

(k) any person who offers to sell or sells a business opportunity which is a franchise registered pursuant to chapter 80C, when acting solely to sell the franchise;

(l) any person who contracts with or solicits on behalf of a provider a contract with a resident or prospective resident to provide continuing care in a facility, pursuant to the Continuing Care Facility Disclosure and Rehabilitation Act (chapter 80D), when acting solely as incident to the contract;

(m) any broker-dealer or agent of a broker-dealer when participating in a transaction in which all or part of a business opportunity or business, including any interest therein, is conveyed or acquired pursuant to an asset purchase, merger, exchange of securities or other business combination, if the agent or broker-dealer is licensed pursuant to chapter 80A.

Sec. 2. EFFECTIVE DATE.

Section 1 is effective July 1, 1985.

Approved May 2, 1984

CHAPTER 654 — H.F.No. 2317

An act relating to the organization and operation of state government; clarifying, providing for deficiencies in, and supplementing appropriations for the expenses of state government with certain conditions; creating and modifying agencies and functions; fixing and limiting fees; requiring studies and reports; appropriating money; amending Minnesota Statutes 1982, sections 3.099, subdivision 2; 3.3005; 3.351; 10.12; 10.14; 10.15; 11A.08, subdivision 3; 15.0597, subdivision 1; 16.02, by adding a subdivision; 16.026, subdivisions 3 and 7; 16.081; 16.80, subdivision 1; 16A.04, subdivisions 1 and 4; 16A.06; 16A.065; 16A.125, subdivision 6; 16A.13, subdivisions 1 and 2; 16A.131, subdivision 1; 16A.14, subdivision 2; 16A.28; 16A.45; 17.03, by adding a subdivision; 17A.03, by adding subdivisions; 17A.04, subdivisions 1, 6, 7, and 8; 17A.05; 17A.07; 17A.10; 17A.11; 17A.12; 43A.27, by adding a subdivision; 43A.30, by adding a subdivision; 84.085; 84A.53; 84A.54; 84A.55, subdivision 9; 84B.03, by adding a subdivision; 94.16; 116J.19, subdivision 13; 116J.36, as amended; 116J.88, by adding a subdivision; 116J.89, by adding a subdivision; 117.195, subdivision 1; 117.232, subdivision 1; 125.031; 136.11, subdivisions 2 and 7; 136.506; 136.55, subdivision 2; 136A.02, subdivision 1a; 136A.32, subdivision 7; 136A.81, subdivision 1; 138.025, subdivision 11; 144.414; 155A.06, subdivision 1; 158.07; 158.08; 161.173; 161.174; 161.242, subdivisions 3 and 4; 161.31, subdivision 1; 168.27, subdivisions 2 and 3; 168.33, subdivision 2; 169.966, subdivision 1a, and by adding a subdivision; 174.22, subdivisions 5, 10, 13, and by adding a subdivision; 174.23, subdivisions 2 and 4; 174.24, subdivisions 1, 2, and 5; 174.265, subdivision 3; 179.741, subdivision 2; 214.001, subdivision 2; 214.13, subdivisions 1, 2, 3, and 5; 221.295; 239.10; 241.66, subdivision 2; 245.811; 256.851; 256D.02, subdivisions 6, 8, and by adding a subdivision; 256D.06, subdivision 3; 256D.15; 256E.03, subdivision 2; 256E.07, subdivision 1, and by adding

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subdivisions; 296.13; 299D.03, subdivision 2; 299F.63, by adding a subdivision; 325F.20, subdivision 1; 329.099; 340.11, subdivision 11a; 345.47, subdivision 1, and by adding a subdivision; 345.525; 352.01, subdivision 2A; 352E.02; 352E.04; 359.01; 398.09; 462A.05, subdivision 20; 473.121, subdivisions 7, 10, 16, 18, 19, and by adding subdivisions; 473.146, subdivisions 3 and 4; 473.164; 473.167, subdivision 1; 473.168, subdivision 2; 473.181, subdivision 3; 473.223; 473.404; 473.405; 473.409; 473.411; 473.416; 473.435; 473.436, by adding a subdivision; 473.445; 473.446, subdivision 2a, and by adding subdivisions; 473.449; 484.545, subdivision 1; Minnesota Statutes 1983 Supplement, sections 3.3026, subdivision 5; 10A.01, subdivision 18; 10A.04, subdivision 4; 15A.081, subdivisions 1, 6, and 7; 15A.082; 15A.083, subdivision 1; 16.083; 16.28, subdivision 2; 16A.125, subdivision 5; 16A.127, subdivision 1; 16A.36; 17A.06, subdivision 3; 38.02, subdivision 1; 43A.04, subdivision 8; 85.40, subdivision 5; 85.41, subdivisions 3, 4, and 5; 116J.09; 116J.18, subdivision 1; 116J.31; 116J.70, subdivision 2a; 116J.90, by adding a subdivision; 116J.91, subdivision 4; 135A.03, subdivisions 1, 3, and 4; 136.144; 136A.121, subdivision 2; 136A.26; 144.651, subdivision 9; 161.43; 161.44, subdivision 6a; 169.81, subdivision 2; 174.24, subdivision 3; 179.70, subdivision 1; 179.7411; 180.03, subdivision 2; 214.06, subdivision 1; 214.13, subdivision 4; 221.041, by adding a subdivision; 221.071, subdivision 1; 240.06, subdivision 7; 256.01, subdivision 2; 256.737; 256B.501, subdivision 10; 256D.01, subdivision 1; 256D.03, subdivision 4; 256D.111, subdivisions 1, 2, 5, and by adding a subdivision; 256D.112; 268.672, subdivision 6; 268.673, subdivision 5; 268.675; 268.676, subdivisions 1 and 2; 268.677; 268.685; 268.686; 268.80; 268.81; 297B.09; 298.296, subdivision 1; 352D.02, subdivision 1; 357.021, subdivision 2a; 462A.07, subdivision 15; 473.436, subdivision 6; 486.06; 517.08, subdivision 1c; 609.855, subdivisions 1 and 2; Laws 1983, chapter 199, section 17, subdivision 2; chapter 290, section 172; chapter 293, sections 1; 2, subdivisions 2, 8, and 9; 4, subdivisions 1 and 3; 5; and 6; chapter 301, sections 38, 39, 40, 41, and 42; proposing new law coded in Minnesota Statutes, chapters 13, 15, 17A, 84, 84A, 94, 115A, 116J, 136, 174, 190, 214, 221, 246, 256B, 268, 349, 473; proposing new law coded as Minnesota Statutes, chapters 16B; 40A; 44A; and 49A; repealing Minnesota Statutes 1982, sections 10.13; 16A.132; 16A.51; 16A.59; 16A.73; 84.82, subdivision 1; 136.11, subdivision 6; 136A.133; 167.31; 167.32; 167.33; 167.34; 167.35; 167.36; 167.37; 167.38; 167.39; 167.42; 167.43; 167.44; 167.521; 168.27, subdivision 5; 174.03, subdivision 5a; 174.24, subdivisions 3a and 4; 174.265; 174.31; 256E.07, subdivision 3; 473.401; 473.402; 473.403; 473.411, subdivision 1; 473.413, as amended; 473.451; Minnesota Statutes 1983 Supplement, section 17.106; and Laws 1983, chapter 289, section 102, and chapter 301, section 233.

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

ARTICLE 1

STATE GOVERNMENT APPROPRIATIONS

Section 1. APPROPRIATIONS SUMMARY.

The sums set forth in the columns designated "APPROPRIATIONS" are appropriated from the general fund, or any other fund designated, to the agencies and for the purposes specified in the following articles of this act, to be available for the fiscal years indicated for each purpose. The figures "1984" and "1985," wherever used in this act, mean that the appropriations listed under them are available for the year ending June 30, 1984, or June 30, 1985. When a figure appears in parentheses, it is a reduction of a prior appropriation.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

SUMMARY OF APPROPRIATIONS BY FUNCTION - ALL FUNDS

	Total
STATE DEPARTMENTS	\$34,485,500
AGRICULTURE, TRANSPORTATION, AND OTHER AGENCIES	86,841,300
EDUCATION	10,413,000
HEALTH AND HUMAN SERVICES	65,173,000
TOTAL	\$196,912,800

SUMMARY BY FUND

	Total
General Fund	\$110,908,700
Special Revenue Fund	425,000
Trunk Highway Fund	57,749,800
Highway User Tax Distribution Fund	181,500
Transit Assistance Fund	12,600,000
County State Aid Highway Fund	11,300,000
Municipal State Aid Street Fund	3,400,000
Special Compensation Fund	155,000
Environmental Response Compensation and Compliance Fund	192,800

APPROPRIATIONS

1984	1985
\$	\$

ARTICLE 2

STATE DEPARTMENTS

Section 1. LEGISLATURE

- (a) Legislative Commission on Energy 20,000

By January 1, 1986, the legislative commission on energy shall report to the legislature on the state programs of energy audits of residential and commercial buildings under Minnesota Statutes, section 116J.31. The report must include: (1) a summary of the audits performed and conservation measures installed; (2) a summary of delivery systems

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and marketing of programs, including any recommendations for alternative delivery systems and marketing strategies; (3) consumer comments about the operation of the program; and (4) other information relevant to the operation of the program.

(b) Legislative Reference Library 94,100

This appropriation may be expended only if funds from other sources are not available.

The appropriations in this section are added to the appropriations in Laws 1983, Chapter 301, section 2, subdivision 4.

(c) Legislative Coordinating Commission 6,300

This appropriation is for the compensation council.

Sec. 2. SUPREME COURT

(a) State Court Administrator 47,500

This appropriation is for the administrative costs associated with the community dispute resolution program.

By January 1, 1986, the state court administrator shall report to the chairmen of the judiciary committees in the house and in the senate the experience to date with dispute resolution programs and shall make recommendations for any changes that may be deemed desirable in the dispute resolution program.

(b) State Law Library 43,000

The appropriations in this section are added to the appropriation in Laws 1983, chapter 301, section 3.

Sec. 3. BOARD ON JUDICIAL

STANDARDS 51,100 60,000

This appropriation is added to the appropriation in Laws 1983, chapter 301, section 6. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 4. BOARD OF PUBLIC DEFENSE

144,500

This appropriation is for the five legal defense corporations listed in Laws 1983, chapter 301, section 7. Final distribution of this money shall be determined by the board of public defense. The board of public defense shall submit to the legislature by January 1, 1985 a report showing how much of this appropriation was distributed to each recipient and the rationale for the distribution.

Sec. 5. PUBLIC DEFENDER

Public Defender Operations

80,000

This appropriation is added to the appropriation for the same purpose in Laws 1983, chapter 301, section 8.

Sec. 6. SECRETARY OF STATE

(a) Microfilming Project

50,000

This appropriation is added to the appropriation in Laws 1983, chapter 301, section 10.

(b) The unexpended balance of the appropriation contained in Laws 1983, chapter 301, section 10, for computerization of the corporate division does not cancel and is available for the second year of the biennium.

Sec. 7. ATTORNEY GENERAL

Approved Complement

General Fund - Add 2

Compliance Activities

47,300

This appropriation is added to Laws 1983, chapter 121, section 32, subdivision 4. This appropriation shall be reimbursed to the general fund from the environmental response, compensation, and compliance fund, and the amount necessary to make the reimbursement is appropriated to the commissioner of finance for transfer to the general fund.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

The two unclassified positions paid for from this appropriation are for the duration of the Reilly Tar case only.

Sec. 8. ADMINISTRATION

Approved Complement - Add 16

(a) Public Service

(1) Public television 2,100,000

This appropriation is for public television equipment needs; final distribution of the funds will be based on the recommendations of the Minnesota Public Television Association.

(2) Public radio 200,000

This appropriation is for public educational radio equipment needs; final distribution of the funds will be based on the recommendations of the Association of Minnesota Public Educational Radio Stations.

By January 1, 1985, the commissioners of administration and finance shall establish a procedure by which public broadcasting funding requests are submitted; institute eligibility standards and criteria by which the awards are made; distinguish the requirements for block grants, operating grants, and capital grants; provide for the auditing of funds disbursed; and propose statutory language which would reflect this process.

(3) Cable communications board 135,000

(b) State Agency Services

(1) Procurement automation project 358,000

The commissioner of administration shall prepare and submit an outline for a long-range procurement plan to the chairmen of the senate finance committee and the house appropriations committee by June 1, 1984. A completed long-range plan shall be submitted to the chairmen by August 1, 1984. The plan shall include, but is not limited to, the effect that procurement automation may have on the management and operations of state agencies; the implications for centrali-

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zation or decentralization of procurement control, decision-making, and information; and the cost implications statewide. The commissioner shall seek the advice and assistance of other state agencies in the preparation of the plan. The commissioner shall also report to the chairmen by August 1, 1984, on her plans for changes in the operations and structure of the procurement division as a result of the automation of the procurement process.

Beginning July 1, 1984, the commissioner of administration shall submit bi-monthly reports to the commissioner of finance and the chairmen of the senate finance committee and the house appropriations committee on her progress in implementing the procurement automation project as compared to the implementation plan contained in the Pride Phase II equivalent document. Following the receipt of a progress report, the chairmen may recommend to the commissioner of administration and the commissioner of finance that the procurement automation project be suspended or abandoned. If the commissioner of finance determines that the project should be suspended or abandoned, no additional money may be encumbered for the project until further order of the commissioner of finance.

The authorized complement for the procurement division shall be reduced by seven positions by June 30, 1985.

As may be approved by the legislative audit commission, the legislative auditor may conduct a follow-up to their 1982 reports on state and SED purchasing or a new examination of the procurement division and the bid specifications that are used in contract purchasing.

(2) Bidding Rules

The commissioner of administration shall adopt rules to establish the standards and procedures by which a contractor who has been convicted of a contract crime, and its affiliates, will be disqualified from receiving

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the award of a state contract or from serving as a subcontractor or material supplier under a state contract. The rules shall apply to contracts let by the commissioner of transportation and to other contracts and purchases the commissioner of administration deems necessary and appropriate.

(c) Management Services

- | | |
|------------------------|---------|
| (1) Telecommunications | 210,000 |
| (2) Equipment Study | |

The commissioner of administration shall coordinate a study to determine whether present appropriation levels are sufficient to allow replacement of state equipment that has exceeded its useful life. The study must include the departments of natural resources, transportation, public welfare, administration, and other major users of state equipment. The study shall be completed in time to incorporate the commissioner's findings and recommendations in the budget requests presented to the 1985 legislature.

(3) Seasonal Employee Study

The commissioner of administration in cooperation with the commissioner of employee relations shall conduct a study to determine the operational and cost effectiveness of the extensive use of part-time and seasonal employees by the commissioner of natural resources. The study may also include similar use by the commissioners of transportation and public welfare. A report of the findings of the study and the recommendations of the commissioners of administration and employee relations must be submitted to the legislature by January 1, 1985.

The appropriations in (a), (b), and (c) are added to the appropriation in Laws 1983, chapter 301, section 16.

- | | |
|------------------------------------|-----------|
| (d) Regional waste disposal system | 7,000,000 |
|------------------------------------|-----------|

This appropriation is from the general fund to pay part of the cost of constructing a regional waste disposal facility for the counties of Olmsted, Dodge, Mower, Fillmore,

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and Wabasha counties. This money shall be paid in the form of a grant to Olmsted County, but any amounts not expended for this purpose shall be returned to the state treasury.

This appropriation shall not be spent until: (1) a portion of former Rochester state hospital has been sold and all the net proceeds have been deposited in the state treasury and credited to the general fund; (2) Olmsted County has executed an agreement to provide a regional waste disposal facility for Dodge, Mower, Fillmore, and Wabasha counties, which shall specify how rates will be determined; rates shall be no greater than those charged to Olmsted County residents; and (3) Olmsted County has submitted to the chairman of the senate finance committee and the chairman of the house appropriations committee a report showing the terms of the sale, the items deducted from gross proceeds to arrive at net proceeds, and the agreements executed by the counties, and received their advisory recommendations on the payment of the grant; failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Dodge, Mower, Fillmore, or Wabasha county, or all of them, may choose, by resolution of the county board adopted by August 1, 1984, not to participate in the regional waste disposal facility. Except for counties that have chosen not to participate in the facility, no money may be expended from this appropriation until all the named counties have executed the agreement.

The amount paid under this appropriation shall be one-half of the net proceeds, up to \$7,000,000. "Net proceeds" means the gross proceeds less: (1) the accumulated operating costs associated with the heating, maintenance, and provision of security for the unoccupied real property and its improvements for the period beginning December 29, 1982, and ending on the date of sale of the real property and its improvements; (2) costs incurred by Olmsted County for roof

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repairs previously made to hospital buildings and road improvements made necessary because of the sale of the property to the United States government; and (3) consultant fees and advertising costs related to the sale of the property.

Sec. 9. TAX STUDY COMMISSION

The Minnesota Tax Study Commission, which was created by executive order 83-33, may accept private contributions to offset its operating expenses. The commission is directed to seek private donations for publication costs and for the costs associated with presentation of the reports to the 1985 legislature.

Sec. 10. EMPLOYEE RELATIONS

Employee Group Insurance -

Enrollment Services	127,300
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This appropriation is added to the appropriation in Laws 1983, chapter 301, section 19.

Sec. 11. NATURAL RESOURCES

Approved Complement

General - Subtract 11

Game and Fish - Add 0.5

Special - Add 14

(a) Snowmobile Trails Grooming and Maintenance Equipment	400,000
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This appropriation is from the snowmobile trails and enforcement account.

