hearing under this subdivision not later than 30 days after the board receives the request for the hearing, unless otherwise agreed between the board, or compliance committee if authorized by the board, and the person requesting the hearing.

(d) Notwithstanding any rule to the contrary, the administrative law judge must issue a report within 30 days of the close of the contested case hearing. Within 30 days after receiving the report and subsequent exceptions and argument, the board shall issue a further order vacating, modifying, or making permanent the cease and desist order. If no hearing is requested within 30 days of service of the order, the order becomes final and remains in effect until modified or vacated by the board.

Subd. 4. LICENSE ACTIONS. (a) With respect to a person who is a holder of or applicant for a licensee or shop registration card under this chapter, the board may by order deny, refuse to renew, suspend, temporarily suspend, or revoke the application, certificate of registration, or shop registration card, censure or reprimand the person, refuse to permit the person to sit for examination, or refuse to release the person's examination grades, if the board finds that such an order is in the public interest and that, based on a preponderance of the evidence presented, the person has:

(1) violated a statute, rule, or order that the board has adopted or issued or is empowered to enforce;

(2) engaged in conduct or acts that are fraudulent, deceptive, or dishonest, whether or not the conduct or acts relate to the practice of barbering, if the fraudulent, deceptive, or dishonest conduct or acts reflect adversely on the person's ability or fitness to engage in the practice of barbering;

(3) engaged in conduct or acts that constitute malpractice, are negligent, demonstrate incompetence, or are otherwise in violation of the standards in the rules of the board, where the conduct or acts relate to the practice of barbering;

(4) employed fraud or deception in obtaining a certificate of registration, shop registration card, renewal, or reinstatement, or in passing all or a portion of the examination;

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(5) had a certificate of registration or shop registration card, right to examine, or other similar authority revoked in another jurisdiction;

(6) failed to meet any requirement for issuance or renewal of the person's certificate of registration or shop registration card;

(7) practiced as a barber while having an infectious or contagious disease;

(8) advertised by means of false or deceptive statements;

(9) demonstrated intoxication or indulgence in the use of drugs, including but not limited to narcotics as defined in section 152.01 or in United States Code, title 26, section 4731, barbiturates, amphetamines, benzedrine, dexedrine, or other sedatives, depressants, stimulants, or tranquilizers;

(10) demonstrated unprofessional conduct or practice, or conduct or practice that violates any provision of chapter 186;

(11) permitted an employee or other person under the person's supervision or control to practice as a registered barber, registered apprentice, or registered instructor of barbering unless that person has (i) a current certificate of registration as a registered barber, registered apprentice, or registered instructor of barbering, (ii) a temporary apprentice permit, or (iii) a temporary permit as an instructor of barbering;

(12) practices, offered to practice, or attempted to practice by misrepresentation;

(13) failed to display a certificate of registration as required by section 154.14;

(14) used any room or place of barbering that is also used for any other purpose, or used any room or place of barbering that violates the board's rules governing sanitation;

(15) in the case of a barber, apprentice, or other person working in or in charge of any barber shop, or any person in a barber school engaging in the practice of barbering, failed to use separate and clean towels for each customer or patron, or to discard and launder each towel after being used once;

(16) in the case of a barber or other person in charge of any barber shop or barber school, (i) failed to supply in a sanitary manner clean hot and cold water in quantities necessary to conduct the shop or barbering service for the school, (ii) failed to have water and sewer connections from the shop or barber school with municipal water and sewer systems where they are available for use, or (iii) failed or refused to maintain a receptacle for hot water of a capacity of at least five gallons;

(17) refused to permit the board to make an inspection permitted or required by this chapter, or failed to provide the board or the attorney general on behalf of the board with any documents or records they request;

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(18) failed promptly to renew a certificate of registration or shop registration card when remaining in practice, pay the required fee, or issue a worthless check;

(19) failed to supervise a registered apprentice or temporary apprentice, or permitted the practice of barbering by a person not registered with the board or not holding a temporary permit;

(20) refused to serve a customer because of race, color, creed, religion, disability, national origin, or sex;

(21) failed to comply with a provision of chapter 141 or a provision of another chapter that relates to barber schools; or

(22) with respect to temporary suspension orders, has committed an act, engaged in conduct, or committed practices that the board, or complaint committee if authorized by the board, has determined may result or may have resulted in an immediate threat to the public.

(b) In lieu of or in addition to any remedy under paragraph (a), the board may as a condition of continued registration, termination of suspension, reinstatement of registration, examination, or release of examination results, require that the person:

(1) submit to a quality review of the person's ability, skills, or quality of work, conducted in a manner and by a person or entity that the board determines; or

(2) complete to the board's satisfaction continuing education as the board requires.

(c) Service of an order under this subdivision is effective if the order is served personally on, or is served by certified mail to the most recent address provided to the board by, the licensee, certificate holder, applicant, or counsel of record. The order must state the reason for the entry of the order.

(d) Except as provided in subdivision 5, paragraph (c), all hearings under this subdivision must be conducted in accordance with the administrative procedure act.

Subd. 5. TEMPORARY SUSPENSION. (a) When the board, or complaint committee if authorized by the board, issues a temporary suspension order, the suspension provided for in the order is effective on service of a written copy of the order on the licensee, certificate holder, or counsel of record. The order must specify the statute, rule, or order violated by the licensee or certificate holder. The order remains in effect until the board issues a final order in the matter after a hearing, or on agreement between the board and the licensee or certificate holder.

(b) An order under this subdivision may (1) prohibit the licensee or certifi-

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cate holder from engaging in the practice of barbering in whole or in part, as the facts require, and (2) condition the termination of the suspension on compliance with a statute, rule, or order that the board has adopted or issued or is empowered to enforce. The order must state the reasons for entering the order and must set forth the right to a hearing as provided in this subdivision.

