

Subd. 269. ROUTE NO. 338. Beginning at a point on Route No. 7 easterly of Rochester and thence extending in a southerly direction to a point on Route No. 391.

Sec. 3. REPEALER; HIGHWAYS TRANSFERRED OR VACATED; EFFECTIVE DATES.

Subdivision 1. TRANSFER OF LEGISLATIVE ROUTE NO. 266. (a) Minnesota Statutes 2002, section 161.115, subdivision 197, is repealed effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and Nobles county to transfer jurisdiction of Legislative Route No. 266 and notifies the revisor of statutes under paragraph (b).

(b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota Statutes when the commissioner of transportation sends notice to the revisor in writing that the conditions required to transfer the route are satisfied.

Subd. 2. TRANSFER OF LEGISLATIVE ROUTE NO. 273. (a) Minnesota Statutes 2002, section 161.115, subdivision 204, is repealed effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and Redwood county to transfer jurisdiction of Legislative Route No. 273 and notifies the revisor of statutes under paragraph (b).

(b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota Statutes when the commissioner of transportation sends notice to the revisor in writing that the conditions required to transfer the route are satisfied.

Subd. 3. VACATION OF LEGISLATIVE ROUTE NO. 302. Minnesota Statutes 2002, section 161.115, subdivision 233, is repealed.

Presented to the governor May 30, 2003

Signed by the governor June 8, 2003, 7:31 p.m.

CHAPTER 23—H.F.No. 56

An act relating to legislative enactments; correcting miscellaneous oversights, inconsistencies, ambiguities, unintended results, and technical errors; amending Minnesota Statutes 2002, sections 10A.04, subdivision 6, as amended; 115C.11, subdivision 1, as amended; 116O.09, subdivision 1a, as amended; 123B.59, subdivision 5, as amended; 123B.75, subdivision 5, as amended; 126C.10, subdivision 1, as amended; 126C.13, subdivision 4, as amended; 126C.17, subdivision 2, as amended; 126C.24, as added; 256D.03, subdivision 4, as amended; 297F.08, subdivision 12, as added; 349.151, subdivision 4, as amended; 349.167, subdivision 2; 611.17, as amended; 611.27, subdivision 15, as amended; Laws 2003, chapter 48, sections 1, 2; Laws 2003, First Special Session H.F. No. 51, article 1, sections 24, 51, if enacted; Laws 2003, First Special Session H.F. No. 51, article 2, section 55, subdivision 21, if enacted; Laws 2003, First Special Session H.F. No. 51, article 4, section 29, by adding a section, if enacted; Laws 2003, First

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Special Session H.F. No. 51, article 5, section 34, if enacted; Laws 2003, First Special Session H.F. No. 51, article 9, section 9, subdivision 3, by adding a subdivision, if enacted; Laws 2003, First Special Session H.F. No. 1, article 2, section 126, if enacted; Laws 2003, First Special Session S.F. No. 2, article 1, section 16, if enacted; Laws 2003, First Special Session S.F. No. 905, article 1, section 6, if enacted; Laws 2003, First Special Session S.F. No. 905, article 10, section 2, subdivision 5, if enacted.

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

Section 1. **CORR03-1A** Laws 2003, chapter 48, section 1, is amended to read:

Section 1. **[306.155] CORRECTION OF INTERMENT ERRORS.**

Subdivision 1. **REQUIREMENT.** If the operator of a cemetery is informed or becomes aware that it has interred or permitted the interment of a body or remains in the wrong burial space, unless the interested parties have agreed otherwise in writing, it shall disinter the burial container wrongfully interred, identify the burial container, and reinter it in the proper burial space. The cemetery must give reasonable notice, in advance of the disinterment, to the nearest known next of kin person or persons legally entitled to control the body or remains of the deceased person and, if requested, the owner of the burial space.

Subd. 2. **WITNESSES.** At the time specified for the disinterment and reinterment, the cemetery must permit the nearest known next of kin person or persons legally entitled to control the body or remains and, if requested, the owner of the burial space to witness the disinterment and reinterment.

Subd. 3. **COSTS.** The cemetery must bear all costs of the disinterment and reinterment.

Sec. 2. **CORR03-1B** Laws 2003, chapter 48, section 2, is amended to read:

Sec. 2. **[307.115] CORRECTION OF INTERMENT ERRORS.**

Section 306.155 applies to private cemeteries subject to this chapter. Nothing in section 306.155 shall exempt cemeteries from complying with chapter 149A.

Sec. 3. **CORR03-2A** Minnesota Statutes 2002, section 115C.11, subdivision 1, as amended by 2003 S.F. No. 905, article 1, section 136, if enacted, is amended to read:

Subdivision 1. **REGISTRATION.** (a) All consultants and contractors who perform corrective action services must register with the board. In order to register, consultants must meet and demonstrate compliance with the following criteria:

(1) provide a signed statement to the board verifying agreement to abide by this chapter and the rules adopted under it and to include a signed statement with each claim that all costs claimed by the consultant are a true and accurate account of services performed;

(2) provide a signed statement that the consultant shall make available for inspection any records requested by the board for field or financial audits under the scope of this chapter;

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(3) certify knowledge of the requirements of this chapter and the rules adopted under it;

(4) obtain and maintain professional liability coverage, including pollution impairment liability; and

(5) agree to submit to the board a certificate or certificates verifying the existence of the required insurance coverage.

(b) The board must maintain a list of all registered consultants and a list of all registered contractors.

(c) All corrective action services must be performed by registered consultants and contractors.

(d) Reimbursement for corrective action services performed by an unregistered consultant or contractor is subject to reduction under section 115C.09, subdivision 3, paragraph (i).