(b) Cross Country

Ski Trails	75,000
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(c) County Forestry Assistance Program	2,000,000
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This appropriation is for a grant to the St. Louis county land investment board and is available only when St. Louis County contributes \$500,000 from its own revenues to the project.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

The St. Louis county land investment board shall provide a work plan and semi-annual progress reports to the department and the joint select committee on forestry for review and recommendations. Any recommendations received shall be advisory only.

(d) Consolidated Conservation Area Rule-making	15,000
(e) Snag Removal	30,000
(f) Voyageurs National Park Land Acquisition	30,000
(g) Lake Restoration	40,000

This appropriation is for the purpose of restoring and improving Lake Isabelle in Dakota County. The money shall be used for a detailed soil analysis including a hydraulic/hydrologic study to determine the maximum lake level, necessary groundwater investigation for augmentation of water supply, and any acquisition of easements and rights of way. The appropriation shall not cancel but remains available until expended.

The appropriations in this section are added to the appropriations made in Laws 1983, chapter 301, section 22.

The department shall develop a plan to implement the recommendations made by the department of administration in its study of the regional and subregional structure of the department of natural resources. The plan shall be developed with the assistance of the department of administration. The department of employee relations shall review the plan with respect to personnel matters. The plan shall be completed on or before September 1, 1984.

The department shall create at least one regional or subregional labor pool under the control of the regional administrator. The department shall report to the legislature on the results of the project by February 1, 1985. The departments of administration and employee relations shall assist in the design and evaluation of the project.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

The commissioner need not include the three-month cancellation provision required by Minnesota Statutes, section 92.50, subdivision 1, in any lease of the Soudan Mine for use as a physics laboratory by the University of Minnesota, provided that this exception shall not be construed to limit the commissioner's right to cancel for cause under the terms of the lease.

Notwithstanding Laws 1983, chapter 301, section 22, an amount not to exceed \$250,000 of the money included for peat development in the appropriation for mineral resources management may be expended for site preparation for commercial peat mining in any bog whose surface has been disturbed by drainage or any other artificial alteration of the surface. If any portion of this amount is directly or indirectly loaned for site preparation purposes, the money repaid under the loan shall be deposited in the general fund.

Notwithstanding any law to the contrary, including Laws 1983, chapter 301, section 22, the commissioner of natural resources shall, by November 15, 1984, submit a report to the legislature containing specific recommendations for appropriate protection of those peatlands identified as ecologically significant in the August 1981 Minnesota Peat Program Final Report.

Laws 1983, chapter 301, section 88, is retroactive to July 1, 1982. The commissioner of finance shall adjust the amount of receipts credited to the state forest suspense account during fiscal year 1983 and the total costs incurred by the state for forest management purposes during fiscal year 1983 to reflect this retroactivity.

The commissioner of natural resources shall present to the legislature by January 1, 1986, a plan for consolidating the trails and waterways unit and the parks and recreation division.

The commissioner of natural resources shall devote \$25,000 from previous appropriations from the game and fish fund to con-

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ducting research on the genetic background of walleyes.

Sec. 12. ZOOLOGICAL BOARD	348,200	315,700
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This appropriation is added to the physical facilities appropriation provided in Laws 1983, chapter 301, section 23 for fuel and utility costs. None of the money provided in the original appropriation for fuel and utilities or this supplement shall be used for any other purpose.

The commissioner of finance must conduct an economic analysis regarding acquisition of the zoo ride and submit his report to the legislature. The analysis may include discussions with the current owners of the zoo ride.

Sec. 13. POLLUTION CONTROL AGENCY

Approved Complement

General - Add 15

ERCC - Add 2

(a) Wastewater Grant Administration		342,800
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(b) Transfer of Funding Acid		
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Rain Planning	(68,000)	68,000
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(c) Environmental Impact Statement		
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Preparation	95,000	
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Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

(d) Technical Support for		
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Reilly Tar Litigation	75,000	
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Any unencumbered balance remaining in the first year shall not cancel but is available for the second year of the biennium.

The two positions paid for from this appropriation are in the unclassified service for the duration of the Reilly Tar case only. When the case is over, the positions shall be canceled and the approved complement of the agency reduced accordingly.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(e) Laboratory Analysis 117,800

The appropriations in items (d) and (e) are from the ERCC fund.

(f) Waste Tires 117,000

This appropriation is for establishing rules for waste tire collector and processor permits, waste tire nuisance abatement, and waste tire collection, and for carrying out waste tire nuisance abatement and waste tire collection programs. The three positions paid for from this appropriation are in the unclassified service.

(g) Collection and Incineration Study 100,000

The director of the pollution control agency shall make a study, report, and recommendations of the following: (1) the number and geographical distribution of waste tires generated and existing tire dumps and collection sites; (2) financial responsibility requirements needed to cover tire collectors and processors; (3) the optimum location of collection sites to facilitate tire processing; (4) alternative methods to collect waste tires in small tire dumps and to collect tires from waste tire generators, including costs; (5) the options for waste tire recycling, their current use, and the feasibility of future use; (6) methods to establish reliable sources of waste tires for waste tire users; (7) the types of facilities in Minnesota that can utilize waste tires as a fuel source, the cost of equipment needed to modify existing types of facilities, the cost of test burns, the feasibility of operating each type of facility utilizing waste tires as a fuel source, and the location of those facilities; and (8) the establishment of a statewide waste tire collection system.

The director of the agency shall submit an interim report to the legislature and the governor by December 31, 1984, and a final report by April 1, 1985.

(h) Test Burns Report 35,000

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

The director of the agency, with the commissioner of administration, shall identify by October 1, 1984, existing public and private facilities most suitable for utilizing waste tires as a fuel source. The director of the agency shall solicit expressions of interest by private industry for utilizing waste tires as a fuel source. The selected facilities shall assist in conducting test burns, making measurements, and preparing a report describing the test results and the feasibility of using waste tires as a long-term fuel source for various types of facilities. The report shall identify the collection, transportation, and processing of waste tires needed to use the facilities. The director of the agency shall submit the report to the legislature and the governor by December 31, 1984.

The appropriations and reductions in this section are added to the appropriations made in Laws 1983, chapter 301, section 25.

Sec. 14. WASTE MANAGEMENT BOARD

Approved Complement
General - Add 5
Building - Add 2

These positions are in the unclassified service.

Sec. 15. ENERGY AND ECONOMIC DEVELOPMENT

Approved Complement
General - Add 49
Federal - Add .5

(a) Alternative Energy Projects	146,500	774,100
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\$150,000 is for alternative energy technical activity.

\$50,000 is for an engineering manager in the unclassified service. The manager must have technical expertise and professional experience in the field of engineering.

\$218,000 is for community energy councils, of which \$53,000 is for a director in the

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unclassified service and \$145,000 is for grants to communities.

\$53,000 is for the shared energy savings program. One unclassified position may be paid from this appropriation.

\$5,000 is for temporary rulemaking for district heating and qualified energy improvements.

\$50,000 is for study and adoption of standards for fiber fuels.

\$47,800 is for the adoption of rules regarding quality and product safety specifications for the manufacture of insulation.

\$146,500 is available the day following final enactment and until June 30, 1985, for enforcement of energy conservation standards for rental property. Four unclassified positions may be paid for from this appropriation.

\$100,000 is for optimal low-income weatherization.

\$81,800 is for wind resource assessment and \$18,500 is for continuation of the superinsulation demonstration project.

(b) District Heating Debt Service 279,000

To the commissioner of finance for transfer to the state bond fund for district heating and qualified energy improvement debt service under Minnesota Statutes, section 116J.36, subdivision 6, as amended by this act.

(c) Low-Income Weatherization 1,000,000

To the commissioner of economic security for the purpose of extending or expanding the low income residential weatherization program authorized by section 268.37. Any federal money received before December 31, 1984, in excess of anticipated revenues for the weatherization program shall reduce the state appropriation for this purpose by a like amount.

(d) Marketing Minnesota 1,100,000

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\$200,000 of this appropriation is available only after verification and documentation of private sector contributions on the basis of \$1 state to \$1 private funds. These funds may be released as contributions are received. For purposes of this appropriation, private sector in-kind services may provide all or a portion of the match for this money.

"Private sector" means any private person, firm, corporation, or association.

(e) Business Services	273,100
(f) Financial Officers	196,800

\$147,300 and five positions are for an energy and economic development authority administration contingent account. Upon resolution of the litigation regarding the authority, up to these amounts may be released with the approval of the governor after consultation with the legislative advisory commission pursuant to Minnesota Statutes, section 3.30.

Of the seven positions paid for from this appropriation, four are not authorized until January 1, 1985.

(g) Administrative Support	79,200
(h) Economic Recovery Grant Program	6,000,000

This appropriation is for economic recovery grants to local governments under the small cities development grants program.

\$85,300 is for administrative costs.

\$5,914,700 is for grants.

(i) Office of Science and Technology	300,000
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This appropriation is for the coordination of economic development assistance in the high technology industries of medical biotechnology and software development. The three complement positions associated with this appropriation are in the unclassified service.

(j) Community Development Corporations	500,000
(k) Technology Corridor	6,000,000

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

The commissioner of economic development may enter into an agreement with the city of Minneapolis and the University of Minnesota to assist the development of the technology corridor project established by the city and the university by providing money for land acquisition costs, building construction costs, and venture capital assistance within the technology corridor. The purpose of the state assistance is to promote the development of technology-related businesses in Minnesota. The commissioner may agree to make installment payments over a specified number of years. Before executing the agreement, the commissioner shall certify that the commissioner has reviewed the project and finds that the expenditure of this appropriation is the most appropriate reasonably available means of meeting the objective of promoting the development of technology-related businesses in Minnesota. The commissioner may expend up to \$50,000 of this appropriation for expenses necessary to adequately review the project. The commissioner may not execute the agreement until the commissioner has presented it to the chairman of the senate finance committee and the chairman of the house appropriations committee and the chairmen have made their advisory recommendations on it. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Of this amount, \$1,000,000 shall be paid to the University of Minnesota for recurring costs associated with the supercomputer institute in the technology corridor, and \$1,200,000 shall be expended for 12,000 square feet of space for the supercomputer institute. Recurring costs of \$2,600,000 shall be treated as part of the University of Minnesota budget base effective July 1, 1985.

(1) Bay Front Development Corporation

150,000

This appropriation is for payment to the city of Duluth, but is available only to match contributions received from nonstate sources

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

in the amount of \$150,000. The state payment shall not be made until the entire match has been received.

(m) Manufacturing Growth Council

60,000

Three unclassified positions may be paid for from this appropriation.

This appropriation is available only to match contributions by Minnesota businesses totaling \$60,000. Contributions may be in the form of cash, equipment, or loaned personnel. The commissioner of energy and economic development shall determine the value of contributions other than cash. None of this appropriation may be expended until the entire match has been committed.

(n) Convention Facilities Commission

250,000

\$100,000 is for activities leading to the selection of a city in which the convention facility is to be located. This appropriation is available until September 11, 1984.

\$150,000 is for activities subsequent to the selection of a city, of which \$100,000 is to be released dollar for dollar by the commissioner upon verification of receipt of an equal amount contributed by the city of designation. The city may provide the match from its own revenues or from non-public contributions for this purpose. This appropriation is available until June 30, 1985.

The two complement positions associated with this appropriation are in the unclassified service.

(o) Waste Tire Recycling

52,000

This appropriation is for establishing rules, which may include temporary rules, and paying administrative costs for waste tire recycling loans and grants. One of the positions paid for from this appropriation is in the unclassified temporary service.

(p) Recycling and Environmental Programs

184,000

The commissioner shall use this money to encourage recycling, recycling education,

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

the quality environment program, and other necessary efforts for the correction of environmental blemishes that have a negative impact on tourism and economic development within the state. Two of the positions paid for from this appropriation are in the unclassified service.

(q) Rough Fish Processing 30,000

This appropriation is to assist in a market analysis of the potential for rough fish processing in Minnesota.

The appropriations in this section are added to the appropriations in Laws 1983, chapter 301, section 28.

(r) Foreign Business Coordination

One position in the unclassified service is for the coordination of projects involving foreign businesses.

Sec. 16. STATE PLANNING AGENCY

Approved Complement

General - Add 3

(a) Infrastructure Project 18,000

(b) Interstate Association Dues 55,000

This appropriation is for state participation in the Upper Mississippi River Basin Association, the Council of Great Lakes Governors, and the Northeast-Midwest Coalition.

(c) Telecommunications Council 250,000

(d) Minnesota Horizons 50,000

The state planning director is encouraged to seek private donations to match this appropriation.

(e) Land Management Information System 35,000

This appropriation is for an archeological information and planning system. In determining the prime contractor, the agency shall consider possible conflict of interest in regulation and field investigation activity.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

The appropriations in this section are added to the appropriation made in Laws 1983, chapter 301, section 30.

Sec. 17. WORLD TRADE CENTER BOARD 575,000

Approved Complement - 9

The unexpended balance of appropriations transferred from the general contingent account to the commissioner of agriculture for the world trade center commission for fiscal year 1984 is transferred to the world trade center board for fiscal year 1985.

Sec. 18. LABOR AND INDUSTRY

Approved Complement

General - Add 3

Special - Add 4

(a) Prevailing Wage Director		35,500
(b) Worker's Compensation		
(1) Rehabilitation Services	23,500	131,500

This appropriation is for reduction in the number of cases pending review under the administrative conference procedure. This appropriation is from the special compensation fund.

(2) State Employee Fund	13,400	173,800
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This appropriation is for enhanced administration of the state employee revolving fund.

The positions paid for from the special compensation fund shall be canceled July 1, 1986, and the approved complement of the department reduced accordingly.

The authority of the commissioner of labor and industry as contained in sections 144.411 to 144.417 is transferred to the commissioner of health. The rules of the department of labor and industry are repealed and the rules of the department of health shall apply.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

The appropriations in this section are added to the appropriation made in Laws 1983, chapter 301, section 32.

Sec. 19. VETERANS AFFAIRS

Approved Complement - Add 53

(a) Veterans benefits 140,000

This appropriation is for emergency financial and medical needs of veterans. \$10,000 of the appropriation made in Laws 1983, chapter 301, section 37, for aid pursuant to Minnesota Statutes, section 197.75, is added to this appropriation.

The department must develop management alternatives through which this program is contained within this appropriation for the biennium ending June 30, 1985.

(b) Conversion of Building Number 16, Minneapolis Veterans Home from

Domiciliary to Nursing Care 1,051,300

By September 15, 1984, the department is instructed to formalize an ongoing patient review process which assesses the appropriate level of care needed by each resident. The department shall attempt to incorporate the components of the patient utilization review process required under medical assistance.

The commissioner of veterans affairs shall conduct a survey of state hospitals and other hospitals, public and private, in this state, in order to determine the number of beds in each hospital that are seldom used and that might be suitable for use by veterans needing nursing home care. The commissioner shall report to the legislature by January 1, 1985, on the results of the survey and his recommendations for possible conversion of hospital beds to state veterans home nursing care beds.

The appropriations in this section are added to the appropriation in Laws 1983, chapter 301, section 37.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 20. INDIAN AFFAIRS

COUNCIL

Purchase of Indian Burial Grounds 40,000

This appropriation is added to the appropriation in Laws 1983, chapter 301, section 38.

Sec. 21. HUMAN RIGHTS

Approved Complement

General - Add 24

Federal - Subtract 16

(a) Case Processing 300,000

This appropriation is for increased enforcement activities to reduce the number of cases pending within the department. This appropriation is added to the appropriation in Laws 1983, chapter 301, section 42.

Two of the positions approved to reduce the backlog shall be canceled on July 1, 1985, and the approved complement of the department reduced accordingly.

In preparing the budget for the 1985 legislature, the commissioner shall report on the advisability of providing at least one full-time position to the Duluth office and of providing for handling complaints on at least a part-time basis through an office in Bemidji. The report shall include the costs associated with adequately providing service at these locations.

(b) Federal Advance 357,100

This appropriation is to be used by the commissioner until federal money is received in payment for work done under contract with the Equal Employment Opportunity Commission and the United States Department of Housing and Urban Development for the federal fiscal year. Each quarterly receipt of federal money shall be credited to a federal receipt account and then transferred to the general fund.

It is estimated that \$294,600 in nondedicated contractual receipts from the federal

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government will be deposited in the state general fund in fiscal year 1985.

If the nondedicated contractual receipts earned in fiscal year 1985 from the federal government are less than \$294,600 in fiscal year 1985 the commissioner of finance shall reduce the appropriation base available to the department of human rights in the following fiscal year by the amount of the difference. Any reduction shall be noted in the budget document submitted to the legislature.

Sec. 22. HOUSING FINANCE AGENCY

The appropriations in this section are for transfer to the housing development fund.

(a) Tribal Indian Housing Programs	1,750,000
(b) Urban Indian Housing Programs	750,000

In order to qualify for disbursement of the money appropriated in this section, proposed urban Indian programs must provide for the combination of the appropriated money with other moneys from either public or private sources that are specifically designated at the time of application and that will be available upon program commencement. The Minnesota housing finance agency shall notify qualified applicants to submit their proposals for utilization of the appropriation within 90 days after the date of enactment of this section. Within 30 days after notification, the agency shall allocate this appropriation among the qualified applicants. If the combined requested amounts of approved proposals exceed the amount of this appropriation, the money shall be allocated among the applicants on a prorated basis according to the agency's allocation percentages for urban Indian programs. Effective June 30, 1985, the balance of this appropriation not subject to active contracts approved by the agency under qualified urban Indian programs shall be reallocated by the agency for the purposes provided in Minnesota Statutes, sections 462A.07, subdivision 15, and 462A.21, subdivision 4d.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(c) Temporary Housing Demonstration Program 250,000

By March 15, 1985, the housing finance agency shall report to the legislature on the temporary housing demonstration program.