(c) Within ten days after service of an order under this subdivision the licensee or certificate holder may request a hearing in writing. The board must hold a hearing before its own members within five working days of the request for a hearing. The sole issue at such a hearing must be whether there is a reasonable basis to continue, modify, or terminate the temporary suspension. The hearing is not subject to the administrative procedure act. Evidence presented to the board or the licensee or certificate holder may be in affidavit form only. The licensee, certificate holder, or counsel of record may appear for oral argument.

(d) Within five working days after the hearing, the board shall issue its order and, if the order continues the suspension, shall schedule a contested case hearing within 30 days of the issuance of the order. Notwithstanding any rule to the contrary, the administrative law judge shall issue a report within 30 days after the closing of the contested case hearing record. The board shall issue a final order within 30 days of receiving the report.

Subd. 6. VIOLATIONS; PENALTIES; COSTS. (a) The board may impose a civil penalty of up to \$2,000 per violation on a person who violates a statute, rule, or order that the board has adopted or issued or is empowered to enforce.

(b) In addition to any penalty under paragraph (a), the board may impose a fee to reimburse the board for all or part of the cost of (1) the proceedings resulting in disciplinary action authorized under this section, (2) the imposition of a civil penalty under paragraph (a), or (3) the issuance of a cease and desist order. The board may impose a fee under this paragraph when the board shows that the position of the person who has violated a statute, rule, or order that the board has adopted or issued or is empowered to enforce is not substantially justified unless special circumstances make such a fee unjust, notwithstanding any rule to the contrary. Costs under this paragraph include, but are not limited to, the amount paid by the board for services from the office of administrative hearings, attorneys' fees, court reporter costs, witness costs, reproduction of records, board members' compensation, board staff time, and expense incurred by board members and staff.

(c) All hearings under this subdivision must be conducted in accordance with the administrative procedure act.

Subd. 7. REINSTATEMENT. The board may reinstate a suspended, revoked, or surrendered certificate of registration or shop registration card, on petition of the former or suspended registrant. The board may in its sole discretion place any conditions on reinstatement of a suspended, revoked, or surrendered certificate of registration or shop registration card that it finds appropriate and necessary to ensure that the purposes of this chapter are met. No certificate

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of registration or shop registration card may be reinstated until the former registrant has completed at least one-half of the suspension period.

Sec. 57. Minnesota Statutes 1992, section 176.102, subdivision 3a, is amended to read:

Subd. 3a. **DISCIPLINARY ACTIONS.** The panel has authority to discipline qualified rehabilitation consultants and vendors and may impose a penalty of up to \$1,000 per violation, payable to the special compensation fund, and may suspend or revoke certification. Complaints against registered qualified rehabilitation consultants and vendors shall be made to the commissioner who shall investigate all complaints. If the investigation indicates a violation of this chapter or rules adopted under this chapter, the commissioner may initiate a contested case proceeding under the provisions of chapter 14. In these cases, the rehabilitation review panel shall make the final decision following receipt of the report of an administrative law judge. The decision of the panel is appealable to the workers' compensation court of appeals in the manner provided by section 176.421. The panel shall continuously study rehabilitation services and delivery, develop and recommend rehabilitation rules to the commissioner, and assist the commissioner in accomplishing public education.

The commissioner may appoint alternates for one-year terms to serve as a member when a member is unavailable. The number of alternates shall not exceed one labor member, one employer or insurer member, and one member representing medicine, chiropractic, or rehabilitation.

Sec. 58. Minnesota Statutes 1992, section 176.102, subdivision 14, is amended to read:

Subd. 14. **FEES.** The commissioner shall impose fees under section ~~16A.128~~ 16A.1285 sufficient to cover the cost of approving and monitoring qualified rehabilitation consultants, consultant firms, and vendors of rehabilitation services. These fees are payable to the special compensation fund.

Sec. 59. **[181.964] ENFORCEMENT.**

The department of labor and industry shall enforce sections 181.960 to 181.964. The department may assess a fine of up to \$5,000 for a violation of sections 181.960 to 181.964.

The fine, together with costs and attorney fees, may be recovered in a civil action in the name of the department brought in the district court of the county where the violation is alleged to have occurred or where the commissioner has an office.

The fine provided by this section is in addition to any other remedy provided by law.

Sec. 60. Minnesota Statutes 1993 Supplement, section 239.785, subdivision 2, is amended to read:

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Subd. 2. **DUE DATES FOR FILING OF RETURNS AND PAYMENT.** The fee must be remitted monthly on a form prescribed by the commissioner of revenue for deposit in the ~~general fund~~ liquefied petroleum gas account established in subdivision 6. The fee must be paid and the return filed on or before the 23rd day of each month following the month in which the liquefied petroleum gas was delivered or received.

Sec. 61. Minnesota Statutes 1993 Supplement, section 239.785, is amended by adding a subdivision to read:

Subd. 6. LIQUEFIED PETROLEUM GAS ACCOUNT. A liquefied petroleum gas account in the special revenue fund is established in the state treasury. Fees and penalties collected under this section must be deposited in the state treasury and credited to the liquefied petroleum gas account. Money in that account, including interest earned, is appropriated to the commissioner of jobs and training for programs to improve the energy efficiency of residential liquefied petroleum gas heating equipment in low-income households, and, when necessary, to provide weatherization services to the homes.