(e) Corrective action services performed by a consultant or contractor prior to being removed from the registration list may be reimbursed without reduction by the board.

(f) If the information in an application for registration becomes inaccurate or incomplete in any material respect, the registered consultant or contractor must promptly file a corrected application with the board.

(g) Registration is effective 30 days after a complete application is received by the board. The board may reimburse without reduction the cost of work performed by an unregistered contractor if the contractor performed the work within 60 days of the effective date of registration.

(h) Registration for consultants under this section remains in force until the expiration date of the professional liability coverage, including pollution impairment liability, required under paragraph (a), clause (4), or until voluntarily terminated by the registrant, or until suspended or revoked by the commissioner of commerce. Registration for contractors under this section expires each year on the anniversary of the effective date of the contractor's most recent registration and must be renewed on or before expiration. Prior to its annual expiration, a registration remains in force until voluntarily terminated by the registrant, or until suspended or revoked by the commissioner of commerce. All registrants must comply with registration criteria under this section.

(i) The board may deny a consultant or contractor registration or request for renewal under this section if the consultant or contractor:

(1) does not intend to or is not in good faith carrying on the business of an environmental consultant or contractor;

(2) has filed an application for registration that is incomplete in any material respect or contains any statement which, in light of the circumstances under which it

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is made, contains any misrepresentation, or is false, misleading, or fraudulent;

(3) has engaged in any fraudulent, coercive, deceptive, or dishonest act or practice whether or not the act or practice involves the business of environmental consulting or contracting;

(4) has forged another's name to any document whether or not the document relates to a document approved by the board;

(5) has ~~plead guilty, with or without explicitly admitting guilt; plead nolo contendere; or been convicted of a felony, gross misdemeanor, or misdemeanor involving moral turpitude, including, but not limited to, assault, harassment, or similar conduct~~ has been convicted, whether by pleading guilty, with or without admitting guilt, or pleading nolo contendere, of any of the following offenses: any felony; any gross misdemeanor; or a misdemeanor involving: (i) assault; (ii) harassment; (iii) moral turpitude; or (iv) conduct similar to items (i) to (iii);

(6) has been subject to disciplinary action in another state or jurisdiction; or

(7) has not paid subcontractors hired by the consultant or contractor after they have been paid in full by the applicant.

Sec. 4. **CORR03-2B** Minnesota Statutes 2002, section 1160.09, subdivision 1a, as amended by 2003 S.F. No. 905, article 3, section 42, if enacted, is amended to read:

Subd. 1a. **BOARD OF DIRECTORS.** The board of directors of the agricultural utilization research institute is comprised of:

(1) the chairs of the senate and the house of representatives standing committees with jurisdiction over agriculture finance or the chair's designee;

(2) two representatives of statewide farm organizations ~~appointed by the commissioner;~~

(3) two representatives of agribusiness; and

(4) three representatives of the commodity promotion councils.

A member of the board of directors under clauses (2) to (4), including a member serving on July 1, 2003, may serve for a maximum of two three-year terms. The board's compensation is governed by section 15.0575, subdivision 3.

EFFECTIVE DATE. This section, as amended by 2003 S.F. No. 905, article 3, section 42, is effective July 1, 2003, and applies to terms beginning after that date.

Sec. 5. **CORR03-3A** 2003 First Special Session S.F. No. 2, article 1, section 16, if enacted, is amended to read:

Sec. 16. ~~DEFICIENCY~~
~~APPROPRIATION BOARD~~
~~ON JUDICIAL STANDARDS~~
~~FISCAL YEAR 2003~~

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General 35,000

SPECIAL HEARING COSTS. This appropriation for fiscal year 2003 is added to the appropriation in Laws 2001, First Special Session chapter 8, article 4, section 5, to the board on judicial standards and is to fund costs of a public hearing for a judge. This appropriation is available the day following final enactment and is available until June 30, 2003.

\$35,000 is appropriated from the general fund in fiscal year 2003 to the board on judicial standards to fund costs of a public hearing for a judge. This appropriation is available until expended.

Sec. 6. **CORR03-3B** Minnesota Statutes 2002, section 611.17, as amended by 2003 First Special Session S.F. No. 2, article 3, section 4, if enacted, is amended to read:

Sec. 4. Minnesota Statutes 2002, section 611.17, is amended to read:

611.17 FINANCIAL INQUIRY; STATEMENTS; CO-PAYMENT.

Subdivision 1. **STANDARDS FOR DISTRICT PUBLIC DEFENSE ELIGIBILITY.** (a) Each judicial district must screen requests for representation by the district public defender. A defendant is financially unable to obtain counsel if:

(1) the defendant, or any dependent of the defendant who resides in the same household as the defendant, receives means-tested governmental benefits; or

(2) the defendant, through any combination of liquid assets and current income, would be unable to pay the reasonable costs charged by private counsel in that judicial district for a defense of the same matter.

(b) Upon a request for the appointment of counsel, the court shall make appropriate inquiry into the financial circumstances of the applicant, who shall submit a financial statement under oath or affirmation setting forth the applicant's assets and liabilities, including the value of any real property owned by the applicant, whether homestead or otherwise, less the amount of any encumbrances on the real property, the source or sources of income, and any other information required by the court. The applicant shall be under a continuing duty while represented by a public defender to disclose any changes in the applicant's financial circumstances that might be relevant to the applicant's eligibility for a public defender. The state public defender shall furnish appropriate forms for the financial statements. The forms must contain conspicuous notice of the applicant's continuing duty to disclose to the court changes

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in the applicant's financial circumstances. The forms must also contain conspicuous notice of the applicant's obligation to make a co-payment for the services of the district public defender, as specified under paragraph (c). The information contained in the statement shall be confidential and for the exclusive use of the court and the public defender appointed by the court to represent the applicant except for any prosecution under section 609.48. A refusal to execute the financial statement or produce financial records constitutes a waiver of the right to the appointment of a public defender. The court shall not appoint a district public defender to a defendant who is financially able to retain private counsel but refuses to do so.