Sec. 23. GENERAL CONTINGENT ACCOUNT

General Contingent Reduction (5,000,000)

This reduction is from the appropriation in Laws 1983, chapter 301, section 45.

Sec. 24. SALARY SUPPLEMENT

(a) Legislative, Judicial,
Constitutional Officers

Salary Increases 1,019,600

This appropriation is added to appropriations in Laws 1983 as follows:

Chapter 299, section 37, subdivision 1, item (b), \$15,200

Chapter 299, section 37, subdivision 1, item (c), \$735,900

Chapter 301, section 2, subdivisions 1 and 2, \$90,000

Chapter 301, section 2, subdivisions 1 and 3, \$178,500

(b) Comparability Adjustments 181,500

This appropriation is added to the appropriation in Laws 1983, chapter 301, section 55, item (d), Highway User Tax Distribution Fund.

Sec. 25. ST. LOUIS COUNTY LAND INVESTMENT BOARD.

Subdivision 1. CREATION; MEMBERSHIP. The St. Louis county board of land investment consisting of the members of the St. Louis county board of commissioners is established. The board of land investment shall have responsibility to accelerate the county's forestry land management program and to provide operational support and supervision to a broad range of forest projects.

Subd. 2. LAND INVESTMENT DEPARTMENT. The board of land investment may establish a land investment department to carry out the objectives established by the land investment board.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 3. ADMINISTRATION. The department shall be administered by the land commissioner appointed under Minnesota Statutes, section 282.13 but shall be separate from the land department which is also under the direction of the land commissioner.

Subd. 4. PURPOSES. The purposes of the land investment board are:

(a) to intensify land management activities on county administered tax forfeited peat and forest lands;

(b) to achieve an intensified land management program by using the talents of the excess skilled labor available in the region;

(c) to invest in the economic future of the region by using the full potential of the land resource;

(d) to conduct, but not be limited to, projects including peat development, reforestation, timber stand improvement, timber management, development of recreation and wildlife facilities, forest road construction, and boundary line and corner establishment;

(e) to ensure that the projects use the latest state of the art technology; and

(f) to conduct, contract for, or use joint powers to accomplish the surveys, studies, or research, as needed to encourage or test the feasibility of new programs or markets to use the land resources to their optimum.

Subd. 5. POWERS. The board of land investment may:

(a) enter into contracts with or employ technical experts, agents, and employees, permanent and temporary, as it may require, and determine their qualifications, duties, and compensation;

(b) delegate to one or more of its agents or employees the powers or duties it deems proper;

(c) accept grants, loans, gifts, services, or other assistance from the federal or state government or any private individual or organization to accomplish its purposes; and

(d) enter into contracts with individuals or organizations to perform land management activities, including tract site preparation, road construction, or maintenance.

Subd. 6. EMPLOYEES. The land commissioner may hire employees with the approval of the land investment board to carry out the duties of the land investment department. Notwithstanding Laws 1941, chapter 423, as amended, all positions created in the land investment department shall be in the unclassified service and the employees shall serve at the pleasure of the land investment board. The positions will be assigned to the collective bargaining unit to which

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the position would be assigned if the position were in the classified service. On January 1, 1988, all the positions shall become part of the classified service and all persons holding the positions shall become subject to Laws 1941, chapter 423, as amended, as though they had been originally appointed to the classified service. Seniority shall be computed from the date of employment whether before or after January 1, 1988. Positions within the land investment department shall continue to be separate from positions in the St. Louis county land department for all purposes, including seniority rights.

Subd. 7. ASSISTANT COMMISSIONER. Notwithstanding subdivision 6, the position of assistant commissioner of land investment shall remain in the unclassified service.

Subd. 8. TRACTS WITH LOW QUALITY TIMBER. If the board of land investment determines that a tract is stocked with nonindustrial, low quality timber that has little or no value, Minnesota Statutes, section 282.04, as it relates to timber sales, shall not apply to land management activities including site preparation, conducted under the authority of the board.

Subd. 9. RECEIPTS. Receipts from salvage materials generated by site preparation activities conducted under the authority of this chapter shall be paid into the forfeited tax sale fund.

Subd. 10. REQUIREMENT. This section is not effective until the governing body of St. Louis County has complied with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 26. SALE OF SURPLUS TRAIL LANDS.

Notwithstanding any contrary provisions relating to sale of surplus state lands contained in Minnesota Statutes, sections 94.09 to 94.16, lands and interests in lands acquired for trail purposes located in any of the cities listed in this section, which are no longer needed for trail purposes, may be declared surplus and sold to the city in which the land is located by the commissioner of natural resources for not less than the appraised value as determined by the commissioner. The cities within which the lands are located are Madison Lake in Blue Earth County, Rutledge and Sturgeon Lake in Pine County, and Thomson in Carlton County. The proceeds from the sales, after deducting costs of sale in the same manner as permitted in the sale of surplus lands by Minnesota Statutes, section 94.16, shall be deposited in the state treasury and credited to the state bond fund, except for proceeds from the sale of land in Madison Lake, which shall be credited to the general fund. Conveyances shall be in a form approved by the attorney general.

Sec. 27. SALE OF CERTAIN STATE FOREST LAND TRACTS.

Subdivision 1. Notwithstanding Minnesota Statutes, sections 94.09 to 94.16, that certain tracts of state forest land located and described in subdivisions

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2 to 4 may be sold by the commissioner of natural resources or his agent at private sale at not less than the appraised price as determined by state appraisers. Conveyance of these tracts shall be on a form approved by the attorney general.

Subd. 2. That part of the Northeast Quarter of the Southwest Quarter of Section 13, Township 107 North, Range 8 West, Winona County, Minnesota; Beginning at the Southwest corner of Lot 28, Block 1 Woodhaven Estates, according to the recorded plat thereof on file and of record in the Office of County Recorder, Winona County, Minnesota; thence southerly deflecting to the right 90 degrees 00 minutes 00 seconds from the south line of said lot 28 a distance of 62 feet; thence northeasterly, deflecting to the left 94 degrees 54 minutes 30 seconds a distance of 241.11 feet to the south line of said lot 28; thence westerly deflecting to the left 165 degrees 05 minutes 57 seconds a distance of 233 feet along the south line of said lot 28 to the point of beginning containing .17 acres.

Subd. 3. That part of the Northwest Quarter of the Southeast Quarter and the Southwest Quarter of the Southeast Quarter, Section 10, Township 104 North, Range 4 West, Houston County, Minnesota, described as follows:

Commencing at a point 12 feet west of the southeast corner of Lot 7 of Block 12 of the original plat of Manton (now La Crescent) according to the plat thereof on file and of record in the office of the Register of Deeds in and for Houston County; thence southwesterly parallel with the west right of way line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company 380 feet; thence south 30 feet to said west right of way line; thence south 280.10 feet to the east right of way line of said railroad company; thence southwesterly along said east right of way line 275 feet to a concrete monument which is the point of beginning of Line 1; thence deflect to the left at an angle of 111 degrees 00 minutes 00 seconds and run along said Line 1 to a line drawn parallel with and distant 500 feet southeasterly of the center line of the westerly main track of said railroad company; thence run southwesterly on said 500 foot parallel line to its intersection with a line drawn parallel with and distant 600 feet southerly of said Line 1; thence run westerly on said 600 foot parallel line and its westerly extension to an intersection with the easterly right of way line of said railroad company and the point of beginning; thence deflect to the left 109 degrees 28 minutes 45 seconds a distance of 323.15 feet; thence deflect right 13 degrees 24 minutes 51 seconds a distance of 116.73 feet to the easterly right of way of said railroad company; thence northwesterly along said easterly right of way line a distance of 437.53 feet to the point of beginning; containing 0.1 acres.

Subd. 4. That part of the East Half of the Northeast Quarter of the Southwest Quarter, the Northwest Quarter of the Northeast Quarter of the

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Southwest Quarter and the Southeast Quarter of the Northwest Quarter of Section 32, Township 104 North, Range 8 West, Fillmore County, Minnesota, described as follows:

Commencing at the northwest corner of said East Half of the Northeast Quarter of the Southwest Quarter; thence on an assumed bearing of North 89 degrees 03 minutes 59 seconds East, 84.21 feet along the north line of said East Half of the Northeast Quarter of the Southwest Quarter to the point of beginning;
thence South 39 degrees 47 minutes 47 seconds East, 148.84 feet;
thence South 86 degrees 44 minutes 50 seconds West, 354.40 feet;
thence North 03 degrees 48 minutes 58 seconds West, 389.43 feet;
thence South 89 degrees 39 minutes 18 seconds East, 731 feet, more or less, to the center line of County State Aid Highway 25;

thence southerly along said center line 255 feet, more or less, to the north line of said East Half of the Northeast Quarter of the Southwest Quarter;

thence South 89 degrees 03 minutes 59 seconds West, 529.31 feet along the north line of said East Half of the Northeast Quarter of the Southwest Quarter to the point of beginning; containing 5.3 acres, more or less.

Sec. 28. CONVEYANCE OF STATE LANDS TO RENVILLE COUNTY.

Subdivision 1. PICNIC GROUNDS AREA OF BIRCH COULEE BATTLEFIELD STATE HISTORIC SITE. The director of the Minnesota historical society shall transfer and convey, by quit claim deed in the form the attorney general approves, to Renville county the picnic grounds area of Birch Coulee battlefield state historic site described in subdivision 2. The conveyance shall contain a provision that the land shall revert to the state if the county fails to maintain and operate the area as a public park without jeopardy to the historical integrity of the battlefield area.

Subd. 2. DESCRIPTION. The land authorized to be conveyed in subdivision 1 is situated in the state of Minnesota, county of Renville, and is further described as follows:

All that part of the NW 1/4 of the SW 1/4, Section 20, Township 113 North, Range 34 West, Renville County lying East of a line described as follows:

Starting at the West 1/4 corner Section 20 thence East 440' along the 1/4 line to the point of beginning of a line to be described; thence S 3°-30' W, 717'; thence S 54°-30' E, 281'; thence S 2°-50' W, 448' to a point on the South line of the NW 1/4 of the

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SW 1/4, Section 20 and there terminating. Said tract contains 25.1 acres, more or less.

Sec. 29. **RESOURCE RECOVERY FACILITIES.**

Subdivision 1. A resource recovery facility that reclaims, burns, uses, processes, or disposes of more than 1,000 tons average daily throughput of mixed municipal solid waste may not be constructed within the boundaries of a city of the first class having a population in excess of 300,000 unless the city council approves the construction by a four-fifths vote.

Subd. 2. Provided all environmental laws or regulations administered by the Minnesota pollution control agency or federal agencies are followed, and notwithstanding any ordinance or municipal land use plan to the contrary, Hennepin County may acquire land and construct one or two resource recovery facilities, each not to exceed 1,000 tons average daily throughput within the county; provided however, a resource recovery facility shall not be built at the "west riverbank" site in the city of Minneapolis as identified in the final 1983 report of the city-county resource recovery siting committee. In choosing the two sites, Hennepin County shall fully consult in good faith with any affected municipality. In selecting sites, the county board shall evaluate reasonable alternatives for the resource recovery facilities, including any outside the city of Minneapolis.

Sec. 30. Minnesota Statutes 1982, section 3.099, subdivision 2, is amended to read:

Subd. 2. The compensation of each member of the legislature until the start of the legislative session in 1979 shall be \$8,400 per year. Commencing with the start of the legislative session in 1979, the compensation of each member of the legislature shall be \$16,500 per year. Effective January 1, 1980, the compensation of each member of the legislature will be \$18,500 per year. Commencing with the start of the legislative session in 1985, the compensation of each member of the legislature shall be \$21,140 per year. Effective January 1, 1986, the compensation of each member of the legislature will be \$22,350 per year.

Sec. 31. Minnesota Statutes 1982, section 3.3005, is amended to read:

3.3005 FEDERAL MONEY; EXPENDITURE REVIEW.

Subdivision 1. As used in this section, the term "state agency" means all agencies in the executive branch of state government, but does not include the Minnesota historical society, the University of Minnesota, state universities, or community colleges.

Subd. 2. Except as provided in subdivision 4, A state agency shall not expend money received by it under any federal law for any purpose unless a request to spend federal money from that source for that purpose in that fiscal

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year has been submitted by the governor to the legislature as a part of his biennial budget request or as part of a supplementary or deficiency budget request, or unless specifically authorized by law or as provided by this section.

Subd. 3. When a request to spend federal money has been included in the governor's budget or authorized by law as described in subdivision 2, but the amount of federal money received will require a state match greater than that included in the governor's budget request or authorized by law, the federal money that will require an additional state match shall not be allotted for expenditure until the state agency has first presented to the legislative advisory commission a request in the manner of a budget request and has received the recommendation of the commission on it. Failure or refusal of the commission to make a recommendation promptly is deemed a negative recommendation requirements of subdivision 5 are met.

Subd. 4. If federal money becomes available to the state for expenditure while the legislature is not in session, and the availability of money from that source or for that purpose or in that fiscal year could not reasonably have been anticipated and included in the governor's budget request, and an urgency requires that all or a portion of the money be allotted before the legislature reconvenes, all or a portion of the money may be allotted to a state agency after it has submitted to the legislative advisory commission a request in the manner of a budget request and has received the commission's recommendation on it. Failure or refusal of the commission to make a recommendation within 30 days is deemed a negative recommendation the requirements of subdivision 5 are met.

Subd. 5. Federal money that becomes available under subdivisions 3 and 4 may not be allotted until the commissioner of finance has first submitted the request to the members of the legislative advisory commission for their review and recommendation for further review. If a recommendation is not made within ten days, no further review by the legislative advisory commission is required, and the commissioner shall approve or disapprove the request. If the recommendation by any member is for further review the governor shall submit the request to the legislative advisory commission for its review and recommendation. Failure or refusal of the commission to make a recommendation promptly is a negative recommendation.

Sec. 32. Minnesota Statutes 1983 Supplement, section 3.3026, subdivision 5, is amended to read:

Subd. 5. **PUBLICATION.** The legislative reference library shall prepare a directory by January 4 June 30, 1985. The directory shall be prepared in a format which the legislative reference library, in its discretion, believes is most efficient and beneficial to the user.

Sec. 33. Minnesota Statutes 1982, section 3.351, is amended to read:

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

3.351 LEGISLATIVE COMMISSION ON ENERGY.

Subdivision 1. **COMPOSITION.** The legislative commission on energy is composed of five senators of the majority party and three senators of the minority party appointed by the subcommittee on committees of the committee on rules and administration, and five representatives of the majority party and three representatives of the minority party appointed by the speaker of the house. The commission shall be appointed by June 1, 1980. The commission shall elect a chairman from among its members.

Subd. 2. **GENERAL DUTIES.** The commission shall:

(a) Make a continuing study of matters relating to energy supply and use in the state;

(b) Identify the potential for enhanced economic growth and job creation from increased energy efficiency and the production and utilization of renewable energy systems.

(c) Identify ways to assure the provision of necessary energy supplies to all Minnesotans;

(d) Coordinate resources and programs on energy conservation; and

(e) Review overall legislative policy concerning energy; and

(f) Review and comment on receipt and expenditure of money received by the state under federal law for energy programs.

Subd. 3. **REVIEW OF PLANS TO RECEIVE AND SPEND FEDERAL ENERGY MONEY.** The plan for receipt and expenditure of money resulting from litigation or settlements of alleged violations of federal petroleum pricing regulations shall be submitted to the commission for review and comment prior to submission to the federal government; provided that, if the commission fails to review and comment within 30 days, the plan may be submitted without commission review. The commission by resolution may request the governor or any state agency eligible to receive money from the federal government for other energy programs to submit a plan for expenditure to the commission for review and comment prior to submission to the federal government. If the governor or the agency is required to submit a request to spend the money to the legislative advisory commission under section 3.3005, the commission shall forward its comments to the legislative advisory commission for consideration during its preparation of a recommendation.

Subd. 4. **ENERGY PLAN; REPORT TO LEGISLATURE.** The commission shall develop legislative energy plans based on the provisions of subdivision 2 and consistent with appropriate long term energy goals for Minnesota. The plans shall be reported to the legislature no later than February 15 of each year.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 4 5. **STAFF.** The commission shall use existing legislative facilities and staff.

Sec. 34. Minnesota Statutes 1982, section 10.12, is amended to read:

10.12 UNCOLLECTIBLE DRAFTS CANCELED.

Subdivision 1. When any draft or account for a sum in excess of \$100 due to the state is found to be uncollectible by any department, it shall report such fact to the executive council, and the executive council may cancel such draft or account upon the approval of the attorney general.

Subd. 2. When any draft or account for a sum of not more than \$100 due to the state is found to be uncollectible by an agency, the agency head may cancel the draft or account upon the approval of the attorney general. When drafts or accounts are canceled under this subdivision the head of the canceling agency shall send a certified list of them to the commissioner of finance, who shall enter the cancellations on the department of finance's records.

Sec. 35. Minnesota Statutes 1982, section 10.14, is amended to read:

10.14 CERTIFICATION BY EXECUTIVE SECRETARY.

When any drafts or accounts are canceled by the executive council under sections 10.12 to 10.15 the executive secretary shall make a certified list thereof to the commissioner of finance and treasurer, whose duty it shall be to cancel the record thereof in their offices.