Sec. 62. Minnesota Statutes 1993 Supplement, section 257.0755, is amended to read:

257.0755 OFFICE OF OMBUDSPERSON; CREATION; QUALIFICATIONS; FUNCTION.

~~An ombudsperson for families Subdivision 1. CREATION. One ombudsperson shall be appointed to operate independently from but under the auspices of in collaboration with each of the following groups: the Indian Affairs Council, the Spanish-Speaking Affairs Council, the Council on Black Minnesotans, and the Council on Asian-Pacific Minnesotans. Each of these groups shall select its own ombudsperson subject to final approval by the advisory board established under section 257.0768.~~

Subd. 2. SELECTION; QUALIFICATIONS. The ombudsperson for each community shall be selected by the applicable community-specific board established in section 257.0768. Each ombudsperson shall serve serves in the unclassified service at the pleasure of the advisory community-specific board, shall be in the unclassified service, shall and may be removed only for just cause. Each ombudsperson must be selected without regard to political affiliation, and shall be a person highly competent and qualified to analyze questions of law, administration, and public policy regarding the protection and placement of children from families of color. In addition, the ombudsperson must be experienced in dealing with communities of color and knowledgeable about the needs of those communities. No individual may serve as ombudsperson while holding any other public office. The ombudsperson shall have the authority to investigate decisions, acts, and other matters of an agency, program, or facility providing protection or placement services to children of color.

Subd. 3. APPROPRIATION. Money appropriated for each ombudsperson

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from the general fund or the special fund authorized by section 256.01, subdivision 2, clause (15), is under the control of ~~the office of~~ each ombudsperson for which it is appropriated.

Sec. 63. Minnesota Statutes 1992, section 257.0762, subdivision 2, is amended to read:

Subd. 2. **POWERS.** Each ombudsperson has the authority to investigate decisions, acts, and other matters of an agency, program, or facility providing protection or placement services to children of color. In carrying out this authority and the duties in subdivision 1, each ombudsperson has the power to:

(1) prescribe the methods by which complaints are to be made, reviewed, and acted upon;

(2) determine the scope and manner of investigations to be made;

(3) investigate, upon a complaint or upon personal initiative, any action of any agency;

(4) request and be given access to any information in the possession of any agency deemed necessary for the discharge of responsibilities. The ombudsperson is authorized to set reasonable deadlines within which an agency must respond to requests for information. Data obtained from any agency under this clause shall retain the classification which it had under section 13.02 and shall be maintained and disseminated by the ombudsperson according to chapter 13;

(5) examine the records and documents of an agency;

(6) enter and inspect, during normal business hours, premises within the control of an agency; and

(7) subpoena any agency personnel to appear, testify, or produce documentary or other evidence which the ombudsperson deems relevant to a matter under inquiry, and may petition the appropriate state court to seek enforcement with the subpoena; provided, however, that any witness at a hearing or before an investigation as herein provided, shall possess the same privileges reserved to such a witness in the courts or under the laws of this state. The ombudsperson may compel nonagency individuals to testify or produce evidence according to procedures developed by the advisory board.

Sec. 64. Minnesota Statutes 1992, section 257.0768, is amended to read:

257.0768 ~~OMBUDSPERSON'S ADVISORY COMMITTEE~~ COMMUNITY-SPECIFIC BOARDS.

Subdivision 1. **MEMBERSHIP.** ~~The appointment of each ombudsperson is subject to approval by an advisory committee consisting of no more than 17 members. Members of the advisory committee shall be appointed by~~ Four community-specific boards are created. Each board consists of five members. ~~The~~

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chair of each of the following groups shall appoint the board for the community represented by the group: the Indian Affairs Council; the Spanish-Speaking Affairs Council; the Council on Black Minnesotans; and the Council on Asian-Pacific Minnesotans. ~~The committee shall provide advice and counsel to each ombudsperson. In making appointments, the chair must consult with other members of the council.~~

Subd. 2. **COMPENSATION; CHAIR.** Members do not receive compensation but are entitled to receive reimbursement for reasonable and necessary expenses incurred. ~~The members shall designate four rotating chairs to serve annually at the pleasure of the members.~~

Subd. 3. **MEETINGS.** ~~The committee~~ Each board shall meet at least four times a year regularly at the request of its the appointing chair or the ombudspersons ombudsperson.

Subd. 4. **DUTIES.** ~~The committee~~ Each board shall appoint the ombudsperson for its community. Each board shall advise and assist the ombudspersons ombudsperson for its community in selecting matters for attention; developing policies, plans, and programs to carry out the ombudspersons' functions and powers; establishing protocols for working with the communities of color; developing procedures for the ombudspersons' use of the subpoena power to compel testimony and evidence from nonagency individuals; and making reports and recommendations for changes designed to improve standards of competence, efficiency, justice, and protection of rights. ~~The committee shall function as an advisory body.~~

Subd. 5. **TERMS, COMPENSATION, REMOVAL, AND EXPIRATION.** The membership terms, compensation, and removal of members of the committee each board and the filling of membership vacancies are governed by section 15.0575.

Subd. 6. JOINT MEETINGS. The members of the four community-specific boards shall meet jointly at least four times each year to advise the ombudspersons on overall policies, plans, protocols, and programs for the office.

Sec. 65. Minnesota Statutes 1992, section 268.53, subdivision 5, is amended to read:

Subd. 5. **FUNCTIONS; POWERS.** A community action agency shall:

(a) Plan systematically for an effective community action program; develop information as to the problems and causes of poverty in the community; determine how much and how effectively assistance is being provided to deal with those problems and causes; and establish priorities among projects, activities and areas as needed for the best and most efficient use of resources;

(b) Encourage agencies engaged in activities related to the community action program to plan for, secure, and administer assistance available under

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section 268.52 or from other sources on a common or cooperative basis; provide planning or technical assistance to those agencies; and generally, in cooperation with community agencies and officials, undertake actions to improve existing efforts to reduce poverty, such as improving day-to-day communications, closing service gaps, focusing resources on the most needy, and providing additional opportunities to low-income individuals for regular employment or participation in the programs or activities for which those community agencies and officials are responsible;

(c) Initiate and sponsor projects responsive to needs of the poor which are not otherwise being met, with particular emphasis on providing central or common services that can be drawn upon by a variety of related programs, developing new approaches or new types of services that can be incorporated into other programs, and filling gaps pending the expansion or modification of those programs;

(d) Establish effective procedures by which the poor and area residents concerned will be enabled to influence the character of programs affecting their interests, provide for their regular participation in the implementation of those programs, and provide technical and other support needed to enable the poor and neighborhood groups to secure on their own behalf available assistance from public and private sources;

(e) Join with and encourage business, labor and other private groups and organizations to undertake, together with public officials and agencies, activities in support of the community action program which will result in the additional use of private resources and capabilities, with a view to developing new employment opportunities, stimulating investment that will have a measurable impact on reducing poverty among residents of areas of concentrated poverty, and providing methods by which residents of those areas can work with private groups, firms, and institutions in seeking solutions to problems of common concern.