An inquiry to determine financial eligibility of a defendant for the appointment of the district public defender shall be made whenever possible prior to the court appearance and by such persons as the court may direct. This inquiry may be combined with the pre-release investigation provided for in Minnesota Rule of Criminal Procedure 6.02, subdivision 3. In no case shall the district public defender be required to perform this inquiry or investigate the defendant's assets or eligibility. The court has the sole duty to conduct a financial inquiry. The inquiry must include the following:

- (1) the liquidity of real estate assets, including the defendant's homestead;
- (2) any assets that can be readily converted to cash or used to secure a debt;
- (3) the determination of whether the transfer of an asset is voidable as a fraudulent conveyance; and
- (4) the value of all property transfers occurring on or after the date of the alleged offense. The burden is on the accused to show that he or she is financially unable to afford counsel. Defendants who fail to provide information necessary to determine eligibility shall be deemed ineligible. The court must not appoint the district public defender as advisory counsel.

(c) Upon appointment of the public defender, an individual who receives public defender services shall be obligated to pay to the court a co-payment for representation provided by a public defender. The co-payment shall be according to the following schedule:

- (1) if the person was charged with a felony, \$200;
- (2) if the person was charged with a gross misdemeanor, \$100; or
- (3) if the person was charged with a misdemeanor, \$50.

If the person is a child and was appointed counsel under the provisions of section 260B.163, subdivision 4, the parents of the child shall pay to the court a co-payment of \$100. If the person is a parent of a child and the parent was appointed counsel under the provisions of section 260C.163, subdivision 3, the parent shall pay to the court a co-payment of \$200.

~~The co-payment shall be deposited in the state general fund.~~ If a term of probation is imposed as a part of an offender's sentence, the co-payment required by this section

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must not be made a condition of probation. The co-payment required by this section is a civil obligation and must not be made a condition of a criminal sentence. Collection of the co-payment may be made through the provisions of chapter 270A, the Revenue Recapture Act.

(d) All public defender co-pay revenue collected under paragraph (c) and revenues less statutory fees collected under chapter 270A shall be deposited in the public defender co-pay account in the special revenue fund.

The first \$2,740,000 deposited in the public defender co-pay account must be transferred to the general fund. This is not an annual transfer. Receipts in excess of the first \$2,740,000 are appropriated to the board of public defense for public defender services.

Sec. 7. **CORR03-4A** Minnesota Statutes 2002, section 349.151, subdivision 4, as amended by 2003 First Special Session H.F. No. 1, article 2, section 86, if enacted, is amended to read:

Sec. 86. Minnesota Statutes 2002, section 349.151, subdivision 4, is amended to read:

Subd. 4. **POWERS AND DUTIES.** (a) The board has the following powers and duties:

- (1) to regulate lawful gambling to ensure it is conducted in the public interest;
- (2) to issue licenses to organizations, distributors, distributor salespersons, bingo halls, manufacturers, and gambling managers;
- (3) to collect and deposit license, permit, and registration fees due under this chapter;
- (4) to receive reports required by this chapter and inspect all premises, records, books, and other documents of organizations, distributors, manufacturers, and bingo halls to insure compliance with all applicable laws and rules;
- (5) to make rules authorized by this chapter;
- (6) to register gambling equipment and issue registration stamps;
- (7) to provide by rule for the mandatory posting by organizations conducting lawful gambling of rules of play and the odds and/or house percentage on each form of lawful gambling;
- (8) to report annually to the governor and legislature on its activities and on recommended changes in the laws governing gambling;
- (9) to impose civil penalties of not more than \$500 per violation on organizations, distributors, distributor salespersons, manufacturers, bingo halls, and gambling managers for failure to comply with any provision of this chapter or any rule or order of the board;

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(10) to issue premises permits to organizations licensed to conduct lawful gambling;

(11) to delegate to the director the authority to issue or deny license and premises permit applications and renewals under criteria established by the board;

(12) to suspend or revoke licenses and premises permits of organizations, distributors, distributor salespersons, manufacturers, bingo halls, or gambling managers as provided in this chapter;

(13) to register employees of organizations licensed to conduct lawful gambling;

(14) to require fingerprints from persons determined by board rule to be subject to fingerprinting;

(15) to delegate to a compliance review group of the board the authority to investigate alleged violations, issue consent orders, and initiate contested cases on behalf of the board;

(16) to order organizations, distributors, distributor salespersons, manufacturers, bingo halls, and gambling managers to take corrective actions; and

(17) to take all necessary steps to ensure the integrity of and public confidence in lawful gambling.

(b) The board, or director if authorized to act on behalf of the board, may by citation assess any organization, distributor, employee eligible to make sales on behalf of a distributor, manufacturer, bingo hall licensee, or gambling manager a civil penalty of not more than \$500 per violation for a failure to comply with any provision of this chapter or any rule adopted or order issued by the board. Any organization, distributor, bingo hall licensee, gambling manager, or manufacturer assessed a civil penalty under this paragraph may request a hearing before the board. Appeals of citations imposing a civil penalty are not subject to the provisions of the Administrative Procedure Act.

(c) All penalties received by the board must be deposited in the general fund.

(d) All fees imposed by the board under sections 349.16 to ~~349.165~~ 349.167 must be deposited in the state treasury and credited to a lawful gambling regulation account in the special revenue fund. Receipts in this account are available for the operations of the board up to the amount authorized in biennial appropriations from the legislature.