Sec. 36. Minnesota Statutes 1982, section 10.15, is amended to read:

10.15 TIME OF CANCELLATION.

No draft or account for a sum in excess of ~~\$100~~ \$500 shall be canceled until more than ~~six~~ three years after the issuance of such draft or the due date of such account, and nothing in sections 10.12 to 10.15 shall be construed as a cancellation or abandonment of the state's claim against the person or corporation against whom the canceled draft was drawn or account held, but the state shall nevertheless have authority to make collection thereof.

Sec. 37. Minnesota Statutes 1983 Supplement, section 10A.04, subdivision 4, is amended to read:

Subd. 4. The report shall include such information as the board may require from the registration form and the following information for the reporting period:

(a) The lobbyist's total disbursements on lobbying and a breakdown of those disbursements into categories specified by the board, including but not limited to the cost of publication and distribution of each publication used in lobbying; other printing; media, including the cost of production; postage;

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

travel; fees, including allowances; entertainment; telephone and telegraph; and other expenses;

(b) The amount and nature of each honorarium, gift, loan, item or benefit, excluding contributions to a candidate, equal in value to ~~\$20~~ \$50 or more, given or paid to any public official by the lobbyist or any employer or any employee of the lobbyist. The list shall include the name and address of each public official to whom the honorarium, gift, loan, item or benefit was given or paid and the date it was given or paid; and

(c) Each original source of funds in excess of \$500 in any year used for the purpose of lobbying. The list shall include the name, address and employer, or, if self-employed, the occupation and principal place of business, of each payer of funds in excess of \$500.

Sec. 38. Minnesota Statutes 1982, section 11A.08, subdivision 3, is amended to read:

Subd. 3. **OFFICERS; MEETINGS.** The council shall annually elect a chairman and vice chairman from among its members, and may elect other officers as necessary. The council shall meet ~~at least every other month and~~ upon the call of the chairman of the council or the chairman of the state board.

Sec. 39. **[13.88] COMMUNITY DISPUTE RESOLUTION CENTER DATA.**

The guidelines shall provide that all files relating to a case in a community dispute resolution program are to be classified as private data on individuals, pursuant to section 13.02, subdivision 12, with the following exceptions:

(1) When a party to the case has been formally charged with a criminal offense, the data are to be classified as public data on individuals, pursuant to section 13.02, subdivision 15.

(2) Data relating to suspected neglect or physical or sexual abuse of children or vulnerable adults are to be subject to the reporting requirements of sections 626.556 and 626.557.

Sec. 40. Minnesota Statutes 1983 Supplement, section 15A.081, subdivision 1, is amended to read:

Subdivision 1. The governor shall set the salary rate within the ranges listed below for positions specified in this subdivision, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:

Salary Range

Effective

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

	July 1, 1983
Commissioner of education; Commissioner of finance; Commissioner of transportation; Commissioner of public welfare; Chancellor, community college system; Chancellor, state university system; Director, vocational technical education Executive director, state board of investment;	\$57,500-\$70,000
Commissioner of administration; Commissioner of agriculture; Commissioner of commerce; Commissioner of corrections; Commissioner of economic security; Commissioner of employee relations; Commissioner of energy and economic development; Commissioner of health; Commissioner of labor and industry; Commissioner of natural resources; Commissioner of revenue; Commissioner of public safety; <u>Chairperson, waste management board</u> Chief hearing examiner; office of administrative hearings; Director, pollution control agency; Director, state planning agency; Executive director, higher education coordinating board; Executive director, housing finance agency; Executive director, teacher's retirement association; Executive director, state retirement system;	\$50,000-\$60,000
Commissioner of human rights; Director, department of public service; Commissioner of veterans' affairs; Executive director, educational computing consortium; Executive director, environmental quality board; Director, bureau of mediation services; Commissioner, public utilities commission; Member, transportation regulation board; Chairperson, waste management board;	\$40,000-\$52,500

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Director, zoological gardens.

Sec. 41. Minnesota Statutes 1983 Supplement, section 15A.081, subdivision 6, is amended to read:

Subd. 6. The following salaries are provided for the constitutional officers of the state:

	Effective July 1 1983	<u>Effective</u> <u>January 1</u> <u>1985</u>
Governor	\$75,000	<u>\$84,560</u>
Attorney general	62,500	<u>66,060</u>
Lieutenant governor	44,000	<u>46,510</u>
Auditor	48,000	<u>50,740</u>
Secretary of state	44,000	<u>46,510</u>
Treasurer	44,000	<u>44,000</u>

The salaries of the chief deputy attorney general, deputy auditor, deputy secretary of state and deputy treasurer shall be set by their superior constitutional officer and may be up to 95 percent of the salaries of their respective superior constitutional officers.

Sec. 42. Minnesota Statutes 1983 Supplement, section 15A.082, is amended to read:

15A.082 COMPENSATION COUNCIL.

Subdivision 1. **CREATION.** A compensation council is created each even-numbered year to assist the legislature in establishing the compensation of constitutional officers, members of the Minnesota legislature, justices of the supreme court, and judges of the court of appeals, district court, county court, and county municipal court.

Subd. 2. **MEMBERSHIP.** The compensation council consists of 16 members: two members of the house of representatives appointed by the speaker of the house of representatives; two members of the senate appointed by the majority leader of the senate; one member of the house of representatives appointed by the minority leader of the house of representatives; one member of the senate appointed by the minority leader of the senate; two nonjudges appointed by and serving at the pleasure of the chief justice of the supreme court; and one member from each congressional district appointed by and serving at the pleasure of the governor, of whom no more than four may belong to the same political party. The compensation and removal of members appointed by the governor or the chief justice shall be as provided in section 15.059, subdivisions 3 and 4. The legislative coordinating commission shall provide the council with administrative and support services.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 3. **SUBMISSION OF PLAN RECOMMENDATIONS.** By January 1, 1984 in each odd-numbered year, the compensation council shall submit to the speaker of the house of representatives and the president of the senate recommended salary plans recommendations for constitutional officers, legislators, justices of the supreme court, and judges of the court of appeals, district court, county court, and county municipal court. Unless the plans for constitutional officers and legislators are expressly modified or rejected in a bill passed by the legislature and signed by the governor, the salary plans shall take effect on January 1, 1985 if prior to that date an appropriation of funds to pay salaries as recommended in the plan is enacted. Unless the plan for judges is expressly modified or rejected in a bill passed by the legislature, the plan shall take effect on July 1, 1984, if the legislature appropriates funds to pay the salaries proposed in the plan. The recommended salary adjustments must occur only once, on the effective date of the plan. They may not include periodic adjustments. The salary recommendations for legislators, judges, and constitutional officers take effect on the first Monday in January of the next odd-numbered year, if an appropriation of money to pay the recommended salaries is enacted after the recommendations are submitted and before their effective date. Recommendations may be expressly modified or rejected by a bill enacted into law. The salary plan recommendations for legislators shall be are subject to additional terms that may be adopted according to section 3.099, subdivisions 1 and 3.

Subd. 4. **CRITERIA.** In making compensation recommendations, the council shall consider the amount of compensation paid in government service and the private sector to persons with similar qualifications, the amount of compensation needed to attract and retain experienced and competent persons, and the ability of the state to pay the recommended compensation. In making recommendations for legislative compensation, the council shall also consider the average length of a legislative session, the amount of work required of legislators during interim periods, and opportunities to earn income from other sources without neglecting legislative duties.

Subd. 5. **CONFLICTS.** Salaries established by the legislature under the procedures specified in subdivision 3 shall take precedence over salaries listed in Minnesota Statutes, sections 3.099, 15A.081, and 15A.083 in the event of conflict.

Subd. 6. **EXPIRATION.** The Each compensation council shall expire on June 30, 1984 upon submission of the recommendations required by subdivision 3.

Sec. 43. Minnesota Statutes 1983 Supplement, section 15A.083, subdivision 1, is amended to read:

Subdivision 1. **ELECTIVE JUDICIAL OFFICERS.** The following salaries shall be paid annually to the enumerated elective judicial officers of the state:

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

	Effective July 1, 1983	Effective July 1, 1984 <u>January 1, 1985</u>
(1) Chief justice of the supreme court	\$70,000	<u>\$73,700</u>
(2) Associate justice of the supreme court	65,000	<u>\$68,400</u>
(3) Chief judge of the court of appeals	62,500	<u>\$65,800</u>
(4) Judge of the court of appeals	60,000	<u>\$63,100</u>
(5) District judge, judge of county court probate court, and county municipal court	55,000	<u>\$60,500</u>

Sec. 44. Minnesota Statutes 1982, section 16.02, is amended by adding a subdivision to read:

Subd. 30. ENERGY CONSERVATION INCENTIVES. Notwithstanding any other law to the contrary, fuel cost savings resulting from energy conservation actions shall be available at the managerial level at which the actions took place for expenditure for other purposes within the biennium in which the actions occur or in the case of a shared savings agreement for the contract period of the shared savings agreement. For purposes of this subdivision "shared savings agreement" means a contract meeting the terms and conditions of subdivision 29.

Sec. 45. Minnesota Statutes 1982, section 16.026, subdivision 3, is amended to read:

Subd. 3. PRESCRIBE FEES. The commissioner of administration may prescribe a schedule of fees to be charged for services rendered by the state or any department or agency thereof in furnishing to applicants therefor certified copies of records or other documents, certifying as to the nonexistence of such records or documents, and for such other reports, publications, or related material as may be applied for. The fees so prescribed by the commissioner of administration, unless the same are otherwise prescribed by law, shall be in an amount as nearly as may be to the fees prescribed by chapter 357, for like or similar services; if there are no fees so prescribed by said chapter for a like or similar service, then the commissioner may establish a fee which shall be commensurate with the cost of furnishing such service may be fixed at the market rate. The commissioner of finance shall approve the estimated market rates if the resulting fees, in total, are estimated to produce receipts in the appropriate fund greater than costs. Nothing herein contained shall authorize the commissioner of administration to furnish any service which is now prohibited or unauthorized by law.

Sec. 46. Minnesota Statutes 1982, section 16.026, subdivision 7, is amended to read:

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Subd. 7. **RULES.** The powers conferred herein to the commissioner of administration are in addition to those powers and duties prescribed by section 16.02. The commissioner of administration shall promulgate rules and regulations for the purposes of carrying out the duties herein imposed upon him, except for prescribing the schedule of fees, but no ~~such rule or regulation~~ shall in any way limit the subject matter of any report or publication of any department or agency required to be made or authorized by law.

Sec. 47. Minnesota Statutes 1982, section 16.081, is amended to read:

16.081 CITATION AND PURPOSE.

Sections 16.081 to 16.086 may be cited as the "Minnesota small business procurement act." These sections prescribe procurement practices and procedures to assist in the economic development of small businesses and small businesses owned and operated by socially or economically disadvantaged persons.

Sec. 48. Minnesota Statutes 1983 Supplement, section 16.083, is amended to read:

16.083 PROCUREMENT DESIGNATION OF PROCUREMENTS FROM SMALL BUSINESSES.

Subdivision 1. **SMALL BUSINESS AND MINNESOTA CORRECTIONAL INDUSTRIES SET-ASIDES PROCUREMENTS.** The commissioner of administration shall for each fiscal year ~~designate and set aside for awarding to ensure that~~ small businesses and ~~Minnesota correctional industries receive~~ a total of ~~approximately at least~~ 25 percent of the value of anticipated total state procurement of goods and services, including printing and construction. The commissioner shall divide the procurements so designated into contract award units of economically feasible production runs in order to facilitate offers or bids from small businesses and ~~Minnesota correctional industries~~. In making his the annual designation of ~~set-aside such~~ procurements the commissioner shall attempt (1) to vary the included procurements so that a variety of goods and services produced by different small businesses ~~shall be set aside are obtained~~ each year, and (2) to designate ~~set-aside small business~~ procurements in a manner that will encourage proportional distribution of ~~set-aside such~~ awards among the geographical regions of the state. To promote the geographical distribution of set-aside awards, the commissioner may designate a portion of the small business set-aside procurement for award to bidders from a specified congressional district or other geographical region specified by the commissioner. The failure of the commissioner to ~~set aside designate~~ particular procurements shall not be deemed to prohibit or discourage small businesses or ~~Minnesota correctional industries~~ from seeking the procurement award through the normal solicitation and bidding processes.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 1a. **CONSULTANT, PROFESSIONAL AND TECHNICAL PROCUREMENTS.** Every state agency shall for each fiscal year designate ~~and set aside~~ for awarding to small businesses with their principal place of business in Minnesota ~~approximately at least~~ 25 percent of the value of anticipated procurements of that agency for consultant services or professional and technical services. The set-aside under this subdivision is in addition to that provided by subdivision 1, but shall otherwise comply with section 16.098 ~~and the set-aside for businesses owned and operated by socially or economically disadvantaged persons.~~ At least six percent of all these procurements for consultant services or professional or technical services shall be set aside for small businesses owned and operated by socially or economically disadvantaged persons.

Subd. 2. **NEGOTIATED PRICE OR BID CONTRACT.** The commissioner may elect to use either a negotiated price or bid contract procedure as may be appropriate in the awarding of a procurement contract under the set-aside or preference program established in sections 16.081 to 16.086. The amount of an award shall not exceed by more than five percent the commissioner's estimated price for the goods or services, if they were to be purchased on the open market and not under this set-aside program. Surety bonds guaranteed by the federal small business administration and second party bonds shall be acceptable security for a construction award under this section.

Subd. 3. **DETERMINATION OF ABILITY TO PERFORM.** Before ~~announcing a set-aside~~ making an award under the set-aside or preference programs for small businesses owned and operated by socially or economically disadvantaged persons, the commissioner shall evaluate whether the small business ~~of Minnesota correctional industry~~ scheduled to receive the award is able to perform the set-aside contract. ~~This shall be done in consultation with an authorized agent of the Minnesota correctional industries program.~~ This determination shall include consideration of production and financial capacity and technical competence.

Subd. 4. **PREFERENCE TO AND SET-ASIDE PROGRAM FOR SMALL BUSINESSES OWNED AND OPERATED BY SOCIALLY OR ECONOMICALLY DISADVANTAGED PERSONS.** At least 24 ~~six~~ percent of the value of ~~the all~~ procurements ~~designated for set-aside awards~~ shall be ~~awarded set-aside,~~ if possible, for award to businesses owned and operated by socially or economically disadvantaged persons. In addition, three percent of the value of all procurements shall be designated for award under the preference program provided for below. The commissioner shall designate set-aside procurements in a manner that will encourage proportional distribution of set-aside awards among the geographical regions of the state. To promote the geographical distribution of set-aside awards, the commissioner may designate a portion of the set-aside for small businesses owned and operated by socially or economically disadvantaged persons for award to bidders from a specified congressional district or other geographical region specified by the commissioner. The commissioner may allow

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small businesses owned and operated by socially or economically disadvantaged persons a five percent preference in the bid amount on selected state procurements. The commissioner may promulgate rules relative to the set-aside and preference programs provided for in this subdivision. In the event small businesses owned and operated by socially or economically disadvantaged persons are unable to perform at least 24 percent of the set-aside awards, the commissioner shall award the balance of the set-aside contracts to other small businesses. At least 50 percent of the value of the procurements awarded to businesses owned and operated by socially or economically disadvantaged persons shall actually be performed by the business to whom the award is made or another business owned and operated by a socially or economically disadvantaged person or persons. The commissioner shall not designate more than 20 percent of any commodity class for set-aside to businesses owned and operated by socially or economically disadvantaged persons. A business owned and operated by socially or economically disadvantaged persons that has been awarded more than five percent three-tenths of one percent of the value of the total anticipated set-aside procurements for a fiscal year under this subdivision is disqualified from receiving further set-aside awards or preference advantages for that fiscal year.

Subd. 4a. CONTRACTS IN EXCESS OF \$200,000; SET-ASIDE.

The commissioner as a condition of awarding state procurements for construction contracts or approving contracts for consultant, professional, or technical services pursuant to section 16.098 in excess of \$200,000 shall require that at least ten percent of the contract award to a prime contractor be subcontracted to a business owned and operated by a socially or economically disadvantaged person or persons. Any subcontracting pursuant to this subdivision shall not be included in determining the total amount of set-aside awards required by subdivisions 1, 1a, and 4, or any preference program authorized by the commissioner pursuant to section 16.085. In the event small businesses owned and operated by socially and economically disadvantaged persons are unable to perform ten percent of the prime contract award, the commissioner shall require that other small businesses perform at least ten percent of the prime contract award. The commissioner may determine that small businesses owned and operated by socially and economically disadvantaged persons are unable to perform at least ten percent of the prime contract award prior to the advertising for bids. Each construction contractor bidding on a project over \$200,000 shall submit with the bid a list of the businesses owned and operated by socially or economically disadvantaged persons that are proposed to be utilized on the project with a statement indicating the portion of the total bid to be performed by each business. The commissioner shall reject any bid to which this subdivision applies that does not contain this information. Prime contractors receiving construction contract awards in excess of \$200,000 shall furnish to the commissioner the name of each business owned and operated by a socially or economically disadvantaged person or persons or other small business that is performing

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work on the prime contract and the dollar amount of the work performed or to be performed.

This subdivision does not apply to prime contractors that are themselves small businesses owned and operated by socially or economically disadvantaged persons, as duly certified pursuant to section 16.085.

Subd. 4b. PREFERENCE TO MINNESOTA CORRECTIONAL INDUSTRIES. At least 15 percent of the value of procurements designated for set-aside awards shall be awarded, if possible, to Minnesota correctional industries, established and under the control of the commissioner of corrections under section 241.27, for the variety of goods and services produced by the Minnesota correctional industries, unless the commissioner of corrections acting through an authorized agent certifies that Minnesota correctional industries cannot provide them. If the correctional industries are unable to perform at least 15 percent of the set-aside awards, the commissioner shall award the balance of the set-aside contracts to small businesses.