Community action agencies, the Minnesota migrant council, and the Indian reservations, may enter into cooperative purchasing agreements and self-insurance programs with local units of government. Nothing in this section expands or limits the current private or public nature of a local community action agency.

Sec. 66. [268.56] MINNESOTA YOUTH PROGRAM; DEFINITIONS.

Subdivision 1. SCOPE. For the purposes of sections 268.56 and 268.561, the terms defined in this section have the meanings given them.

Subd. 2. COMMISSIONER. "Commissioner" means the commissioner of jobs and training.

Subd. 3. ELIGIBLE APPLICANT. "Eligible applicant" means an individual who is between the ages of 14 and 21 and economically disadvantaged.

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An at-risk youth who is classified as a family of one is deemed economically disadvantaged. For purposes of eligibility determination the following individuals are considered at risk:

- (1) a pregnant or parenting youth;
- (2) a youth with limited English proficiency;
- (3) a potential or actual school dropout;
- (4) a youth in an offender or diversion program;
- (5) a public assistance recipient or a recipient of group home services;
- (6) a youth with disabilities including learning disabilities;
- (7) a chemically dependent youth or child of drug or alcohol abusers;
- (8) a homeless or runaway youth;
- (9) a youth with basic skills deficiency;
- (10) a youth with an educational attainment of one or more levels below grade level appropriate to age; or
- (11) a foster child.

Subd. 4. **EMPLOYER.** “Employer” means a private or public employer.

Sec. 67. [268.561] **MINNESOTA YOUTH PROGRAM.**

Subdivision 1. PURPOSE. The Minnesota youth program is established to:

- (1) improve the employability of eligible applicants through exposure to public or private sector work;
- (2) enhance the basic educational skills of eligible applicants;
- (3) encourage the completion of high school or equivalency;
- (4) assist eligible applicants to enter employment, school-to-work transition programs, the military, or post-secondary education or training;
- (5) enhance the citizenship skills of eligible applicants through community service and service learning; and
- (6) provide educational, career, and life skills counseling.

Subd. 2. WAGE RATE. The rate of pay for Minnesota youth program positions with public, private nonprofit, and private for-profit employers is the minimum wage. Employers may use their own funds to increase the participants' hourly wage rates. Youths designated as supervisors may be paid at a higher level to be determined by the local contractor.

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Subd. 3. EMPLOYMENT CONTRACTS. The commissioner may enter into arrangements with existing public and private nonprofit organizations and agencies with experience in administering youth employment programs for the purpose of providing employment opportunities for eligible applicants in furtherance of sections 268.56 and 268.561. The department of jobs and training shall retain ultimate responsibility for the administration of this employment program.

Subd. 4. CONTRACT ADMINISTRATION. Preference shall be given to local contractors with experience in administering youth employment and training programs and those who have demonstrated efforts to coordinate state and federal youth programs locally.

Subd. 5. ALLOCATION FORMULA. Seventy percent of Minnesota youth program funds must be allocated based on the county's share of economically disadvantaged youth. The remaining 30 percent must be allocated based on the county's share of population ages 14 to 21.

Subd. 6. ALLOWABLE COST CATEGORIES. Of the total allocation, up to 15 percent may be used for administrative purposes and the remainder may be used for a combination of training and participant support activities.

Subd. 7. REPORTS. Each contractor shall report to the commissioner on a quarterly basis in a format to be determined by the commissioner.

Data collected on individuals under this subdivision are private data on individuals as defined in section 13.02, subdivision 12, except that summary data may be provided under section 13.05, subdivision 7.

Subd. 8. PART-TIME EMPLOYMENT. Wages and subsidies under this section may be paid for part-time employment.

Subd. 9. LAYOFFS; WORKER REDUCTIONS. An employer may not lay off, terminate, or reduce the working hours of an employee for the purpose of hiring an individual with funds provided by this section. An employer may not hire an individual with funds available under this section if any other individual is laid off from the same or a substantially equivalent job.

Subd. 10. RULES. The commissioner may adopt rules to implement this section.

Sec. 68. [268.9783] RETRAINING AND TARGETED TRAINING GRANTS.

Subdivision 1. ESTABLISHED. The commissioner may make grants to substate grantees or other eligible organizations designed to provide for the employment of dislocated workers or targeted training assistance to workers at risk of dislocation. The focus of the grants must be on the provision of skill-based training required by the worker's employer or prospective employer. The grants must be developed to meet the worker training needs of employers individually or together. Two or more organizations may jointly apply for a grant.