Sec. 8. **CORR03-4B** 2003 First Special Session H.F. No. 1, article 2, section 126, if enacted, is amended to read:

Sec. 126. **GAMBLING CONTROL; FEE TRANSITION.**

Effective July 1, 2003, all licensees regulated by the gambling control board must begin paying the applicable fees under Minnesota Statutes, sections 349.16 to ~~349.165~~ 349.167. The gambling control board shall provide a onetime, prorated credit against these fees to licensees who paid for licenses before July 1, 2003, that were to extend beyond July 1, 2003.

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Sec. 9. **CORR03-4C** Minnesota Statutes 2002, section 349.167, subdivision 2, is amended to read:

Subd. 2. **GAMBLING MANAGERS; LICENSES.** A person may not serve as a gambling manager for an organization unless the person possesses a valid gambling manager's license issued by the board. In addition to the disqualifications in section 349.155, subdivision 3, the board may not issue a gambling manager's license to a person applying for the license who:

- (1) has not complied with subdivision 4, clause (1);
- (2) within the five years before the date of the license application, has committed a violation of law or board rule that resulted in the revocation of a license issued by the board;
- (3) has ever been convicted of a criminal violation involving fraud, theft, tax evasion, misrepresentation, or gambling; or
- (4) has engaged in conduct the board determines is contrary to the public health, welfare, or safety or the integrity of lawful gambling.

A gambling manager's license runs concurrent with the organization's license unless the gambling manager's license is suspended or revoked. The fee for a gambling manager's license is \$200 \$100. During the second year of an organization's license the license fee for a new gambling manager is \$100.

Sec. 10. **CORR03-5** Minnesota Statutes 2002, section 10A.04, subdivision 6, as amended by 2003 First Special Session H.F. No. 1, article 2, section 27, if enacted, is amended to read:

Sec. 27. Minnesota Statutes 2002, section 10A.04, subdivision 6, is amended to read:

Subd. 6. **PRINCIPAL REPORTS.** (a) A principal must report to the board as required in this subdivision by March 15 for the preceding calendar year. Along with the report, the principal must pay a fee of \$50, except as otherwise provided in this subdivision. The fee must be no more than necessary to cover the cost of administering sections 10A.03 to 10A.06. The amount of the fee is subject to change each biennium in accordance with the budget request made by the board. The fee requirement expires June 30, 2004.

(b) The principal must report the total amount, rounded to the nearest \$20,000, spent by the principal during the preceding calendar year to influence legislative action, administrative action, and the official action of metropolitan governmental units.

(c) The principal must report under this subdivision a total amount that includes:

- (1) all direct payments by the principal to lobbyists in this state;
- (2) all expenditures for advertising, mailing, research, analysis, compilation and dissemination of information, and public relations campaigns related to legislative

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action, administrative action, or the official action of metropolitan governmental units in this state; and

(3) all salaries and administrative expenses attributable to activities of the principal relating to efforts to influence legislative action, administrative action, or the official action of metropolitan governmental units in this state.

Sec. 11. **CORR03-6** 2003 S.F. No. 905, article 10, section 2, subdivision 5, if enacted, is amended to read:

Subd. 5. Office of Tourism

8,066,000	8,059,000
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To develop maximum private sector involvement in tourism, \$3,500,000 the first year and \$3,500,000 the second year of the amounts appropriated for marketing activities are contingent on receipt of an equal contribution from nonstate sources that have been certified by the commissioner. Up to one-half of the match may be given in in-kind contributions.

In order to maximize marketing grant benefits, the commissioner must give priority for joint venture marketing grants to organizations with year-round sustained tourism activities. For programs and projects submitted, the commissioner must give priority to those that encompass two or more areas or that attract nonresident travelers to the state.

If an appropriation for either year for grants is not sufficient, the appropriation for the other year is available for it.

The commissioner may use grant dollars or the value of in-kind services to provide the state contribution for the partnership program.

Any unexpended money from general fund appropriations made under this subdivision does not cancel but must be placed in a special advertising account for use by the office of tourism to purchase additional media.

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Of this amount, \$50,000 the first year is for a onetime grant to the Mississippi River parkway commission to support the increased promotion of tourism along the Great River Road. This appropriation is available until June 30, 2005. Notwithstanding Minnesota Statutes 2002, section 161.1419, subdivision 8, the commission expires on June 30, 2007.

Of this amount, \$175,000 the first year and \$175,000 the second year are for the Minnesota film board. The appropriation in each year is available only upon receipt by the board of \$1 in matching contributions of money or in-kind from nonstate sources for every \$3 provided by this appropriation.

Sec. 12. **CORR03-8A** Minnesota Statutes 2002, section 126C.10, subdivision 1, as amended by 2003 First Special Session H.F. No. 51, article 1, section 20, if enacted, is amended to read:

Subdivision 1. **GENERAL EDUCATION REVENUE.** (a) For fiscal year 2003, the general education revenue for each district equals the sum of the district's basic revenue, basic skills revenue, training and experience revenue, secondary sparsity revenue, elementary sparsity revenue, transportation sparsity revenue, total operating capital revenue, and equity revenue.

(b) For fiscal year 2004 and later, the general education revenue for each district equals the sum of the district's basic revenue, extended time revenue, basic skills revenue, training and experience revenue, secondary sparsity revenue, elementary sparsity revenue, transportation sparsity revenue, total operating capital revenue, equity revenue, and transition revenue.

Sec. 13. **CORR03-8B** Minnesota Statutes 2002, section 126C.13, subdivision 4, as amended by 2003 First Special Session H.F. No. 51, article 1, section 33, if enacted, is amended to read:

Subd. 4. **GENERAL EDUCATION AID.** (a) For fiscal year 2004, a district's general education aid is the sum of the following amounts:

- (1) general education revenue;
- (2) shared time aid according to section 126C.01, subdivision 7;
- (3) referendum aid according to section 126C.17; and
- (4) ~~distance education~~ on-line learning aid according to section 126C.24.