Subd. 5. RECOURSE TO OTHER BUSINESSES. In the event that subdivisions 1 to 4b 4a do not operate to extend a contract award to a small business ~~or the Minnesota correctional industries~~, the award shall be placed pursuant to the normal solicitation and award provisions set forth in this chapter. The commissioner shall thereupon designate ~~and set aside~~ for small businesses ~~or the Minnesota correctional industries~~ additional state procurements corresponding in approximate value to the contract unable to be awarded pursuant to subdivisions 1 to 4b 4a.

Subd. 6. PROCUREMENT PROCEDURES. All laws and rules pertaining to solicitations, bid evaluations, contract awards and other procurement matters shall apply as consistent to procurements ~~set aside~~ designated for small businesses ~~or Minnesota correctional industries~~. In the event of conflict with other rules, the provisions of sections 16.081 to 16.086 and rules promulgated pursuant thereto shall govern.

Sec. 49. Minnesota Statutes 1983 Supplement, section 16.28, subdivision 2, is amended to read:

Subd. 2. PURCHASES OVER \$100. Purchases may also be made under subdivision 1, clause (17) when the amount involved exceeds \$100 if:

(1) ~~the purchases are made in accordance with rules adopted pursuant to section 16.085;~~

(2) the agency making the purchases has adopted a plan to make ten percent of the purchases on an annual basis from businesses owned and operated by socially and economically disadvantaged persons and to make purchases from vendors throughout the state for any agency that has offices located statewide, and to make purchases from local vendors by agency offices. If an agency plan

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does not provide for making the ten percent of purchases required, it must submit to the commissioner written evidence of the agency's good faith effort to locate vendors that are businesses owned and operated by socially or economically disadvantaged persons. The commissioner of administration may promulgate temporary rules that will define, for purposes of this section, what constitutes a "good faith effort." Before the commissioner approves any agency plan that provides for less than ten percent purchases from socially and economically disadvantaged vendors, the plan must be provided to the small business advisory council for its review;

(3) (2) the amount involved does not exceed \$1,000 from July 1, 1983 to June 30, 1984, and \$1,500 on and after July 1, 1984; and

(4) (3) the purchases are made after solicitation of at least three price quotations, whenever possible, which may be oral quotations, but of which the agency must keep a written record.

Sec. 50. Minnesota Statutes 1982, section 16.80, subdivision 1, is amended to read:

Subdivision 1. All fees prescribed pursuant to section 16.026, subdivision 3, for the rendering of the services therein provided shall be deposited in the state treasury by the collecting department or agency and credited to the general services revolving fund.

All moneys in the state treasury credited to the general services revolving fund and any moneys which may hereafter be deposited therein are appropriated annually to the commissioner of administration for the following purposes:

- (a) The operation of a central store and equipment service;
- (b) The operation of a central duplication and reproduction service;
- (c) The purchase of postage and related items, and the refund of postage deposits, necessary to the operation of a central mailing service;
- (d) The operation of a documents service as prescribed by section 16.026;
- (e) The performing of services for any other state department or agency. Money shall be expended for this purpose only when directed by the governor. The department or agency receiving the services shall reimburse the fund for their cost, and the commissioner shall make the appropriate transfers when requested. The term "services" as used in this clause means compensation paid officers and employees of the state government; supplies, materials, equipment and other articles and things used by or furnished to any department or agency of the state government; and utility services, including telephone, telegraph, postal, electric light and power, and other services for the maintenance, operation and upkeep of buildings and offices of the state government. All moneys in the computer

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services revolving fund are appropriated annually to the commissioner of administration for the operation of the division of computer services.

Except as specifically provided for by other statutory provisions, each department or agency shall reimburse the computer services and general services revolving funds for the cost of all services, supplies, materials, labor and depreciation of equipment including reasonable overhead costs which the commissioner of administration is authorized and directed to furnish a department or agency. The cost of all publications or any other materials which may be produced by the commissioner of administration and financed from the general services revolving fund shall include reasonable overhead costs. The commissioner of finance shall make appropriate transfers to the revolving funds described in this section when requested by the commissioner of administration. The commissioner of administration may make allotments, encumbrances, and, with the approval of the commissioner of finance, disbursements in anticipation of such transfers. In addition, the commissioner of administration, with the approval of the commissioner of finance, may require a department or agency to make advance payments to any of the ~~aforsaid~~ revolving funds sufficient to cover the department's or agency's estimated obligation for a period of at least 60 days. All such reimbursements and any other moneys received by the commissioner of administration under this section shall be deposited in the appropriate revolving fund. Earnings in the fund established to account for the documents service prescribed by section 16.026 at the end of a fiscal year, not otherwise needed for present or future operations, as determined by the commissioners of administration and finance, shall be transferred to the general fund.

Sec. 51. Minnesota Statutes 1982, section 16A.04, subdivision 1, is amended to read:

Subdivision 1. The department of finance shall prepare a biennial budget and a ~~ten four~~ year ~~cash receipts and disbursement projection in consultation with the commissioner of administration~~ projections on revenues and expenditures under the supervision of the governor. In even numbered years immediately before the inauguration of a new governor, ~~such the~~ budget and a ~~ten four~~ year ~~cash receipts and disbursement projection~~ projections on revenues and expenditures shall be prepared under the supervision of the governor-elect.

Sec. 52. Minnesota Statutes 1982, section 16A.04, subdivision 4, is amended to read:

Subd. 4. The ~~department~~ commissioner of finance may make rules ~~and regulations~~ governing the powers, duties, and responsibilities ~~transferred given to it the department of finance or the commissioner under the terms of Laws 1973, Chapter 492 state law.~~

Sec. 53. Minnesota Statutes 1982, section 16A.06, is amended to read:

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

16A.06 OTHER POWERS.

The commissioner of finance:

(1) Shall require each department in the executive branch to prepare financial reports in such form, and to be made at such intervals, as he may prescribe which will permit administrative and legislative comparisons of spending plans in relation to appropriations for programs and activities;

(2) Shall formulate and prescribe a system of measuring the effect of fund expenditures which will permit the evaluation and comparisons of the cost of functions or programs;

(3) Shall require each department to state in writing objectives of each activity or function authorized against which performance may be measured. The objectives shall be specific as to amount and time and for a period including the current and the following biennium and reported at such times and in such form as the commissioner shall direct;

(4) Shall require the department of revenue and other departments in the executive branch to report at his designated intervals concerning estimates of income and receipts whether from taxes or otherwise, and use such information in evaluating the financial condition and affairs of the state;

(5) Shall make such reports concerning the financial affairs of the state as the governor or ~~the commissioner of administration~~ may direct in addition to such reporting as may be otherwise prescribed by law;

(6) Shall require such reports and other information of the state treasurer and other departments and agencies in the executive branch as will permit formulation of policy on all fiscal and financial matters of state government.

Sec. 54. Minnesota Statutes 1982, section 16A.065, is amended to read:

16A.065 ADVANCE PAYMENTS AND DEPOSITS.

Notwithstanding any other law to the contrary, the commissioner of finance may allow advance deposits or payments by any department for the procurement of software or software maintenance services for state-owned or leased electronic data processing equipment and for newspaper, magazine, and other subscription fees customarily paid for in advance.

Sec. 55. Minnesota Statutes 1983 Supplement, section 16A.125, subdivision 5, is amended to read:

Subd. 5. The term "state forest trust fund lands" as used in this subdivision, means any state school lands or other public lands subject to trust provisions under the state constitution and heretofore or hereafter set apart as forest lands under the authority of the commissioner as defined by section 89.001, subdivision 13.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

The commissioner of finance and the state treasurer shall keep a separate account of all receipts from the sale of timber or other revenue from such state forest trust fund lands, to be known as the state forest suspense account, specifying the trust funds interested in such lands and the receipts therefrom, respectively.

As soon as practicable after the close of each fiscal quarter year, upon information which shall be supplied by the commissioner of natural resources, the commissioner of finance shall determine and certify the total costs incurred by the state during that quarter year under appropriations made for the protection, improvement, administration, and management of state forest trust fund lands for forestry purposes as authorized by law, specifying the trust funds interested in such lands.

As soon as practicable after the end of each fiscal year, the commissioner of finance and the state treasurer shall distribute the receipts credited to the state forest suspense account during that fiscal year as follows:

(1) The total costs incurred by the state for forest management purposes during the fiscal year as certified in this subdivision shall be transferred to the state forest development account, except that if the total costs exceed \$500,000, the costs in excess of \$500,000 shall be transferred to the forest management fund established under section 89.04.

(2) The balance of said receipts shall be transferred to the state trust funds concerned in accordance with their respective interests in the lands from which the receipts were derived.

All moneys accruing and credited to the state forest development account are appropriated to the division of forestry in the department of natural resources, subject to the supervision and control of the commissioner of natural resources, for the purpose of implementing the state forest resource management policy and plan on state forest trust fund lands, to remain available until expended.

All appropriations under this subdivision shall be expended subject to the provisions of law. No appropriation shall become available for expenditure until any estimates required by law are approved by the commissioner of finance. No obligation involving expenditure of money shall be entered into unless there is a balance in the appropriation available not otherwise encumbered to pay obligations previously incurred.

Sec. 56. Minnesota Statutes 1982, section 16A.125, subdivision 6, is amended to read:

Subd. 6. The term "state trust fund lands," as used in this section, means any state school lands or other public lands subject to trust provisions under the state constitution.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Beginning July 1, 1955, the commissioner of finance and the state treasurer shall keep a separate account of all receipts derived from the royalties on, or the sale or lease of, any minerals from such trust fund lands to be known as the state lands and minerals suspense account, specifying the trust funds interested in such lands and the receipts therefrom, respectively.

As soon as practicable after the close of each fiscal quarter year after July 1, 1955, the commissioner of finance, upon the information supplied by the commissioner of natural resources, which the commissioner of natural resources is herewith directed to furnish, shall determine and certify to the commissioner of finance and the state treasurer the total costs incurred by the state during such quarter year under appropriations heretofore made for the administration and management of such trust fund lands by the division of lands and forestry, or any other agency so administering and managing, specifying the trust funds interested in such lands, respectively.

As soon as practicable after the end of each fiscal year beginning with the year ending June 30, 1956, the commissioner of finance and the state treasurer shall distribute the receipts credited to the state lands and minerals suspense account during such fiscal year as follows:

All of the costs incurred by the state for the purposes aforesaid during such fiscal year and certified as hereinbefore provided, shall be transferred to the general fund as reimbursement for appropriations heretofore made for the purposes aforesaid. The balances of said receipts shall be transferred to the state trust funds concerned in accordance with their respective interests in the minerals from which the receipts were derived.

Sec. 57. Minnesota Statutes 1983 Supplement, section 16A.127, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** As used in this section the following terms shall have the meanings given them:

(a) "State agency" means a state department, board, council, committee, authority, commission or other entity in the executive branch of state government;

(b) "Nongeneral fund moneys" means any moneys any state agency is authorized to receive and expend from a source other than the general fund;

(c) "Statewide indirect costs" means all operating costs incurred by the state treasurer and all departments and agencies which are attributable to the provision of services to any other state agency; except as prohibited by federal law, "~~statewide indirect costs~~" these operating costs include all operating their proportionate share of costs incurred by the legislative and judicial branches of state government;

(d) "Commissioner" means the commissioner of finance.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 58. Minnesota Statutes 1982, section 16A.13, subdivision 1, is amended to read:

Subdivision 1. **CREATION TREASURER AS CUSTODIAN; BOND.** There is hereby created and established the Victory Tax Fund in which shall be deposited all deductions made pursuant to this section. The state treasurer shall be ex-officio is the custodian of all moneys deposited with him to the credit of the victory tax fund and his general for federal tax withheld from the pay of any officer or employee of the state of Minnesota. The treasurer's bond to the state shall cover all the liability for his the custodian's acts as custodian thereof. Such moneys shall be The deposits are subject to all provisions of law governing the laws on keeping and disbursement of paying out state moneys, so far as applicable, except as otherwise herein provided money.

Sec. 59. Minnesota Statutes 1982, section 16A.13, subdivision 2, is amended to read:

Subd. 2. **COMMISSIONER TO ACT AS FEDERAL AGENT FOR THE UNITED STATES.** The commissioner of finance is authorized and empowered to may cooperate with and act as agent for the United States of America in the collection of any collecting federal tax now or hereafter imposed by the United States of America upon any officer or employee of the state of Minnesota or his salary or wages which is to be collected by withholding it from the salary or wages of the officer or employee from the pay of employees. The head of each department of the state commissioner of finance is hereby required to cause such tax to be withheld by causing the necessary deduction to be made from the salary or wages of each of said persons on every payroll abstract and to approve one voucher warrant payable to the state treasurer, custodian, victory tax fund, for the aggregate amount so deducted from the salaries or wages covered by said payroll abstract, provided that deductions from salaries or wages of officers or employees paid direct by any institution or agency of the state shall be made by the officer or employee authorized by law to pay such salaries or wages. Whenever an error has been made with respect to a deduction hereunder, proper adjustment shall be made by decreasing or increasing subsequent deductions. All warrants and checks for deductions hereunder shall be remitted promptly to the state treasurer who shall deposit the amount thereof to the credit of the victory tax fund. The money so deposited with the state treasurer shall be paid out upon authorization of the commissioner of finance by state warrant payable to the proper federal authority or such other person as may be authorized by law of the United States of America to receive the same. Such portion of said fund as may be The money necessary to discharge the obligation of the State of Minnesota to the United States of America now or hereafter imposed by any law of the United States of America requiring deductions from salaries or wages is hereby appropriated for such purpose.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 60. Minnesota Statutes 1982, section 16A.131, subdivision 1, is amended to read:

Subdivision 1. Every officer and employee of the state may purchase and pay for bonds, ~~stamps,~~ and other securities issued by the federal government by directing in writing to the appropriate officer of the department where he is employed that deductions of the amount specified by him be made from his salary. The ~~head of each department of the state~~ commissioner of finance is hereby required to cause such deduction to be made from the salary of each said persons on every payroll abstract and to approve one ~~voucher~~ warrant payable to the state treasurer for the aggregate amount so deducted from the salaries covered by said payroll abstract, provided that deductions from salaries of officers or employees paid direct by any institution or agency of the state shall be made by the officer or employee authorized by law to pay such salaries, and remitted by him to the director by check payable to the state treasurer with a statement showing the amount of each of such deductions and the names of the officers and employees on whose account the same have been made. The money so deposited with the state treasurer shall be paid out on authorization of the ~~governor~~ commissioner by state warrant payable to the proper federal authority or to the officer or employee from whose salary the money was deducted, as the case may require.

Sec. 61. Minnesota Statutes 1982, section 16A.14, subdivision 2, is amended to read:

Subd. 2. **FUNDS TO WHICH SYSTEM APPLIES.** Except as otherwise expressly provided therein, the provisions of this chapter relating to the allotment system and to the encumbering of funds shall apply to appropriations and funds of all kinds, including standing or annual appropriations and dedicated funds from which expenditures are to be made, from time to time, by or under the authority of any agency, but shall not apply to appropriations for the courts or the legislature, nor to payment of unemployment compensation benefits ~~nor to the funds deposited in the state treasury for disbursement by the commissioner of transportation when acting as the agent of a political subdivision pursuant to law.~~ In the case of construction or other permanent improvement contracts and transactions for the acquisition of real estate, equipment, repair, rehabilitation, appurtenances or utility systems to be used for public purposes, where periodical allotments are impracticable, the commissioner may dispense therewith and prescribe such regulations as will insure proper application and encumbering of funds. Contingent funds appropriated for the governor or the attorney general shall not be subject to the provisions thereof relating to allotment, but shall be subject to the other provisions thereof relating to expenditure and encumbering of funds.

Sec. 62. Minnesota Statutes 1982, section 16A.28, is amended to read:

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

16A.28 APPROPRIATIONS TO REVERT TO STATE TREASURY.

Except as specifically provided for in appropriation acts, every appropriation or part thereof of any kind hereafter made subject to the provisions of this section remaining unexpended and unencumbered at the close of any fiscal year shall lapse and the commissioner shall cause same to be returned to the fund from which such appropriation was made; provided, that the commissioner, ~~with the approval of the governor,~~ may reinstate a lapsed appropriation within three months after the date the appropriation lapsed. An appropriation reinstated pursuant to this section shall lapse no later than three months after the date the appropriation has lapsed. No payment may be made pursuant to a reinstated appropriation except as provided under section 16A.15, subdivision 3. Notwithstanding the foregoing, an appropriation for construction or other permanent improvement shall not lapse until the purposes for which the appropriation was made ~~shall have been~~ are determined by the commissioner of finance, after consultation with the affected agencies, to be accomplished or abandoned unless such appropriation has stood during the entire fiscal biennium without any expenditure therefrom or encumbrances thereon.

~~On October 16~~ By September 1 of each year all allotments and encumbrances for the preceding fiscal year shall be cancelled unless an agency certifies to the commissioner that there is an encumbrance incurred pursuant to law for services rendered or goods ordered in the preceding fiscal year. The commissioner may reinstate that portion of the cancellation needed to meet the certified encumbrance or he may charge the certified encumbrance against the current year's appropriation.

Except as otherwise expressly provided by law, the provisions of this section shall apply to every appropriation of a stated sum for a specified purpose or purposes heretofore or hereafter made, but shall not, unless expressly so provided by law, apply to any fund or balance of a fund derived wholly or partly from special taxes, fees, earnings, fines, federal grants, or other sources which are by law appropriated for special purposes by standing, continuing, or revolving appropriations.