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Subd. 2. RETRAINING GRANTS. An organization interested in applying for a grant to retrain workers who are at risk of becoming dislocated workers must apply to the commissioner. As part of the application process, an applicant must provide:

(1) a statement of need that identifies the causes contributing to the workers being at risk of dislocation, the prospects for reemployment of the workers in the employer's industry or the worker's occupation, and the employer's past record of permanently laying off workers;

(2) a description of the current skill level of the workers targeted for training and the skills needed by the workers to significantly reduce their vulnerability to becoming displaced from employment;

(3) a description of the actions and investments made and planned by the employer to avert or minimize worker dislocation, including the adoption of high performance workplace and worker participation systems and practices;

(4) a training plan that details who will receive training, the type and scope of training assistance to be provided to workers, the providers of the training, and any impact on worker wages;

(5) evidence that the proposal has the support and involvement of labor; and

(6) any other relevant information the commissioner requires in the grant application.

Subd. 3. TARGETED TRAINING GRANTS. An organization interested in applying for a grant to target training for dislocated workers being hired by an employer must apply to the commissioner. As part of the application process, applicants must provide:

(1) a statement of need;

(2) a description of local labor market characteristics, including the area's unemployment rate, types of workers available to be employed in terms of occupation, and the local availability of workers in the industry of the employer or employers;

(3) a description of the actions and investments made and planned by the employer or employers to create and retain jobs, including past employment history, wages paid for the same or similar work, and whether high performance workplace and worker participation systems and practices have been adopted;

(4) a description of the type of work to be performed, the work-related skills needed, projected wages, and the target group of workers requiring the training assistance;

(5) a training plan that details who will receive training, the type and scope of training assistance to be provided workers, and the providers of the training;

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(6) evidence that the proposal has the support and involvement of labor; and

(7) any other relevant information the commissioner requires in the grant application.

Subd. 4. CRITERIA. The criteria used to award targeted training grants must include the severity of need, the target group of workers, training assistance, worker wages, utilization of resources, cost effectiveness, grantee management capability, and other considerations adopted by the commissioner.

Subd. 5. COVERAGE. Persons eligible to receive retraining assistance under this section include workers at risk of dislocation from employment and dislocated workers as defined in Minnesota Statutes, section 268.975, subdivision 3. Workers are considered to be at risk of dislocation as evidenced by a pattern of worker layoffs from an employer, a pattern of substantial layoffs or plant closures in the same or related industry, or where worker skills needed by the employer have become obsolete due to advances in technology.

Subd. 6. FUNDING. The commissioner may award retraining and targeted training grants, if approved by the governor's job training council, through a request for proposal process if:

(1) employers benefiting from a retraining and targeted training grant provide a match of at least one for one that may be in the form of funding, equipment, staff, instructors, and work release time for workers enrolled in training;

(2) employers benefiting from a retraining and targeted training grant to retrain workers at risk of dislocation maintain their past rate of expenditure from other sources for that training during the grant period; and

(3) employers benefiting from a retraining and targeted training grant to train new workers do not have workers in layoff status, unless it can be documented the layoff is temporary or seasonal.

Subd. 7. LIMITATION. No more than five percent of the amount available under Minnesota Statutes, section 268.022, subdivision 2, paragraph (e), may be used for the grants authorized under this section. The funds must be used from the allocation under section 268.022, subdivision 2, paragraph (e), clause (2).

Subd. 8. SUNSET. This section expires June 30, 1996.

Sec. 69. Minnesota Statutes 1993 Supplement, section 268.98, subdivision 1, is amended to read:

Subdivision 1. **PERFORMANCE STANDARDS.** The commissioner shall establish performance standards for the programs and activities administered or funded under sections 268.975 to 268.98. The commissioner may use, when appropriate, existing federal performance standards or, if the commissioner determines that the federal standards are inadequate or not suitable, may formu-

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late new performance standards to ensure that the programs and activities of the dislocated worker program are effectively administered.

The commissioner shall, at a minimum, establish performance standards which appropriately gauge the program's effectiveness at achieving the following objectives:

- (1) placement of dislocated workers in employment;
- (2) replacing lost income resulting from worker dislocation from employment;
- (3) early intervention with workers shortly after becoming displaced from employment; and
- (4) retraining of workers from one occupation or industry to another.

The standards shall be applied to plans or grants authorized under sections 268.9781, 268.9782, 268.9783 and for other activities the commissioner considers appropriate.

Sec. 70. Minnesota Statutes 1992, section 298.2211, is amended by adding a subdivision to read:

Subd. 3a. CONTRACTS AND PURCHASES. Contracts entered into and purchases made by the board are subject to the competitive bidding requirements of chapter 16B, except that bids must be first advertised within the tax relief areas as defined in section 273.134. If the commissioner finds that an acceptable bidder or contractor cannot be found in the tax relief area, the commissioner may ask the board for permission to advertise for bids as otherwise provided in chapter 16B. This subdivision is effective for contracts entered into and purchases made after the effective date of this subdivision.

Sec. 71. [268A.13] **EMPLOYMENT SUPPORT SERVICES FOR PERSONS WITH MENTAL ILLNESS.**

The commissioner of jobs and training, in cooperation with the commissioner of human services, shall develop a statewide program of grants to provide services for persons with mental illness in supported employment. Projects funded under this section must: (1) assist persons with mental illness in obtaining and retaining employment; (2) emphasize individual community placements for clients; (3) ensure interagency collaboration at the local level between vocational rehabilitation field offices, county service agencies, community support programs operating under the authority of section 245.4712, and community rehabilitation providers, in assisting clients; and (4) involve clients in the planning, development, oversight, and delivery of support services. Project funds may not be used to provide services in segregated settings such as long-term employment or work activity programs as defined in section 268A.01.

The commissioner of jobs and training, in consultation with the commis-

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tioner of human services, shall develop a request for proposals which is consistent with the requirements of this section and which specifies the types of services that must be provided by grantees. Projects shall be funded for state fiscal year 1995 and priority for funding shall be given to organizations with experience in developing innovative employment support services for persons with mental illness. Each applicant for funds under this section shall submit an evaluation protocol as part of the grant application.

Sec. 72. [268A.14] PLAN FOR A STATEWIDE REIMBURSEMENT SYSTEM.