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(b) For fiscal year 2005 and later, a district's general education aid is the sum of the following amounts:

(1) general education revenue, excluding equity revenue, total operating capital, and transition revenue;

(2) operating capital aid according to section 126C.10, subdivision 13b;

(3) equity aid according to section 126C.10, subdivision 30;

(3) (4) transition aid according to section 126C.10, subdivision 33;

(4) (5) shared time aid according to section 126C.01, subdivision 7;

(5) (6) referendum aid according to section 126C.17; and

(6) distance education (7) on-line learning aid according to section 126C.24.

Sec. 14. **CORR03-8C** Minnesota Statutes 2002, section 126C.17, subdivision 2, as amended by 2003 First Special Session H.F. No. 51, article 1, section 36, if enacted, is amended to read:

Subd. 2. **REFERENDUM ALLOWANCE LIMIT.** (a) Notwithstanding subdivision 1, for fiscal year 2003, a district's referendum allowance must not exceed the greater of:

(1) the sum of a district's referendum allowance for fiscal year 1994 times 1.162 plus its referendum conversion allowance for fiscal year 2003, minus \$415;

(2) 18.2 percent of the formula allowance;

(3) for a newly reorganized district created on July 1, 2002, the referendum revenue authority for each reorganizing district in the year preceding reorganization divided by its resident marginal cost pupil units for the year preceding reorganization, minus \$415; or

(4) for a newly reorganized district created after July 1, 2002, the referendum revenue authority for each reorganizing district in the year preceding reorganization divided by its resident marginal cost pupil units for the year preceding reorganization.

(b) Notwithstanding subdivision 1, for fiscal year 2004 and later, a district's referendum allowance must not exceed the greater of:

(1) the sum of: (i) a district's referendum allowance for fiscal year 1994 times 1.177 times the annual inflationary increase as calculated under paragraph (c) plus (ii) its referendum conversion allowance for fiscal year 2003, minus (iii) \$415;

(2) the greater of (i) 18.6 percent of the formula allowance or (ii) ~~the previous year's referendum allowance~~ \$855.79 times the annual inflationary increase as calculated under paragraph (c); or

(3) for a newly reorganized district created after July 1, 2002, the referendum revenue authority for each reorganizing district in the year preceding reorganization

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divided by its resident marginal cost pupil units for the year preceding reorganization.

(c) For purposes of this subdivision, for fiscal year 2005 and later, "inflationary increase" means one plus the percentage change in the Consumer Price Index for urban consumers, as prepared by the United States Bureau of Labor Standards, for the current fiscal year to fiscal year 2004. For fiscal years 2009 and later, for purposes of paragraph (b), clause (1), the inflationary increase equals the inflationary increase for fiscal year 2008 plus one-fourth of the percentage increase in the formula allowance for that year compared with the formula allowance for fiscal year 2008.

Sec. 15. **CORR03-8D** Minnesota Statutes 2002, section 126C.24, as added by 2003 First Special Session H.F. No. 51, article 2, section 37, if enacted, is amended to read:

Sec. 37. **[126C.24] ON-LINE LEARNING AID.**

(a) The on-line learning aid for an on-line learning provider equals the product of the adjusted on-line learning average daily membership for students under section 124D.095, subdivision 8, paragraph (d), times the student grade level weighting under section 126C.05, subdivision 1, times the formula allowance.

(b) Notwithstanding section 127A.45, the department must pay each on-line learning provider ~~77~~ 80 percent of the amount in paragraph (a) within 45 days of receiving final enrollment and course completion information each quarter or semester. A final payment equal to ~~23~~ 20 percent of the amount in paragraph (a) must be made on September 30 of the next fiscal year.

Sec. 16. **CORR03-8E** 2003 First Special Session H.F. No. 51, article 2, section 55, subdivision 21, if enacted, is amended to read:

Subd. 21. **~~DISTANCE EDUCATION ON-LINE LEARNING.~~** For ~~distance education on-line learning aid~~ under Minnesota Statutes, section 124D.095:

\$1,000,000	2004
\$1,250,000	2005

Sec. 17. **CORR03-8F** Minnesota Statutes 2002, section 123B.59, subdivision 5, as amended by 2003 First Special Session H.F. No. 51, article 4, section 12, if enacted, is amended to read:

Subd. 5. **LEVY AUTHORIZED.** A district may levy for costs related to an approved facility plan as follows:

(a) if the district has indicated to the commissioner that bonds will be issued, the district may levy for the principal and interest payments on outstanding bonds issued according to subdivision 3 after reduction for any alternative facilities aid receivable under subdivision 6; or

(b) if the district has indicated to the commissioner that the plan will be funded through levy, the district may levy according to the schedule approved in the plan after reduction for any alternative facilities aid receivable under subdivision 3a 6.

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Sec. 18. **CORR03-8G** 2003 First Special Session H.F. No. 51, article 4, section 29, if enacted, is amended to read:

Sec. 29. **GARAGE LEASE LEVY; SARTELL.**

For taxes payable in 2004, 2005, and 2006, independent school district No. 740, Sartell, may levy up to \$107,000 each year for the purpose of leasing a school bus storage facility. The department of education shall include this levy in the calculation of eligible building lease levy under Minnesota Statutes, section 126C.40, subdivision 1. This levy shall not allow the district to exceed the \$100 \$90 per resident marginal cost pupil unit cap in that section. The district is eligible to make this levy only if it sells its current school bus storage site to the city of Sartell and the district may not use this levy as part of a lease purchase agreement to replace its current school bus storage facility.