Sec. 63. Minnesota Statutes 1983 Supplement, section 16A.36, is amended to read:

16A.36 GRANTS FROM AND ADVANCES TO UNITED STATES, USE.

Subdivision 1. USE OF GRANTS. All funds Money received by the state from the federal government of the United States as grants in aid for the ~~financing of aid to dependent children, or for maternal and child health services, or for the care of crippled children, or for the care of neglected children and child welfare generally, or for vocational rehabilitation, or for the extension of public health services, or for any other public assistance or public welfare purpose~~

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federal assistance shall be used solely for the purpose for which the grant was made money is received. Any If required by the proper federal authorities, interest or income arising from the funds so granted shall money received may be credited by the state treasurer commissioner of finance to the particular account for which the grant was made money is received and used solely for the purpose of that grant federal assistance program, or may be repaid to the United States federal treasury if the proper authorities or the government of the United States so require, or otherwise. If not so required, the interest or income shall be credited to the general fund or to another fund authorized to receive the interest or income.

Subd. 2. RECIPROCAL INTEREST POLICY. The commissioner of finance may, by agreement with the proper federal authorities, establish an equitable policy providing for the state to pay interest on undisbursed federal money, and providing for the federal government to pay interest to the state on state funds advanced for a federal assistance program.

Sec. 64. Minnesota Statutes 1982, section 16A.45, is amended to read:

16A.45 OUTSTANDING UNPAID WARRANTS, CANCELATION.

Subdivision 1. CANCEL; CREDIT. At the beginning of Once each fiscal year the commissioner of finance and the state treasurer shall cancel upon their books all outstanding unpaid commissioner of finance's warrants, except warrants issued for the medical assistance program, that have been issued and delivered for more than six five years prior to that date and credit to the general fund the respective amounts of the canceled warrants. Once each fiscal year the commissioner of finance and the state treasurer shall cancel upon their books all outstanding unpaid commissioner of finance's warrants issued for the medical assistance program that have been issued and delivered for more than one year and credit to the general fund and the appropriate account in the federal fund, the amount of the canceled warrants.

Subd. 2. PRESENTMENT OF CANCELED WARRANT. When any a canceled warrant is presented for payment it shall be taken up by the commissioner and a new warrant for the same amount, payable to the lawful holder thereof, but bearing a current number, shall be issued against the general fund from which the amount necessary to pay the new warrant is hereby appropriated paid by the state treasurer and charged by the commissioner of finance to the fund credited with the amount of the canceled warrant.

Subd. 3. APPROPRIATION. The amounts needed to pay canceled warrants presented for payment are appropriated from the charged funds to the commissioner of finance.

Sec. 65. **[16C.01] MINNESOTA TELECOMMUNICATIONS COUNCIL.**

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Subdivision 1. POLICY. The legislature finds that telecommunications and information communication technologies involving Minnesota citizens, businesses, units of government, and educational institutions constitute an increasingly important aspect of life in the state. Minnesota should take full advantage of the emerging high technology advances in communications to spur both rural and urban economic development. Therefore, it is in the public interest for Minnesota to promote coordination and to establish leadership in the use of advanced telecommunications resources in the public and private sectors.

Subd. 2. CREATION; MEMBERSHIP. The Minnesota telecommunications council is created in the executive branch. The council consists of 23 members, as follows:

(1) four members, appointed by the governor, representing elementary and secondary education, vocational technical education, public and private higher education, and librarians;

(2) four members, appointed by the governor, representing state agencies;

(3) the chair of the public utilities commission, or a designee of the chair;

(4) the chair of the cable communications board, or a designee of the chair;

(5) one member appointed by and serving at the pleasure of the chief justice of the supreme court;

(6) two members, appointed by the governor, representing the telecommunications industry and two members, appointed by the governor, of labor organizations which represent telecommunications workers;

(7) two public members, appointed by the governor, who are not employed in the telecommunications industry; and

(8) six members appointed by the governor from the general public. In making these appointments the governor shall seek to include, but is not limited to, persons who represent private sector businesses, public broadcasting, commercial broadcasting, nonbroadcast communication systems, and local and regional government. The governor shall attempt to appoint persons who represent various geographical regions of the state.

Subd. 3. TERMS OF MEMBERSHIP APPOINTED BY GOVERNOR; COMPENSATION. Terms and compensation of members are governed by section 15.059, but the provisions of that section governing expiration of advisory groups do not apply to this council.

Subd. 4. STAFF. The council shall hire an executive director who shall serve in the unclassified service. The council may hire or contract for other staff.

Subd. 5. DUTIES. The council has the following duties:

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(1) advise the governor, the legislature, state agencies, institutions of higher education, and political subdivisions on matters of telecommunications policy that may affect the state and its citizens;

(2) foster and stimulate the use of telecommunications services and systems by public agencies for the improvement of the performance of governmental functions;

(3) serve as a clearinghouse of information for the public and private sector about innovative projects, programs, or demonstrations in telecommunications;

(4) assist in the development of state plans for development of telecommunication systems, both public and private;

(5) serve as a means of acquiring governmental and private funds for use in the development of services through telecommunications;

(6) review, assess, and report to the governor and the legislature annually on the telecommunications needs and services of state and local government, and on effectiveness of state laws relating to telecommunications;

(7) study and evaluate all existing or proposed laws pertinent to the council's duties at all levels of federal, state and local government affecting telecommunications policies, services, and systems, including the relationship of current regulatory structures to new telecommunications technology, and advise the appropriate officials on any needed improvements;

(8) make recommendations regarding the development of coordinated telecommunications networks in the state; and

(9) survey existing telecommunication providers and users to determine if existing services must be improved to meet state economic development goals. In performing this duty the council shall make use of existing surveys and resources.

The council may accept gifts and grants in furtherance of the purposes of this section.

Sec. 66. Minnesota Statutes 1982, section 17.03, is amended by adding a subdivision to read:

Subd. 5. INTERNATIONAL INVESTMENT. (The commissioner may create a program to assess the potential of international investment in Minnesota and promote international investment that results in the infusion of new capital and the creation of new jobs to the benefit of the state.

Sec. 67. **TRANSFER.**

The duties of the export information office under Minnesota Statutes 1983 Supplement, section 17.106, except subdivision 2, clause (3), are transferred under Minnesota Statutes, section 15.039 to the world trade center board, except that

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no appropriations or positions are transferred. The commissioner of agriculture shall cooperate fully with the board until this transfer is accomplished.

Sec. 68. Minnesota Statutes 1982, section 43A.30, is amended by adding a subdivision to read:

Subd. 4. The commissioner of employee relations may direct that all or a part of the amounts paid for life insurance and hospital, medical, and dental benefits coverage for eligible employees and other eligible persons be deposited by the state in a separate fund in the state treasury, from which the approved claims of eligibles are to be paid. Investment income and investment losses attributable to the investment of the separate fund shall be credited to the fund. There is appropriated from the separate fund to the commissioner of finance amounts needed to pay the approved claims of eligibles, related service charges, insurance premiums, and refunds.

Sec. 69. Minnesota Statutes 1982, section 43A.27, is amended by adding a subdivision to read:

Subd. 5. EMPLOYEES OF EXCLUSIVE REPRESENTATIVES. Upon request of an exclusive representative of state employees listed in section 179.741, subdivision 1, those employees of exclusive representatives whose duties involve representing state employees for at least 75 percent of their time and their dependents may elect to enroll at their own expense in the appropriate life insurance, hospital, medical and dental benefits, and optional coverages at the time, in the manner, and under the conditions of eligibility the commissioner prescribes and otherwise approves.

Sec. 70. [44A.01] WORLD TRADE CENTER BOARD,

Subdivision 1. MEMBERSHIP. (a) A world trade center board is created to facilitate and support Minnesota world trade center programs and services and promote the growth of international trade in Minnesota. The world trade center board consists of nine voting members and four legislators serving as nonvoting members. Three members are representatives of the membership of the Minnesota world trade center, one member is a representative of the international business community, and one member is a representative of the agricultural community.

(b) The initial voting members are appointed by the governor with the advice and consent of the senate for a term expiring the first Monday in January 1987. A vacancy is filled in the same manner as the appointment.

(c) Legislator members are two members of the senate appointed under the rules of the senate and two members of the house of representatives appointed by the speaker. Except for the initial members, who are to be appointed following enactment, they are appointed at the beginning of each regular session of the legislature for two-year terms. A legislator who remains a member of the body

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from which he was appointed may serve until a successor is appointed and qualifies. A vacancy in a legislator member's term is filled for the unexpired portion of the term in the same manner as the original appointment.

Subd. 2. TERMS; COMPENSATION; REMOVAL. Except as provided in this section, terms, compensation, and removal of members who are not legislators are as provided in section 15.059.

Subd. 3. ORGANIZATION. The chair of the world trade center board is selected by the board members.

Sec. 71. [44A.02] EXECUTIVE DIRECTOR.

Subdivision 1. SELECTION. The executive director of the world trade center board is selected by a majority of the board and serves at the pleasure of the board. The executive director must be familiar with the international business community, and have demonstrated proficiency in communication skills, administration and management, and public and private joint ventures. The salary of the executive director is set by the board within the limit set by sections 15A.081, subdivision 1, and 43A.17.

Subd. 2. DUTIES. The executive director is the chief administrative officer of the board and is responsible for performing the executive duties of the board. The executive director is not a member of the board.

Subd. 3. EMPLOYEES. The executive director may appoint unclassified employees in accordance with chapter 43A and prescribe their duties. The executive director may delegate to a subordinate the exercise of specified statutory powers or duties as the executive director deems advisable, subject to the control of the executive director.

Sec. 72. [44A.03] WORLD TRADE CENTER FUND.

There is established in the state treasury a world trade center fund. All money collected and gifts received by the world trade center board shall be deposited in the fund. Money in the fund including interest earned is annually appropriated to the board for the operation of services and programs through the world trade center.

Sec. 73. [44A.04] GIFT ACCEPTANCE.

The world trade center board may accept gifts without regard to sections 7.09 to 7.12 if the board determines that the gift will serve the purposes of the world trade center.

Sec. 74. [44A.05] CONTRACTING AUTHORITY.

The world trade center board may contract for the development, financing, construction, and management of the world trade center facility and park.

Sec. 75. [44A.06] WORLD TRADE CENTER COSTS.

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If a world trade center project of the kind contemplated by Laws 1983, chapter 301, section 29, is carried out, the participation of the state government is limited as provided in this section.

(a) The state shall not own space in the center.

(b) The state shall not rent more than ten percent of the gross space in the center.

(c) The state shall not incur debt to assist the project.

(d) The state shall not provide a special property tax classification that would give the center a more favorable property tax treatment than other office buildings.

Sec. 76. [44A.07] WORLD TRADE CENTER SERVICES.

Subdivision 1. SERVICES. The world trade center board may:

(1) define, formulate, administer, and deliver programs and services through the world trade center;

(2) provide and contract for services and programs through the world trade center, including: a library and research service providing information on world trade; a trade lead service, providing and authenticating information about international trade opportunities; a club for world trade center club members; telecommunications services; translation and interpretation services; temporary secretarial and other business services; language instruction; educational conferences and seminars; and other programs and services that serve the purposes of the world trade center, in the determination of the board;

(3) establish and charge fees for services and programs provided without regard to chapter 14;

(4) establish membership requirements for Minnesota world trade center operations without regard to chapter 14;

(5) establish satellite operations of the Minnesota world trade center;

(6) maintain active membership in the world trade center association;

(7) create an international communication network to coordinate international trade information and activities;

(8) compile international trade information from, among other places, the United States Department of Commerce and private sources, and provide marketing information to business persons;

(9) assist public and private universities or colleges to develop undergraduate or graduate level education programs to train persons regarding export trading; and

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(10) coordinate the international trading activities of state and local agencies and organizations.

Subd. 2. JOINT PROJECTS, CONTRACTS, EXPENDITURES. In order to implement the authorities of subdivision 1, the board may participate jointly with private persons and public entities in appropriate programs and projects and may enter into contracts to carry out those programs and projects. In making any expenditure or contract the board is not subject to chapter 16.

Sec. 77. GOVERNOR'S COUNCIL.

The governor's council on the world trade center has all the powers granted to the board in this act until the entire board has been appointed.

Sec. 78. [84.026] CONTRACTS FOR PROVISION OF NATURAL RESOURCES SERVICES.

The commissioner of natural resources is authorized to enter into contractual agreements with any public or private entity for the provision of statutorily prescribed natural resources services by the department. The contracts shall specify the services to be provided and the amount and method of reimbursement. Funds generated in a contractual agreement made pursuant to this section shall be deposited in the special revenue fund and are appropriated to the department for purposes of providing the services specified in the contracts. All such contractual agreements shall be processed in accordance with the provisions of section 16.098. The commissioner shall report revenues collected and expenditures made under this section to the chairmen of the committees on appropriations in the house and finance in the senate by January 1 of each odd-numbered year.

Sec. 79. Minnesota Statutes 1982, section 84.085, is amended to read:

84.085 ACCEPTANCE OF GIFTS.

The commissioner of natural resources may accept for and on behalf of the state any gift, bequest, devise, or grants of lands or interest in lands or personal property of any kind or of money tendered to the state for any purpose pertaining to the activities of the department or any of its divisions. Any money so received is hereby appropriated and dedicated for the purpose for which it is granted. Lands and interests in lands so received may be sold or exchanged as provided in chapter 94.

Sec. 80. Minnesota Statutes 1982, section 84A.53, is amended to read:

84A.53 CERTAIN FUNDS RECEIPTS NOT CREDITED TO GENERAL CONSOLIDATED FUND.

Subdivision 1. TAX LEVIES. All moneys heretofore or hereafter collected from tax levies heretofore made pursuant to Minnesota Statutes 1945, Chapter 84A, shall be deposited in the state treasury to the credit of the general

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fund. Upon completion of the payment provided for in section 84A.52 the commissioner of finance shall make the appropriate entries. None of the moneys referred to in this section shall be used for the payments provided for in section 84A.52 until all other moneys in the consolidated fund have been expended.

Subd. 2. LAND SALES. The portion of the money received from the sale of tax-forfeited lands that are held by the state pursuant to section 84A.07, 84A.26, or 84A.36, that would not be paid to the counties if all of the sale proceeds were deposited in the consolidated conservation fund, shall be deposited in the land acquisition account. The remaining amount shall be paid to the counties under section 84A.51 as if all of the sale proceeds were deposited in the consolidated conservation fund.

Sec. 81. Minnesota Statutes 1982, section 84A.54, is amended to read:

84A.54 CERTAIN COLLECTIONS DEPOSITED IN CONSOLIDATED FUND.

Except as provided in section 84A.53, all moneys hereafter received from any source pursuant to Minnesota Statutes 1945, chapter 84A, ~~or from the sale of tax-forfeited lands which are held by the state pursuant to Minnesota Statutes 1945, Sections 84A.07, 84A.26 or 84A.36~~ shall be deposited in the consolidated fund.

Sec. 82. Minnesota Statutes 1982, section 84A.55, subdivision 9, is amended to read:

Subd. 9. The commissioner may make necessary investigations and surveys for and may undertake projects for the drainage of any state owned lands within any game preserve, conservation area, or other area subject to the provisions hereof so far as he shall determine that such lands will be benefited thereby in furtherance of the purposes for which the area was established, and may pay the cost thereof out of any funds appropriated and available therefor. If the commissioner shall determine after investigation that any project for the construction, repair, or improvement of any public ditch or ditch system undertaken by any county or other public agency as otherwise provided by law will benefit such lands in furtherance of said purposes, he may cooperate in such project by joining in the petition therefor or consenting thereto or approving the same upon such conditions as he shall determine, and ~~may~~ shall authorize the imposition of assessments therefor upon such lands in such amounts as he shall determine, or may make lump sum contributions to the county or other public funds established for the payment of the cost of the project; provided, such assessments or contributions shall not in any case exceed the value of such benefits to such state owned lands as determined by the commissioner and specified by his written certificates or other statement filed in the proceedings, and shall be payable only out of funds appropriated and available therefor in such amounts as the commissioner may determine. The commissioner of natural

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resources shall establish by rule before January 1, 1986, the criteria for determining benefits to state-owned lands held or used for the purpose of protecting or propagating wildlife, providing hunting or fishing for the public, or other purposes relating to conservation, development, or use of soil, water, forests, wild animals, or related natural resources.

Sec. 83. [84A.56] CONSOLIDATED CONSERVATION LAND ACQUISITION AND DISPOSITION.

Subdivision 1. CONSOLIDATED CONSERVATION LAND ACQUISITION AND DISPOSITION PLAN. Before the commissioner may acquire or dispose of land in the game preserves, areas and projects established under Minnesota Statutes 1945, section 84A.01, 84A.20, or 84A.31, in any county, the commissioner must prepare a county land acquisition and disposition plan. The plan must identify the general areas where the commissioner intends to acquire or dispose of land and their accompanying reasons. The plan must emphasize a balance of uplands and wetlands.

Subd. 2. REVIEW BY COUNTY BOARD. The plan must be submitted to the county board for review and comment. The board must notify the commissioner of natural resources of any concerns or disagreements with the plan within 90 days after receiving the plan or proposal.

Subd. 3. DEPARTMENT REVIEW OF APPRAISALS. The county board must submit appraisals for land offered for sale under this section to the commissioner for review at least 30 days before the date of the sale.

Sec. 84. [84A.57] CERTAIN TAX-FORFEITED LAND HELD IN TRUST FOR COUNTY.