The commissioner of jobs and training, in cooperation with the commissioner of human services, shall develop a detailed plan for establishing a statewide system to reimburse providers for employment support services for persons with mental illness. The plan must include the following: (1) protocols for certifying eligible providers; (2) standards for determining client eligibility for the service; (3) a list of reimbursable services with the proposed reimbursement level for each service; and (4) a description of the systems, including necessary computer systems, that will be used by the state agency for payment of reimbursement to eligible providers. The plan must also include projected total biennial costs for the new reimbursement system, recommendations on the nature of appeal rights which shall be provided to clients and providers, and recommendations on the necessity for agency rulemaking prior to implementation of the new reimbursement system.

Sec. 73. Minnesota Statutes 1992, section 345.47, subdivision 4, is amended to read:

Subd. 4. **TITLE TO PROPERTY.** The purchaser at any sale conducted by the commissioner pursuant to sections 345.31 to 345.60 and the Minnesota historical society under subdivision 5 shall receive title to the property purchased or selected, free from all claims of the owner or prior holder thereof and of all persons claiming through or under them. The commissioner shall execute all documents necessary to complete the transfer of title.

Sec. 74. Minnesota Statutes 1992, section 462A.05, is amended by adding a subdivision to read:

Subd. 40. YOUTH EMPLOYMENT AND TRAINING. The agency may make matching grants for the purpose of employing and training resident youths or youths residing in the surrounding neighborhood in the construction, maintenance, or rehabilitation of multifamily housing financed by the agency.

Sec. 75. Minnesota Statutes 1992, section 466.01, subdivision 1, is amended to read:

Subdivision 1. **MUNICIPALITY.** For the purposes of sections 466.01 to 466.15, "municipality" means any city, whether organized under home rule charter or otherwise, any county, town, public authority, public corporation,

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special district, school district, however organized, county agricultural society organized pursuant to chapter 38, joint powers board or organization created under section 471.59 or other statute, public library, regional public library system, multicounty multitype library system, ~~or~~ other political subdivision, or community action agency.

Sec. 76. Minnesota Statutes 1993 Supplement, section 504.33, subdivision 5, is amended to read:

Subd. 5. **LOW-INCOME HOUSING.** (a) "Low-income housing" means either:

(1) rental housing with a rent less than or equal to 30 percent of 50 percent of the median income for the county in which the rental housing is located, adjusted by size, except that housing which receives a low-income housing credit under section 42 of the Internal Revenue Code of 1986, as amended through December 31, 1990, is considered low-income housing, if such rent levels do not exceed 30 percent of 60 percent of the median income for the metropolitan area as defined in section 473.121, subdivision 2, adjusted by size; or

(2) rental housing occupied by households with income below 30 percent of the median for the metropolitan area as defined in section 473.121, subdivision 2, adjusted by size.

(b) "Low-income housing" also includes rental housing that has been vacant for less than ~~two years~~ one year, that was low-income housing when it was last occupied, and that is not condemned as being unfit for human habitation by the applicable government unit.

Sec. 77. Minnesota Statutes 1993 Supplement, section 504.33, subdivision 7, is amended to read:

Subd. 7. **REPLACEMENT HOUSING.** (a) "Replacement housing" means rental housing that is:

(1) the lesser of (i) the number and corresponding size of low-income housing units displaced, or (ii) sufficient in number and corresponding size of those low-income housing units displaced to meet the demand for those units. Notwithstanding subclauses (i) and (ii), if the housing impact statement shows demonstrated need, displaced units may be replaced by fewer, larger units of comparable total size, except that ~~efficiency~~ and single room occupancy units may not be replaced by units of a larger size;

(2) low-income housing for at least 15 years. This section does not prohibit increases in rent to cover operating expenses;

(3) in at least standard condition; and

(4) located in the city where the displaced low-income housing units were located or in the surrounding metropolitan area as defined in section 473.121.

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(b) Replacement housing provided in a different city shall have a preference for residents of the city where displacement occurred. The government unit providing such replacement housing shall affirmatively market the replacement housing to such residents.

(c) Replacement housing may be provided as newly constructed housing, or rehabilitated housing that was ~~previously unoccupied or vacant and in condemnable condition or rent subsidized existing housing that does not already qualify as low-income housing;~~

(1) previously unoccupied or vacant and in condemnable condition; or

(2) in condemnable condition and required substantial rehabilitation equal to or in excess of 50 percent of the prerehabilitation value of the unit; or

(3) rent-subsidized, existing housing that does not already qualify as low-income housing; or

(4) rent-subsidized housing in the form of either project-based assistance or portable vouchers, including the use of new Section 8 certificates or vouchers, which reduce rents on units to meet the definitions of low-income housing under subdivision 5, paragraph (a), clause (1).

~~(b)~~ (d) Notwithstanding the requirements in ~~paragraph~~ paragraphs (a) to (c), public housing units which are a part of a disposition plan approved by the Department of Housing and Urban Development automatically qualify as replacement housing for public housing units which are displaced.

(e) "Replacement housing" may also mean owner-occupied housing which creates a home ownership opportunity for people whose income is at or below 50 percent of the median for the metropolitan area as defined in section 473.121, subdivision 2, adjusted for family size.

Sec. 78. Minnesota Statutes 1993 Supplement, section 504.34, subdivision 1, is amended to read:

Subdivision 1. **ANNUAL REPORT REQUIRED.** A government unit, or in the case of a government unit located in the metropolitan area as defined in section 473.121, the government unit and the metropolitan council, shall prepare a housing impact report either:

(1) for each year in which the government unit displaces ten or more units of low-income housing in a city of the first class as defined in section 410.01; or

(2) when a specific project undertaken by a government unit for longer than one year displaces a total of ten or more units of low-income housing in a city of the first class as defined in section 410.01.