Sec. 19. **CORR03-8H** Minnesota Statutes 2002, section 123B.75, subdivision 5, as amended by 2003 First Special Session H.F. No. 51, article 5, section 4, if enacted, is amended to read:

Subd. 5. **LEVY RECOGNITION.** (a) "School district tax settlement revenue" means the current, delinquent, and manufactured home property tax receipts collected by the county and distributed to the school district.

(b) In June of 2003, the school district must recognize as revenue, in the fund for which the levy was made, the lesser of:

(1) the sum of May, June, and July school district tax settlement revenue received in that calendar year, plus general education aid according to section 126C.13, subdivision 4, received in July and August of that calendar year; or

(2) the sum of:

(i) 31 percent of the referendum levy certified according to section 126C.17, in calendar year 2000; plus

(ii) the entire amount of the levy certified in the prior calendar year according to section 124D.86, subdivision 4, for school districts receiving revenue under sections 124D.86, subdivision 3, clauses (1), (2), and (3); 126C.41, subdivisions 1, 2, and 3, paragraphs (b), (c), and (d); 126C.43, subdivision 2; 126C.457; and 126C.48, subdivision 6.

(c) For fiscal year 2004 and later years, in June of each year, the school district must recognize as revenue, in the fund for which the levy was made, the lesser of:

(1) the sum of May, June, and July school district tax settlement revenue received in that calendar year, plus general education aid according to section 126C.13, subdivision 4, received in July and August of that calendar year; or

(2) the sum of:

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(i) the greater of the 45 percent of the referendum levy certified according to section 126C.17, in the prior calendar year or ~~45~~ 31 percent of the referendum levy certified according to section 126C.17, in calendar year 2000; plus

(ii) the entire amount of the levy certified in the prior calendar year according to section 124D.86, subdivision 4, for school districts receiving revenue under sections 124D.86, subdivision 3, clauses (1), (2), and (3); 126C.41, subdivisions 1, 2, and 3, paragraphs (b), (c), and (d); 126C.43, subdivision 2; 126C.457; and 126C.48, subdivision 6; plus

(iii) 45 percent of the amount of the levy certified in the prior calendar year for the school district's general and community service funds, plus or minus auditor's adjustments, not including levy portions that are assumed by the state, that remains after subtracting the referendum levy certified according to section 126C.17 and the amount recognized according to clause (ii).

~~(3) For fiscal year 2005 and later, the percent of the referendum levy that is shifted is the greater of 31 percent or the percent computed under paragraph (c), clause (2), item (i), for fiscal year 2004.~~

Sec. 20. **CORR03-8I** 2003 First Special Session H.F. No. 51, article 5, section 34, if enacted, is amended to read:

Sec. 34. **DIRECTION TO COMMISSIONER.**

(a) Notwithstanding Minnesota Statutes, section 123B.75, subdivision 5, the commissioner shall calculate the property tax recognition shift percentage that raises \$230,378,000 in fiscal year 2004.

(b) Notwithstanding paragraph (a), the property tax recognition shift percentage must not exceed 50 percent.

(c) The commissioner shall apply this percentage to the property tax recognition shift under Minnesota Statutes, section 123B.75, subdivision 5, paragraph (c), clause (2), in fiscal year 2004 and later.

Sec. 21. **CORR03-8J** 2003 First Special Session H.F. No. 51, article 1, section 24, if enacted, is amended to read:

Sec. 24. Minnesota Statutes 2002, section 126C.10, is amended by adding a subdivision to read:

Subd. 13a. **OPERATING CAPITAL LEVY.** To obtain operating capital revenue for fiscal year 2005 and later, a district may levy an amount not more than the product of its operating capital revenue for the fiscal year times the lesser of one or the ratio of its adjusted net tax capacity per adjusted marginal pupil cost pupil unit to \$22,222.

Sec. 22. **CORR03-8K** 2003 First Special Session H.F. No. 51, article 1, section 51, if enacted, is amended to read:

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Sec. 51. STAFF DEVELOPMENT RESERVED REVENUE; FISCAL YEARS 2004 AND 2005.

Notwithstanding Minnesota Statutes, section 122A.61, subdivision 1, for fiscal years 2004 and 2005 only, a school district ~~must~~ may reserve an amount equal to at least zero percent of the basic revenue under Minnesota Statutes, section 126C.10, subdivision 2. ~~A district may waive this requirement by a majority vote of the licensed teachers in the district and a majority vote of the school board. A district in statutory operating debt is exempt from this requirement.~~

Sec. 23. **CORR03-8L** 2003 First Special Session H.F. No. 51, article 9, section 9, subdivision 3, if enacted, is amended to read:

Subd. 3. **ADULT GRADUATION AID.** For adult graduation aid under Minnesota Statutes, section 124D.54:

~~\$2,094,000~~ \$396,000 2004

\$ 424,000 2005

The 2004 appropriation includes \$396,000 for 2003 and \$1,698,000 for 2004.

The 2005 appropriation includes \$424,000 for 2004 and \$0 for 2005.

Sec. 24. **CORR03-8M** 2003 First Special Session H.F. No. 51, article 9, section 9, if enacted, is amended by adding a subdivision to read:

Subd. 6. **ADULT BASIC EDUCATION TRANSITION AID.** (a) For adult basic transition aid under section 8:

\$1,698,000 2004

\$ 424,000 2005

The 2004 appropriation includes \$0 for 2003 and \$1,698,000 for 2004.

The 2005 appropriation includes \$424,000 for 2004 and \$0 for 2005.

Sec. 25. **CORR03-8N** 2003 First Special Session H.F. No. 51, article 4, if enacted, is amended by adding a section to read:

Sec. 33. Minnesota Statutes 2002, section 125B.21, is amended to read:

125B.21 MINNESOTA EDUCATION TELECOMMUNICATIONS COUNCIL.