Notwithstanding any law to the contrary, land that forfeits to the state for nonpayment of taxes and is in a game preserve, areas or projects established under Minnesota Statutes 1945, section 84A.01, 84A.20, or 84A.31 shall be held in trust for the taxing district as land outside a game preserve, area, or project. The lands shall be disposed of and managed, and have income from the land allocated, in the same manner as land that is outside a game preserve, area, or project.

Sec. 85. Minnesota Statutes 1982, section 84B.03, is amended by adding a subdivision to read:

Subd. 4. CONVEYANCE. In furtherance of boundary adjustments to Voyageurs National Park authorized by Congress in Public Law 97-405, and notwithstanding any other law to the contrary, the governor, after consulting the commissioner of natural resources, shall donate and convey to the United States of America, for Voyageurs National Park, the state's interest in the following described lands:

Lot 7, Section 4, Township 68 North, Range 18 West.

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The lands shall be donated and conveyed only after \$30,000 has been paid by the commissioner of natural resources to the city of Tower in return for a conveyance to the state of all right, title, and interest of the city of Tower in the land. All conveyances required by this subdivision shall comply with subdivision 1, except for the provision required by clause (1)(a) of that subdivision.

Sec. 86. Minnesota Statutes 1983 Supplement, section 85.40, subdivision 5, is amended to read:

Subd. 5. **CROSS COUNTRY SKI TRAIL.** "Cross country ski trail" means a public pathway designated and promoted for cross country skiing, excluding trails that have not received state acquisition or betterment funds for recreational purposes.

Sec. 87. Minnesota Statutes 1983 Supplement, section 85.41, subdivision 3, is amended to read:

Subd. 3. **EXEMPTIONS.** Participants in cross country ski races and official school activities and residents of a state or local government operated correctional facility are exempt from the license requirement in subdivision 1 if a special use permit has been obtained by the organizers of the event or those in an official capacity in advance from the agency with jurisdiction over the cross country ski trail. Permits shall require that permit holders return the trail and any associated facility to its original condition if any damage is done by the permittee. Limited permits for special events may be issued and shall require the removal of any trail markers, banners, and other material used in connection with the special event.

Sec. 88. Minnesota Statutes 1983 Supplement, section 85.41, subdivision 4, is amended to read:

Subd. 4. **FORM.** The department shall provide forms and blanks to all agents authorized to issue licenses and daily permits by the commissioner. The ~~license~~ and daily permit shall attach to the skier's clothing to visibly identify the holder as a licensed skier, and be easily transferable from garment to garment by means of a device prescribed by the commissioner in consultation with the advisory task force. The annual license shall be with the skier and a sticker shall be placed on the skier's ski poles to identify the holder as a licensed skier. The license and permit shall include the applicant's name and other information deemed necessary by the commissioner.

Sec. 89. Minnesota Statutes 1983 Supplement, section 85.41, subdivision 5, is amended to read:

Subd. 5. **AGENT'S FEE.** The fee for an annual cross country ski license and a daily permit shall be increased by the amount of an issuing fee of 50 cents per license. The issuing fee may be retained by the ~~county auditor or his agent or subagent who sells~~ seller of the license or permit. A license or permit shall

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indicate the amount of the fee that is retained by the agent seller. This subdivision does not apply to any license or permit sold by the state, or at a park.

Sec. 90. Minnesota Statutes 1982, section 94.16, is amended to read:

94.16 FUNDS, HOW DISPOSED OF DISPOSITION OF PROCEEDS FROM SURPLUS STATE-OWNED LAND.

Subdivision 1. PAYMENT OF EXPENSES. All moneys Money received from the sale of such lands or lots surplus state-owned land shall be credited to the general fund of the state, except that as provided in this section.

Subd. 2. PAYMENT OF EXPENSES. A portion of the proceeds from the sale equal in amount to the survey, appraisal, legal, advertising, and other expenses incurred by the commissioner of administration or other state official in rendering the property saleable shall be remitted to the account from which the expenses were paid, and are appropriated and immediately available for expenditure in the same manner as other money in the account.

Subd. 3. PROCEEDS FROM NATURAL RESOURCES LAND. The remainder of the proceeds from the sale of lands that were under the control and supervision of the commissioner of natural resources shall be credited to the land acquisition account.

Sec. 91. [94.165] LAND ACQUISITION ACCOUNT.

There is created in the state treasury a land acquisition account. Subject to appropriation by law, money in the account is available to the commissioner of natural resources for the acquisition of natural resource lands or interests in lands within the outdoor recreation system established in chapter 86A.

Sec. 92. [115A.90] DEFINITIONS.

Subdivision 1. APPLICABILITY. The definitions in this section apply to sections 92 to 98.

Subd. 2. AGENCY. "Agency" means the pollution control agency.

Subd. 3. COLLECTION SITE. "Collection site" means a permitted site, or a site exempted from permit, used for the storage of waste tires.

Subd. 4. COMMISSIONER. "Commissioner" means the commissioner of energy and economic development.

Subd. 5. PERSON. "Person" has the meaning given in section 116.06, subdivision 8.

Subd. 6. PROCESSING. "Processing" means producing or manufacturing usable materials, including fuel, from waste tires including necessary incidental temporary storage activity.

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Subd. 7. TIRE. "Tire" means a pneumatic tire or solid tire for motor vehicles as defined in section 169.01.

Subd. 8. TIRE COLLECTOR. "Tire collector" means a person who owns or operates a site used for the storage, collection, or deposit of more than 50 waste tires.

Subd. 9. TIRE DUMP. "Tire dump" means an establishment, site, or place of business without a required tire collector or tire processor permit that is maintained, operated, used, or allowed to be used for storing, keeping, or depositing unprocessed waste tires.

Subd. 10. TIRE PROCESSOR. "Tire processor" means a person engaged in the processing of waste tires.

Subd. 11. WASTE TIRE. "Waste tire" means a tire that is no longer suitable for its original intended purpose because of wear, damage, or defect.

Sec. 93. [115A.902] PERMIT; TIRE COLLECTORS, PROCESSORS.

Subdivision 1. PERMIT REQUIRED. A tire collector or tire processor with more than 500 waste tires shall obtain a permit from the agency unless exempted in subdivision 2. The agency may by rule require tire collectors or tire processors with less than 500 waste tires to obtain permits unless exempted by subdivision 2.

Subd. 2. EXEMPTIONS. A permit is not required for:

(1) a retail tire seller for the retail selling site if no more than 500 waste tires are kept on the business premises;

(2) an owner or operator of a tire retreading business for the business site if no more than 3,000 waste tires are kept on the business premises;

(3) an owner or operator of a business who, in the ordinary course of business, removes tires from motor vehicles if no more than 500 waste tires are kept on the business premises;

(4) a permitted landfill operator with less than 10,000 waste tires stored above ground at the permitted site; or

(5) a person using waste tires for agricultural purposes if the waste tires are kept on the site of use.

Subd. 3. LOCAL AUTHORITY. The issuance of an agency permit does not replace a permit or license required under section 400.16 or 473.811.

Subd. 4. PERMIT FEE. The revenue from permit fees shall be credited to the general fund.

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Sec. 94. [115A.904] LAND DISPOSAL PROHIBITED.

The disposal of waste tires in the land is prohibited after July 1, 1985. This does not prohibit the storage of unprocessed waste tires at a collection or processing facility.

Sec. 95. [115A.906] WASTE TIRE NUISANCE; ABATEMENT.

Subdivision 1. NUISANCE. A tire dump unreasonably endangers the health, safety, and comfort of individuals and the public and is a nuisance.

Subd. 2. ABATEMENT. The agency may abate a nuisance by processing and removing the tires. Before taking any action to abate a nuisance, the agency shall give notice to the tire collector responsible for the nuisance that the tires to be processed and removed constitute a nuisance and demand that the tires be shredded or chipped or removed within a specified period. Failure of the tire collector to take the required action within the specified period shall result in the issuance of an agency order to abate the nuisance. The abatement order may include entering the property where the nuisance is located, taking tires into public custody, and providing for their processing and removal. The agency order may be enforced pursuant to the provisions of section 115.071.

Subd. 3. RECOVERY OF EXPENSES. Any reasonable and necessary expenses incurred by the agency for abatement costs, and administrative and legal expenses, may be recovered in a civil action brought by the attorney general against any tire collector responsible for the nuisance. The agency's certification of expenses shall be prima facie evidence that the expenses are reasonable and necessary.

Subd. 4. OTHER ABATEMENT. This section does not change the existing authority of a person or political subdivision to abate a tire dump nuisance. The agency may reimburse a person or political subdivision for the costs of abatement.

Sec. 96. [115A.908] MOTOR VEHICLE TRANSFER FEE.

Subdivision 1. FEE CHARGED. A fee of \$4 shall be charged on the initial registration and each subsequent transfer of title within the state, other than transfers for resale purposes, of every motor vehicle weighing more than 1,000 pounds. The fee shall be collected in an appropriate manner by the motor vehicle registrar. Registration plates or certificates may not be issued by the motor vehicle registrar for the ownership or operation of a motor vehicle subject to the transfer fee unless the fee is paid. The fee may not be charged on the transfer of:

- (1) previously registered vehicles if the transfer is to the same person;
- (2) vehicles subject to the conditions specified in section 297A.25, subdivision 1, clause (j); or

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(3) vehicles purchased in another state by a resident of another state if more than 60 days have elapsed after the date of purchase and the purchaser is transferring title to this state and has become a resident of this state after the purchase.

Subd. 2. DEPOSIT OF REVENUE. Revenue collected shall be credited to the general fund.

Subd. 3. REPEALER. This section is repealed on December 31, 1994.

Sec. 97. [115A.912] WASTE TIRE COLLECTION.

Subdivision 1. PURPOSE. Money appropriated to the agency for waste tire collection may be spent for elimination of health and safety hazards of tire dumps and collection sites, tire dump abatement, collection, and clean up of waste tires.

Subd. 2. PRIORITIES FOR SPENDING. The agency shall apply the following criteria to establish priorities: (1) tire dumps or collection sites determined by the agency to contain more than 1,000,000 tires; (2) abatement of fire hazard nuisances; (3) abatement of nuisance in densely populated areas; and (4) collection and clean up of waste tires including abatement of tire dumps.

Subd. 3. CONTRACTS WITH COUNTIES. The agency may contract with counties for the abatement of waste tire nuisances.

Sec. 98. [115A.914] RULES; COUNTY PLANNING; ORDINANCES.

Subdivision 1. AGENCY RULES. The agency shall adopt rules for administration of waste tire collector and processor permits, waste tire nuisance abatement, and waste tire collection.

Subd. 2. COUNTY PLANNING; ORDINANCES. Counties shall include collection and processing of waste tires in the solid waste management plan prepared under sections 115A.42 to 115A.46 and shall adopt ordinances under sections 400.16 and 473.811 for management of waste tires that embody, but may be more restrictive than, agency rules.

Sec. 99. Minnesota Statutes 1983 Supplement, section 116J.09, is amended to read:

116J.09 DUTIES.

The commissioner shall:

(a) manage the department as the central repository within the state government for the collection of data on energy;

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(b) prepare and adopt an emergency allocation plan specifying actions to be taken in the event of an impending serious shortage of energy, or a threat to public health, safety, or welfare;

(c) undertake a continuing assessment of trends in the consumption of all forms of energy and analyze the social, economic, and environmental consequences of these trends;

(d) carry out energy conservation measures as specified by the legislature and recommend to the governor and the legislature additional energy policies and conservation measures as required to meet the objectives of sections 116J.05 to 116J.30;

(e) collect and analyze data relating to present and future demands and resources for all sources of energy, and specify energy needs for the state and various service areas as a basis for planning large energy facilities;

(f) evaluate policies governing the establishment of rates and prices for energy as related to energy conservation, and other goals and policies of sections 116J.05 to 116J.30, and make recommendations for changes in energy pricing policies and rate schedules;

(g) study the impact and relationship of the state energy policies to international, national, and regional energy policies;

(h) design and implement a state program for the conservation of energy; this program shall include but not be limited to, general commercial, industrial, and residential, and transportation areas; such program shall also provide for the evaluation of energy systems as they relate to lighting, heating, refrigeration, air conditioning, building design and operation, and appliance manufacturing and operation;

(i) inform and educate the public about the sources and uses of energy and the ways in which persons can conserve energy;

(j) dispense funds made available for the purpose of research studies and projects of professional and civic orientation, which are related to either energy conservation, resource recovery, or the development of alternative energy technologies which conserve nonrenewable energy resources while creating minimum environmental impact;

(k) charge other governmental departments and agencies involved in energy related activities with specific information gathering goals and require that those goals be met;

(l) report to the legislature by February 1 of each year both the processes and results of efforts to communicate the statutory requirements concerning energy efficiency standards under section 116J.27 and the extent of compliance with the requirements design a comprehensive program for the development of

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indigenous energy resources. The program shall include, but not be limited to, providing technical, informational, educational, and financial services and materials to persons, businesses, municipalities, and organizations involved in the development of solar, wind, hydropower, peat, fiber fuels, biomass, and other alternative energy resources. The program shall be evaluated by the alternative energy technical activity.

Further, the commissioner may participate fully in hearings before the public utilities commission on matters pertaining to rate design, cost allocation, efficient resource utilization, utility conservation investments, small power production, cogeneration, and other rate issues. The commissioner shall support the policies stated in section 116J.05 and shall prepare and defend testimony proposed to encourage energy conservation improvements as defined in section 216B.241.

Sec. 100. Minnesota Statutes 1983 Supplement, section 116J.18, subdivision 1, is amended to read:

Subdivision 1. **STATE ENERGY POLICY AND CONSERVATION REPORT.** By July 1 of each ~~even-numbered year~~ 1988 and every four years thereafter, the commissioner shall ~~transmit to the governor and the legislature a comprehensive report designed to identify emerging trends related to energy supply, demand, conservation, public health and safety factors, and to specify the level of statewide and utility service area energy need. The report shall include, but not be limited to, all of the following:~~

(a) ~~A final report on the accuracy and acceptability of the energy forecasts received under section 116J.17 and the alternatives to meeting that demand;~~

(b) ~~An estimate of statewide and utility service area energy need for the forthcoming 20 year period which, in the judgment of the commissioner, will reasonably balance requirements of state economic growth and development, protection of public health and safety, preservation of environmental quality, and conservation of energy resources;~~

(c) ~~The anticipated level of statewide energy demand for 20 years, which shall serve as the basis for long range action;~~

(d) ~~The identification of potential adverse social, economic, or environmental effects caused by a continuation of the present energy demand trends;~~

(e) ~~An assessment of the state's energy resources, including examination of the availability of commercially developable and imported fuels;~~

(f) ~~The estimated reduction in annual energy consumption resulting from various energy conservation measures;~~

(g) ~~The cost of energy to residential and rental consumers in relation to their socio-economic status;~~

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(h) An assessment of the economic and employment implications of proposed state energy policies;

(i) The status of the department's ongoing studies;

(j) Recommendations to the governor and the legislature for administrative and legislative actions to accomplish the purposes of sections 116J.05 to 116J.30, issue a comprehensive report designed to identify major emerging trends and issues in energy supply, consumption, conservation, and costs. The report shall include the following:

(1) projections of the level and composition of statewide energy consumption under current government policies and an evaluation of the ability of existing and anticipated facilities to supply the necessary energy for that consumption;

(2) projections of how the level and the composition of energy consumption would be affected by new programs or new policies;

(3) projections of energy costs to consumers, businesses, and government;

(4) identification and discussion of key social, economic, and environmental issues in energy;

(5) explanations of the department's current energy programs and studies;
and

(6) recommendations.

Sec. 101. Minnesota Statutes 1982, section 116J.19, subdivision 13, is amended to read:

Subd. 13. Beginning January 1, 1978, No new room air conditioner or room air conditioner heat pump shall be sold or installed or transported for resale into Minnesota unless it has an energy efficiency ratio of 7.0 or higher. Beginning January 1, 1985, the energy efficiency ratio must be 7.8 or higher. For purposes of this subdivision, "energy efficiency ratio" means the ratio of the cooling capacity of the air conditioner in British thermal units per hour to the electrical input in watts. To determine the energy efficiency ratio, all room air conditioner models shall be tested in accordance with the methods and conditions specified in American National Standard Z234-1, and American Society of Heating, Refrigerating, and Air Conditioning Engineers Standard 16-69 The cooling capacity, electrical input, and energy efficiency ratio of room air conditioners and room air conditioning heat pumps is determined by using the standard for room air conditioners, approved by the American National Standards Institute on April 20, 1982, known as ANSI/AHAM RAC-1, with ASHRAE 58-74 used in lieu of ASHRAE 58-65. The method of sampling of room air conditioners shall be that required by the Department of Energy and found in 44 Federal Register 22410-22418 (April 13, 1979). A new room air conditioner having dual voltage ratings shall conform to the energy efficiency

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ratio requirements at each rating. This subdivision shall not apply to air conditioners in Minnesota on October 1, 1977.

Sec. 102. [116J.261] ALTERNATIVE ENERGY ENGINEERING ACTIVITY.

Subdivision 1. CREATION, GOALS. To further the development of indigenous energy resources and energy conservation, the commissioner shall establish an alternative energy engineering activity. The activity shall facilitate the development of specific projects in the public and private sectors and provide a broad range of information, education, and engineering assistance services necessary to accelerate energy conservation and alternative energy development in the state.