Sec. 79. Minnesota Statutes 1993 Supplement, section 504.34, subdivision 2, is amended to read:

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Subd. 2. **DRAFT ANNUAL HOUSING IMPACT REPORT.** As provided in subdivision 1, a government unit or a government unit participating with the metropolitan council subject to this section must prepare a draft annual housing impact report for review and comment by interested persons. The draft report must be completed by January 31 of the year immediately following a year in which the government unit has displaced ten or more units of low-income housing in a city. For a housing impact report required under subdivision 1, clause (2), the draft report must be completed by January 31 of the year immediately following the year in which the government unit has displaced a cumulative total of ten units of low-income housing in a city.

Sec. 80. Minnesota Statutes 1992, section 504.34, subdivision 3, is amended to read:

Subd. 3. **CONTENTS.** The draft and final annual housing impact reports must include:

(1) identification of each low-income housing unit that was displaced in the previous year in the city where housing was displaced by the government unit, including the unit's address, size, and rent; the number of persons who could have occupied the unit; the condition the unit was in, and whether it was habitable at the time of displacement; the owner of the unit; whether it was owner occupied; and how and when it was displaced;

(2) identification of each unit of replacement housing provided in the previous year in the city, including the unit's address, size, and rent; the number of persons who could occupy the unit; the owner of the unit; whether it is owner occupied; and an identification of the displaced low-income housing unit that was replaced by the unit of replacement housing;

(3) analysis of the supply of and demand for all sizes of low-income housing units, by size and rent, including the housing requirements of residents of shelters for the homeless, in the city;

(4) determination of whether there is an adequate supply of available and unoccupied low-income housing units to meet the demand for all sizes of low-income housing, by size and rent, in the city where housing has been displaced by the government unit;

(5) estimation of the cost of providing replacement housing for low-income housing not in adequate supply to meet the demand for all sizes of low-income housing, by size and rent, in the city where housing has been displaced by the government unit; and

(6) analysis of the government unit's compliance with the replacement plans of previous housing annual impact reports and project housing impact statements.

Sec. 81. **[645.443] HEAD START AND SCHOOL BUS DRIVER DAY.**

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The second Monday in January is designated Head Start and School Bus Driver Day in recognition of the responsibilities borne and the dedication demonstrated by Minnesota's Head Start and other school bus drivers for the safe delivery of our school children. The governor may take any action necessary to promote and encourage the observance of Head Start and School Bus Driver Day. The public schools may offer instruction and programs honoring and fostering appreciation and respect for Minnesota Head Start and school bus drivers.

Sec. 82. Laws 1993, chapter 369, section 5, subdivision 4, is amended to read:

Subd. 4. Community Services

27,579,000	25,678,000
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The money appropriated for the youth wage subsidy program for the second year of the biennium must be used for programs authorized under new Minnesota Statutes, sections 268.56 and 268.561.

\$880,000 is appropriated from the general fund to the commissioner of jobs and training for operating costs of transitional housing programs under Minnesota Statutes, section 268.38. Of this appropriation, \$440,000 is for the first year and \$440,000 is for the second year.

\$4,200,000 for the first year and \$5,550,000 for the second year is appropriated from the general fund to the commissioner of the department of jobs and training for Minnesota economic opportunity grants to community action agencies. This appropriation is to replace federal funds that are no longer available to community action agencies because of new federal restrictions on the authority to transfer block grant money from the federal Low-Income Home Energy Assistance program to the federal Community Services Block grant.

For the biennium ending June 30, 1995, the commissioner shall transfer to the

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low-income home weatherization program at least five percent of money received under the low-income home energy assistance block grant in each year of the biennium and shall spend all of the transferred money during the year of the transfer or the year following the transfer. Up to 1.63 percent of the transferred money may be used by the commissioner for administrative purposes.

For the biennium ending June 30, 1995, no more than 1.63 percent of money remaining under the low-income home energy assistance program after transfers to the weatherization program may be used by the commissioner for administrative purposes.

The state appropriation for the temporary emergency food assistance program may be used to meet the federal match requirements.

Of the money appropriated for the summer youth employment programs for fiscal year 1994, \$750,000 is immediately available. Any remaining balance of the immediately available money is available for the year in which it is appropriated. If the appropriation for either year of the biennium is insufficient, money may be transferred from the appropriation for the other year.

Notwithstanding Minnesota Statutes, section 268.022, subdivision 2, the commissioner of finance shall transfer to the general fund from the dedicated fund \$3,054,000 in the first year and \$2,303,000 in the second year of the money collected through the special assessment established in Minnesota Statutes, section 268.022, subdivision 1.

Of this appropriation, \$5,554,000 the first year and \$2,303,000 the second

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year are for summer youth employment programs.

Of this appropriation, \$100,000 is to train and certify community action agency weatherization programs to comply with the requirements of Minnesota Statutes, section 144.878, subdivision 5.* (The preceding sentence starting "Of" was vetoed by the governor.) Of this appropriation, \$400,000 is to be used for swab teams with priority to be given to those swab teams in greater Minnesota which are affiliated with community action agencies and to those swab teams in cities of the first class which are affiliated with community action agencies or neighborhood-based nonprofit organizations. 3.75 percent of the allocation may be used for administrative costs. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

Of this appropriation, \$1,200,000 is for the food shelf program.

Of this appropriation, \$400,000 is for youth employment and for housing for the homeless through the YOUTH-BUILD program.

Of the appropriation for the Minnesota economic opportunity grant, the commissioner may use up to nine percent each year for state operations.

Of the appropriation for Head Start, the commissioner of the department of jobs and training may use up to two percent each year for state operations.

Sec. 83. TRANSITION.