Subdivision 1. **STATE COUNCIL MEMBERSHIP.** The membership of the Minnesota education telecommunications council established in Laws 1993, First Special Session chapter 2, is expanded to include representatives of elementary and secondary education. The membership shall consist of three representatives from the University of Minnesota; three representatives of the board of trustees for Minnesota state colleges and universities; one representative of the higher education services offices; one representative appointed by the private college council; one representative selected by the commissioner of administration; eight representatives selected by the

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commissioner of ~~children, families, and learning~~ education, at least one of which must come from each of the six higher education telecommunication regions; a representative from the office of technology; two members each from the senate and the house of representatives selected by the subcommittee on committees of the committee on rules and administration of the senate and the speaker of the house, one member from each body must be a member of the minority party; and three representatives of libraries, one representing regional public libraries, one representing multitype libraries, and one representing community libraries, selected by the governor; and two members, one selected from and representing the higher education regional coordinators and one selected from and representing the kindergarten through grade 12 cluster regions. The council shall serve as a forum to establish and advocate for a statewide vision and plans for the use of distance learning technologies, including:

- (1) the coordination and collaboration of distance learning opportunities;
- (2) the implementation of the use of distance learning technologies;
- (3) the collaboration of distance learning users;
- (4) the implementation of educational policy relating to telecommunications;
- (5) the exchange of ideas;
- (6) the communications with state government and related agencies and entities;
- (7) the coordination of networks for post-secondary campuses, kindergarten through grade 12 education, and regional and community libraries; and
- (8) the promotion of consistency of the operation of the learning network with standards of an open system architecture.

The council expires June 30, 2004.

Sec. 26. **CORR03-10** 2003 S.F. No. 905, article 1, section 6, if enacted, is amended to read:

Sec. 6. MINNESOTA

CONSERVATION CORPS	840,000	840,000
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Summary by Fund

General	350,000	350,000
Natural Resources	490,000	490,000

The Minnesota Conservation Corps may receive money appropriated under this section only as provided in an agreement with the commissioner of natural resources.

Sec. 27. **CORR03-11**

Minnesota Statutes 2002, section 471.88, subdivision 20, as added by 2003 H.F. No. 923, section 1, if enacted, is effective the day following final enactment.

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Sec. 28. **CORR03-12**

2003 First Special Session H.F. No. 51, article 1, section 39, if enacted, is effective retroactively from July 1, 2002, and is effective for revenue for fiscal year 2005.

Sec. 29. **CORR03-13** Minnesota Statutes 2002, section 611.27, subdivision 15, as amended by 2003 First Special Session H.F. No. 7, article 6, section 8, if enacted, is amended to read:

Subd. 15. **COSTS OF TRANSCRIPTS.** In appeal cases and postconviction cases where the state public defender's office does not have sufficient funds to pay for transcripts and other necessary expenses because it has spent or committed all of the transcript funds in its annual budget, the state public defender may forward to the commissioner of finance all billings for transcripts and other necessary expenses. The commissioner shall pay for these transcripts and other necessary expenses from county criminal justice aid retained by the commissioner of revenue under section 477A.0121, subdivision 4, or from county program aid retained by the commissioner of revenue for that purpose under section 477A.0124, subdivision 1, clause (4), or 477A.03, subdivision 2 ~~2b~~, paragraph (e) (a).

Sec. 30. **CORR03-14** Minnesota Statutes 2002, section 256D.03, subdivision 4, as amended by 2003 First Special Session H.F. No. 6, article 12, section 69, if enacted, is amended to read:

Subd. 4. **GENERAL ASSISTANCE MEDICAL CARE; SERVICES.** (a)(i) For a person who is eligible under subdivision 3, paragraph (a), clause (2), item (i), general assistance medical care covers, except as provided in paragraph (c):

- (1) inpatient hospital services;
- (2) outpatient hospital services;
- (3) services provided by Medicare certified rehabilitation agencies;
- (4) prescription drugs and other products recommended through the process established in section 256B.0625, subdivision 13;
- (5) equipment necessary to administer insulin and diagnostic supplies and equipment for diabetics to monitor blood sugar level;
- (6) eyeglasses and eye examinations provided by a physician or optometrist;
- (7) hearing aids;
- (8) prosthetic devices;
- (9) laboratory and X-ray services;
- (10) physician's services;
- (11) medical transportation except special transportation;
- (12) chiropractic services as covered under the medical assistance program;

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(13) podiatric services;

(14) dental services and dentures, subject to the limitations specified in section 256B.0625, subdivision 9;

(15) outpatient services provided by a mental health center or clinic that is under contract with the county board and is established under section 245.62;

(16) day treatment services for mental illness provided under contract with the county board;

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

(18) psychological services, medical supplies and equipment, and Medicare premiums, coinsurance and deductible payments;

(19) medical equipment not specifically listed in this paragraph when the use of the equipment will prevent the need for costlier services that are reimbursable under this subdivision;

(20) services performed by a certified pediatric nurse practitioner, a certified family nurse practitioner, a certified adult nurse practitioner, a certified obstetric/gynecological nurse practitioner, a certified neonatal nurse practitioner, or a certified geriatric nurse practitioner in independent practice, if (1) the service is otherwise covered under this chapter as a physician service, (2) the service provided on an inpatient basis is not included as part of the cost for inpatient services included in the operating payment rate, and (3) the service is within the scope of practice of the nurse practitioner's license as a registered nurse, as defined in section 148.171;

(21) services of a certified public health nurse or a registered nurse practicing in a public health nursing clinic that is a department of, or that operates under the direct authority of, a unit of government, if the service is within the scope of practice of the public health nurse's license as a registered nurse, as defined in section 148.171; and

(22) telemedicine consultations, to the extent they are covered under section 256B.0625, subdivision 3b.

(ii) Effective October 1, 2003, for a person who is eligible under subdivision 3, paragraph (a), clause (2), item (ii), general assistance medical care coverage is limited to inpatient hospital services, including physician services provided during the inpatient hospital stay. A \$1,000 deductible is required for each inpatient hospitalization.

(b) Gender reassignment surgery and related services are not covered services under this subdivision unless the individual began receiving gender reassignment services prior to July 1, 1995.

(c) In order to contain costs, the commissioner of human services shall select vendors of medical care who can provide the most economical care consistent with high medical standards and shall where possible contract with organizations on a

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prepaid capitation basis to provide these services. The commissioner shall consider proposals by counties and vendors for prepaid health plans, competitive bidding programs, block grants, or other vendor payment mechanisms designed to provide services in an economical manner or to control utilization, with safeguards to ensure that necessary services are provided. Before implementing prepaid programs in counties with a county operated or affiliated public teaching hospital or a hospital or clinic operated by the University of Minnesota, the commissioner shall consider the risks the prepaid program creates for the hospital and allow the county or hospital the opportunity to participate in the program in a manner that reflects the risk of adverse selection and the nature of the patients served by the hospital, provided the terms of participation in the program are competitive with the terms of other participants considering the nature of the population served. Payment for services provided pursuant to this subdivision shall be as provided to medical assistance vendors of these services under sections 256B.02, subdivision 8, and 256B.0625. For payments made during fiscal year 1990 and later years, the commissioner shall consult with an independent actuary in establishing prepayment rates, but shall retain final control over the rate methodology.

(d) Recipients eligible under subdivision 3, paragraph (a), clause (2), item (i), shall pay the following co-payments for services provided on or after October 1, 2003:

(1) \$3 per nonpreventive visit. For purposes of this subdivision, a visit means an episode of service which is required because of a recipient's symptoms, diagnosis, or established illness, and which is delivered in an ambulatory setting by a physician or physician ancillary, chiropractor, podiatrist, nurse midwife, ~~mental health professional,~~ advanced practice nurse, ~~physical therapist, occupational therapist, speech therapist,~~ audiologist, optician, or optometrist;

(2) \$25 for eyeglasses;

(3) \$25 for nonemergency visits to a hospital-based emergency room;

(4) \$3 per brand-name drug prescription and \$1 per generic drug prescription, subject to a \$20 per month maximum for prescription drug co-payments. No co-payments shall apply to antipsychotic drugs when used for the treatment of mental illness; and

(5) 50 percent coinsurance on basic restorative dental services.

(e) Recipients of general assistance medical care are responsible for all co-payments in this subdivision. The general assistance medical care reimbursement to the provider shall be reduced by the amount of the co-payment, except that reimbursement for prescription drugs shall not be reduced once a recipient has reached the \$20 per month maximum for prescription drug co-payments. The provider collects the co-payment from the recipient. Providers may not deny services to recipients who are unable to pay the co-payment, except as provided in paragraph (f).

(f) If it is the routine business practice of a provider to refuse service to an individual with uncollected debt, the provider may include uncollected co-payments

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under this section. A provider must give advance notice to a recipient with uncollected debt before services can be denied.

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

(h) Chemical dependency services that are reimbursed under chapter 254B must not be reimbursed under general assistance medical care.

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

(j) The conditions of payment for services under this subdivision are the same as the conditions specified in rules adopted under chapter 256B governing the medical assistance program, unless otherwise provided by statute or rule.

(k) Inpatient and outpatient payments shall be reduced by five percent, effective July 1, 2003. This reduction is in addition to the five percent reduction effective July 1, 2003, and incorporated by reference in paragraph (i).

(l) Payments for all other health services except inpatient, outpatient, and pharmacy services shall be reduced by five percent, effective July 1, 2003.

(m) Payments to managed care plans shall be reduced by five percent for services provided on or after October 1, 2003.

(n) A hospital receiving a reduced payment as a result of this section may apply the unpaid balance toward satisfaction of the hospital's bad debts.

Sec. 31. **CORR03-15** Minnesota Statutes 2002, section 297F.08, subdivision 12, as added by Laws 2003, chapter 127, article 14, section 7, is amended to read:

Subd. 12. **CIGARETTES IN INTERSTATE COMMERCE.** (a) A person may not transport or cause to be transported from this state cigarettes for sale in another state without first affixing to the cigarettes the stamp required by the state in which the cigarettes are to be sold or paying any other excise tax on the cigarettes imposed by the state in which the cigarettes are to be sold.

(b) A person may not affix to cigarettes the stamp required by another state or pay any other excise tax on the cigarettes imposed by another state if the other state prohibits stamps from being affixed to the cigarettes, prohibits the payment of any other excise tax on the cigarettes, or prohibits the sale of the cigarettes.

(c) Not later than 15 days after the end of each calendar quarter, a person who transports or causes to be transported from this state cigarettes for sale in another state shall submit to the commissioner a report identifying the quantity and style of each brand of the cigarettes transported or caused to be transported in the preceding calendar quarter, and the name and address of each recipient of the cigarettes.

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(d) For purposes of this section, "person" has the meaning given in section 297F.01, subdivision 12. Person does not include any common or contract carrier, or public warehouse that is not owned, in whole or in part, directly or indirectly by such person, and does not include a manufacturer that has entered into the Master Settlement Agreement with other states.

Sec. 32. EFFECTIVE DATE.

Unless otherwise provided, each section of this act takes effect at the time the provision being corrected takes effect.

Presented to the governor May 30, 2003

Signed by the governor June 12, 2003, 8:32 a.m.

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