(a) Any member of the advisory committee existing under Minnesota Statutes, section 257.0768, before the effective date of section 64 who attended at least one-half of the committee's meetings during calendar year 1993 must be appointed a member of the applicable community-specific board created under section 64.

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

(b) The appointing authority for each community-specific board shall designate an initial term length for each appointee, including appointees required under paragraph (a), to achieve staggered terms to the greatest extent possible.

Sec. 84. **REPEALER.**

(a) Minnesota Statutes 1992, sections 154.16; and 154.165, are repealed.

(b) Minnesota Statutes 1992, sections 268.31, 268.315, 268.32, 268.33, 268.34, 268.35, and 268.36, are repealed.

Sec. 85. **EFFECTIVE DATES.**

Sections 23 to 31 are effective September 1, 1994, and apply to licenses which become effective on or after November 1, 1994. Sections 32 to 38 are effective May 1, 1995, and apply to licenses which become effective on or after July 1, 1995. Sections 39 to 42 are effective July 1, 1994, and apply to licenses which become effective on or after September 1, 1994. Section 43 is effective May 1, 1995, and applies to licenses which become effective on or after July 1, 1995. Section 44 is effective the day following final enactment and applies to claims brought after June 4, 1987.

Sections 74 and 76 to 80 are effective the day following final enactment.

Any provisions appropriating money for fiscal year 1994 are effective the day following final enactment.

Sections 66, 67, and 82 are effective the day following final enactment. Section 84, paragraph (b), is effective July 1, 1995.

ARTICLE 5

BUDGET RESERVE

Section 1. Minnesota Statutes 1993 Supplement, section 16A.152, subdivision 2, is amended to read:

Subd. 2. **ADDITIONAL REVENUES; PRIORITY.** If on the basis of a forecast of general fund revenues and expenditures the commissioner of finance determines that there will be a positive unrestricted budgetary general fund balance at the close of the biennium, the commissioner of finance must allocate money to the budget reserve and cash flow account until the total amount in the account equals five percent of total general fund appropriations for the current biennium as established by the most recent legislative session. Beginning July 1, 1993, forecast unrestricted budgetary general fund balances are first appropriated to restore the budget reserve and cash flow account to \$500,000,000 ~~and then~~. Additional biennial unrestricted budgetary general fund balances available after November 1 of every odd-numbered calendar year are appropriated in Jan-

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uary of the following year to reduce the property tax levy recognition percent under section 121.904, subdivision 4a, to zero before additional money beyond \$500,000,000 is allocated to the budget reserve and cash flow account ~~under the preceding sentence.~~

The amounts necessary to meet the requirements of this section are appropriated from the general fund.

Sec. 2. LEVY RECOGNITION ADJUSTMENTS.

Notwithstanding Minnesota Statutes, sections 16A.152, subdivision 2; and 121.904, if planning estimates for the 1996-97 biennium prepared by the commissioner of finance at the close of the 1994 legislative session, or in November 1994, show a budgetary balance before reserves of less than \$350,000,000 at the end of the 1996-97 biennium, the commissioner may increase the revenue recognition percent established in Minnesota Statutes, section 121.904, beginning in fiscal year 1996 by the amount necessary to bring the budgetary balance before reserves to \$350,000,000, except that it may not be increased beyond 48 percent. If the projected budgetary balance before reserves is greater than \$350,000,000, the percentage is decreased by the amount necessary to bring the balance before reserves to \$350,000,000, but not to less than zero.

Sec. 3. CASH FLOW REFORM PROGRAM.

The commissioner of finance shall establish an advisory committee to develop recommendations to the legislative commission on planning and fiscal policy by January 15, 1995, for improving school cash management while avoiding short-term borrowing by the state. The advisory committee shall consist of representatives of the commissioners of finance, revenue, and education, the legislative commission on planning and fiscal policy, the Minnesota school boards association, the school business officers association, and the association of Minnesota counties.

ARTICLE 6

TRANSPORTATION

Section 1. TRANSPORTATION APPROPRIATIONS.

The sums set forth in the columns headed "APPROPRIATIONS" are appropriated from the general fund, or another named fund, to the agencies and for the purposes specified in this article and are added to appropriations for the fiscal years ending June 30, 1994, and June 30, 1995, in Laws 1993, chapter 266, or another named law.

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

SUMMARY BY FUND

General Fund	1995 \$ 10,000,000
	APPROPRIATIONS
	Available for the Year
	Ending June 30
	1994 1995

Sec. 2. TRANSPORTATION

Greater Minnesota Transit \$ 1,600,000

This appropriation is added to the appropriation in Laws 1993, chapter 266, section 2, subdivision 3, clause (a), and is for greater Minnesota transit assistance.

The unspent balance of the appropriation for fiscal year 1994 in Laws 1993, chapter 266, section 2, subdivision 3, paragraph (a), on June 30, 1994, is added to this appropriation.

Sec. 3. REGIONAL TRANSIT BOARD

(a) Regular Route Transit	5,000,000
(b) Metro Mobility	2,500,000
(c) Community-based, Rural, and Small-urban Transit Systems	900,000

Presented to the governor May 6, 1994

Signed by the governor May 10, 1994, 6:20 p.m.

CHAPTER 633—S.F.No. 103

An act relating to gambling; repealing references in law to off-track betting on horse racing; authorizing revocation of racetrack license for failure to conduct live racing; recodifying gambling tax laws and applying them to gambling other than lawful gambling; setting out licensing qualifications for the division of gambling enforcement; prohibiting unauthorized possession of a gambling device; redefining lawful purposes; allowing pull-tab dispensing devices under certain circumstances; setting out licensing procedures for the gambling control board; repealing requirements for gambling stamps and substituting requirements for bar coding of gambling equipment; specifying who may negotiate tribal-state compacts on behalf of the state; establishing revolving funds and appropriating money; prescribing penalties; pro-