Subd. 2. DUTIES. The alternative energy engineering activity shall:

(1) provide on-site technical assistance for alternative energy and conservation projects;

(2) develop information materials and educational programs to meet the needs of engineers, technicians, developers, and others in the alternative energy field;

(3) conduct feasibility studies when the results of the studies would be of benefit to others working in the same area;

(4) facilitate development of energy projects through assistance in finding financing, meeting regulatory requirements, gaining public and private support, limited technical consultation, and similar forms of assistance; and

(5) work with and use the services of Minnesota design professionals.

Sec. 103. [116J.262] OPTIMAL LOW-INCOME WEATHERIZATION.

The commissioner shall contract with the Building Energy Research Center at the University of Minnesota for the purpose of determining optimal weatherization for low-income weatherization programs. The alternative energy engineering activity shall provide technical assistance.

Sec. 104. Minnesota Statutes 1983 Supplement, section 116J.31, is amended to read:

116J.31 ENERGY AUDITS.

The commissioner shall develop and administer state programs of energy audits of residential and commercial buildings including those required by United States Code, title 42, ~~section 8211, et seq.~~ sections 8211 to 8222 and section 8281 to 8284. ~~The attorney general may release information on consumer complaints about the operation of the program to the commissioner.~~ The commissioner shall continue to administer the residential energy audit

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program as originally established under the provisions of United States Code, title 42, sections 8211 to 8222; through July 1, 1986 irrespective of any prior expiration date provided in United States Code, title 42, section 8216. The commissioner may approve temporary programs if they are likely to result in the installation of as many conservation measures as would have been installed had the utility met the requirements of United States Code, title 42, sections 8211 to 8222. The consumer services division and the attorney general may release information on consumer comments about the operation of the program to the commissioner.

Sec. 105. Minnesota Statutes 1982, section 116J.36, as amended by Laws 1983, chapter 301, section 129, is amended to read:

116J.36 DISTRICT HEATING AND QUALIFIED ENERGY IMPROVEMENT LOANS.

Subdivision 1. **POLICIES.** Developing and improving efficient and economical district heating systems and certain public works capital improvements that conserve energy or substitute a lower cost, more plentiful, or indigenous fuel is a public purpose for state and local financing and a proper function of state and local government. Climate and geography make a reliable, economic supply of energy essential for industrial, commercial industry, commerce, and residential heating. Imported supplies of certain fuels are increasingly costly, unreliable, and environmentally disadvantageous. District heating systems employing co-generation techniques and innovative technology offer an important means of increasing the efficiency of Minnesota's energy systems and reducing the state's reliance on imported energy supplies. The combination of the large initial capital cost and investors' lack of familiarity with district heating has made the private market reluctant to provide the necessary capital for district heating projects. As a result, public leadership, cooperation, and aid are needed to demonstrate the feasibility of district heating systems by establishing economically viable municipal district heating systems as demonstration projects. Qualified energy improvements may offer municipalities opportunities for reducing energy costs or generating revenues from wastes. Municipal district heating systems and other qualified improvements may be financed by loans from the state and from other sources available to municipalities.

Subd. 2. **DEFINITIONS.** In this section:

(a) "Construction costs" means all costs associated with the construction, modification or expansion of a district heating system except for preliminary planning costs and detailed design costs. Construction costs include the cost of debt service from the time a construction loan is made until five years after the beginning of the operation of the district heating system constructed or the part of the system being modified or expanded.

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(b) "District heating" means the use of a central energy conversion facility to produce hot water or steam for a district heating system. District heating facilities may also produce electricity in addition to hot water or steam.

(c) "Municipality" means any county, city, town, school district or a municipal power agency, or formed pursuant to sections 453.53 to 453.62. Municipality also means a public utility, as defined in section 452.01, subdivision 3, owned and operated by a city, however organized or. For purposes of a district heating system only, municipality also means a nonprofit corporation organized pursuant to the provisions of chapter 317 whose membership is limited to the mayor and governing body of the city in which the district heating system is located.

(d) "District heating system" means any existing or proposed facility for (1) the production, through cogeneration or otherwise, of hot water or steam to be used for district heating, or (2) the transmission and distribution of hot water or steam for district heating either directly to heating consumers or to another facility or facilities for transmission and distribution, or (3) any part or combination of the foregoing facilities.

(e) "Qualified energy improvement" means a cost-effective capital improvement to public land, buildings, or energy using systems, other than a district heating system, including the purchase or installation of equipment to reduce the usage of conventional energy sources or to use alternative energy resources. Qualified energy improvements also include waste-to-energy facilities that meet the criteria specified in subdivision 8a and any rule adopted under that subdivision. Qualified energy improvements shall meet all environmental and permitting standards established by state and federal law.

Subd. 3. **ELIGIBILITY, DISTRICT HEATING.** The commissioner of finance, upon request recommendation of the governor authority, may make loans to municipalities for the acquisition, construction, expansion, or modification of district heating systems. A loan shall be made only to a municipality that has demonstrated to the authority that:

- (a) The municipality has the financial capability to sponsor the project;
- (b) The project is technologically feasible;
- (c) The district heating project will become a cogeneration facility or the project will utilize hot water or, if the project involves an existing district steam heating system, the project will become integrated with a hot water district heating system, or the project will allow the use of nonpetroleum fuels or will construct an efficient heat transmission system; and
- (d) The municipality has made adequate provision to assure proper and efficient operation and maintenance of the project after construction is completed.

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Subd. 3a. **ELIGIBILITY, QUALIFIED ENERGY IMPROVEMENTS.** The commissioner of finance, upon recommendation of the authority, may make loans to a municipality for the acquisition, construction, or expansion of a qualified energy improvement. A loan shall be made only to a municipality that has demonstrated that:

(a) The municipality has the financial capability to sponsor the qualified energy improvement;

(b) The improvement is technologically feasible;

(c) The improvement conforms to criteria specified in subdivision 8a and any rule adopted under it; and

(d) The municipality has made adequate provision to assure proper and efficient operation and maintenance of the improvement after construction is completed.

Subd. 3b. **GRANT ELIGIBILITY, DISTRICT HEATING.** The commissioner of energy, planning and economic development may provide planning grants to municipalities for planning related to the development of district heating systems. The municipality must demonstrate that a community heatload survey and map have been successfully completed, that potential district heating load is sufficiently large to justify further consideration, and that sufficient resources are available for the municipality to meet its financial requirements. Eligible planning grant costs include project definition, development of preliminary financing and distribution system plans, and obtaining commitment for detailed planning or design and preparation of a final report. The amount of the grant to a municipality is limited to 90 percent of eligible planning costs and shall not exceed \$70,000 as established by rule or temporary rule.

Subd. 3c. **GRANT ELIGIBILITY, QUALIFIED ENERGY IMPROVEMENTS.** The commissioner of energy and economic development may provide planning grants to municipalities for planning related to the development of qualified energy improvements. The municipality must demonstrate that sufficient resources are available for the municipality to meet its financial requirements. Eligible planning grant costs include definition of the improvement, development of preliminary financing plans, and obtaining commitment for detailed planning or design and preparation of a final report. The amount of a grant to a municipality is limited to 90 percent of eligible planning costs and must not exceed \$100,000 as established by rule or temporary rule.

Subd. 4. **PRIORITIES, DISTRICT HEATING.** The commissioner of energy, planning and development authority shall give higher priority to a project that does more to achieve the following goals:

(a) The district heating conversion facility employs cogeneration techniques;

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- (b) The facility uses renewable or nonpetroleum sources of energy;
- (c) The district heating facility will save petroleum or natural gas;
- (d) The operation of the district heating facility will not have an adverse impact on the environment;
- (e) The district heating facility may readily be expanded to serve additional customers or to supply additional amounts of energy, and market demand for the energy exists;
- (f) The project has obtained additional financing from the federal government, private sources, or other sources of capital; and
- (g) Other goals the ~~commissioner of energy, planning and development~~ authority finds desirable for district heating systems.

Subd. 4a. PRIORITIES, ENERGY IMPROVEMENTS. The authority shall give higher priority to qualified energy improvements that best meet the following goals:

- (a) to increase the proportion of a municipality's energy needs that are met by renewable or indigenous energy resources;
- (b) to provide a cost reduction or revenue source for the municipality;
- (c) to provide multiple benefits to residents within the municipality; and
- (d) to demonstrate technologies for solid waste treatment.

Subd. 5. APPLICATION. Application for a loan to be made pursuant to subdivision 6 or 7 shall be made by a municipality to the commissioner of energy, planning and development authority on a form prescribed by the commissioner of energy, planning and economic development by rule authority. The commissioner of energy, planning and development authority shall review each application and determine:

- (a) Whether or not the project or proposed energy improvement is eligible for a loan;
- (b) The priority of the project or qualified energy improvement when ranked with all other eligible projects or improvements for which a loan application has been submitted;
- (c) The total estimated cost of the project or improvement;
- (d) The amount of the loan for which the project or improvement is eligible;
- (e) The terms upon which the loan would be made; and

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(f) The means by which the municipality proposes to finance the project or improvement, including:

- (1) A loan authorized by state law; or
- (2) A grant of money appropriated by state law; or
- (3) A grant to the municipality by an agency of the federal government within the amount of money then appropriated to that agency and allocated by it to projects or improvements within the state; or
- (4) The appropriation of proceeds of bonds or other money of the municipality to an account for the construction of the project or improvement; or
- (5) User charges, franchise fees, special assessments or taxes; or
- (6) Any or all of the means referred to in clauses (1) to (5).

Subd. 6. **LOANS, DISTRICT HEATING AND QUALIFIED ENERGY IMPROVEMENTS.** Upon the recommendation of the governor authority pursuant to subdivision 8, the commissioner of finance shall make loans to municipalities on the following terms:

(a) In the case of loans for design costs, the maximum amount of the loan shall be limited by the provisions of this clause. For cities of the first class and counties containing a city of the first class, individually or through the exercise of joint powers agreements, the amount of the loan shall not exceed 40 percent of the design costs. For cities of the second, third and fourth class, and other municipalities, the amount of the loan shall not exceed 90 percent of the design costs;

(b) In the case for loans for construction costs, a municipality must demonstrate that all design activities have been completed; that the project or improvement is economically and technologically feasible; that the district heating system or qualified energy improvement will be constructed, and that it has made adequate provisions to assure proper and efficient operation and maintenance of the project or improvement. For cities of the first class and counties containing a city of the first class, individually or through the exercise of joint powers agreements, the amount of the loan shall be up to 50 percent of the construction costs. For cities of the second class, the amount of the loan shall be up to 80 percent of the construction costs. For cities of the third or fourth class, and other municipalities, the amount of the loan shall be up to 90 percent of the construction costs.

(c) A loan made pursuant to this section is repayable over a period of not more than 20 years, with interest payments beginning the first year from the date the loan is made. Interest shall accrue from the date of the loan at a rate of interest assigned at the date of loan commitment, but the first payment of interest

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shall not be due until one year after the loan was made. Principal payments shall begin in the sixth year after the receipt of the loan on a 25 year level payment schedule with the balance of the principal to be retired with the payment due 20 years after receipt of the loan. Interest attributable to the first year of deferred payment shall be amortized in equal periodic payments over the remainder of the term of the loan. For each loan, the initial deposit to the state bond fund required by section 16A.65, subdivision 1, shall be made by the commissioner of finance, and no loan may be refused solely because the municipality does not provide the initial deposit.

(d) The authority may also pledge a segregated portion of the energy development fund to guarantee or insure bonds and notes, or the interest rate thereon, issued by the commissioner of finance on behalf of the state of Minnesota for purposes of section 116J.36 or 116J.37.

Subd. 7. MODERN STEAM SYSTEMS. (a) A municipality which has operating within its boundaries a modern steam district heating system owned by a district heating utility may apply for a loan or grant under this section even though the district heating project for which the loan or grant application is made may be planned, constructed, or owned by a district heating utility. The loan or grant application shall be treated in the same manner as loan or grant applications for district heating projects where the projects are to be planned, constructed, or owned by a municipality.

All or a portion of the proceeds of a loan made to a municipality described in this subdivision may be used to make loans to a district heating utility to provide financial assistance for the planning, modification, expansion or construction of a district heating project. Prior to making the loan to the district heating utility, the municipality shall:

(1) Adopt a district heating plan which identifies the areas of the city to be served by district heating; a time schedule indicating when service would be available in different areas of the city and the type of service to be offered; and

(2) Enter into a written agreement with the district heating utility which includes a requirement that the district heating utility restrict expansion of its existing steam system within its current geographic boundaries as determined by the municipality and develop a hot water system on a specific time schedule.

(b) The powers, authority and obligations granted to a municipality under this subdivision are supplemental to the powers, authority and obligations granted all municipalities under this section.

(c) As used in this subdivision, "modern steam district heating system" means a steam district heating system with condensate return built after 1970 and before May 30, 1981. "District heating utility" means any person, corporation, or other legal entity which owns or operates or plans to own or operate a district heating system. "District heating project" means a new district heating system,

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or the expansion or modification of the existing modern steam district heating system.

Subd. 8. **LOAN APPROVAL.** The commissioner of energy, ~~planning~~ and ~~economic~~ development shall prepare and submit to the legislative advisory ~~commission~~ a list of energy and economic development authority separate lists of loan requests for district heating loan requests systems and qualified energy improvements. The list for district heating loans shall contain the supporting information required by subdivisions 3, 4, 5, 6, and 7. The list for qualified energy improvements shall contain the supporting information required by subdivisions 3a, 3c, 4a, 5, and 6. The recommendation of the legislative advisory ~~commission authority~~ shall be transmitted to the ~~governor~~ commissioner of finance. The ~~governor~~ commissioner of finance shall ~~approve or disapprove, or return for further consideration,~~ each project recommended for approval by the legislative advisory commission. ~~Loans may be disbursed only upon approval by the governor sell bonds and make loans for district heating projects and qualified energy improvements only upon the recommendation of the authority.~~

Subd. 8a. **CRITERIA FOR QUALIFIED ENERGY IMPROVEMENTS.** Qualified energy improvements eligible for loans must meet criteria established in rule by the commissioner of energy and economic development. Rules shall include criteria for analyzing the cost-effectiveness of improvements. Rules relating to qualified energy improvements involving a waste-to-energy facility must be adopted in consultation with the waste management board and the pollution control agency. An improvement involving a waste-to-energy facility must be part of a solid waste management plan approved by the pollution control agency or a plan approved under section 473.803.

Subd. 9. **PAYMENT; OBLIGATION.** The commissioner of finance shall not pay money to a municipality pursuant to an approved loan until he has determined that:

(a) Financing of the project or improvement as proposed by the municipality is assured by an irrevocable undertaking, by resolution of the governing body of the municipality, to use all money made available by the financing plan exclusively for the eligible costs of the project or improvement, and to pay any additional amount by which the cost of the project or improvement exceeds the estimate by the appropriation to the construction account of additional ~~municipal~~ money of the municipality or the proceeds of additional bonds to be issued by the municipality; and that

(b) The governing body of the municipality has adopted a resolution obligating the municipality to repay the loan according to the terms in the loan. The obligation may be payable from user charges, franchise fees, special assessments or other money available to the municipality. The resolution shall obligate the municipality to annually impose and collect user charges, franchise fees, special assessments, or to use any other money available to it from any other

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specified source, in amounts and at times that if collected in full will annually produce at least five percent in excess of the amount needed for all annual costs of the system, including annual repayment on state loans. A municipality may also pledge to levy an ad valorem tax to guarantee the payments under the loan agreement. For the purpose of repaying the loan, the municipality by resolution of its governing body may fix the rates and charges for district heating system or qualified energy improvement service and products, may enter into contracts for the payment by others of costs of construction, maintenance, and use of the project or improvement in accordance with section 444.075 and may pledge the revenues derived therefrom. The commissioner of finance shall condition a loan upon the establishment of rates and charges or the execution of contracts sufficient to produce annually the revenues pledged for repayment of all annual costs of the system, including annual repayment of the state loan.

Subd. 10. **RECEIPTS.** All principal and interest payments received by the commissioner of finance in repayment of the loans authorized by this section shall be deposited in the state treasury and credited to the state bond fund and are appropriated to the commissioner of finance for the purposes of that account.

Subd. 11. **RULES.** The commissioner of energy, ~~planning~~ and economic development shall adopt rules necessary to carry out the programs of this section. The commissioner of energy, ~~planning~~ and economic development shall may adopt temporary rules pursuant to sections 14.29 to 14.36, meeting the requirements of this section. The rules shall contain as a minimum:

- (a) Procedures for application by municipalities; and
- (b) Criteria for reviewing grant and loan applications.

Sec. 106. [116J.381] **COMMUNITY ENERGY PROGRAM.**

Subdivision 1. FINDINGS. The legislature finds that community based energy programs are an effective means of implementing improved energy practices including conservation, greater efficiency in energy use, and the use of alternative resources. Further, community based energy programs are found to be a public purpose for which public money may be spent.

Subd. 2. COMMUNITY ENERGY COUNCILS; CREATION. Cities or counties, individually or through the exercise of joint powers agreements, may create community energy councils. Membership on a council shall include representatives of labor, small business, voluntary organizations, senior citizens, and low and moderate income residents, and may include city and county officials, and other interested parties.

Subd. 3. POWERS AND DUTIES. In order to develop and implement community based energy programs, a community energy council may:

- (1) analyze social and economic impacts caused by energy expenditures;

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(2) plan, coordinate, advertise, and provide energy programs to minimize negative social and economic impacts;

(3) seek, accept, and disburse grants and other aids from public or private sources for purposes authorized in this subdivision; and

(4) exercise other powers and duties imposed on it by statute, charter, or by ordinance.

Subd. 4. DEPARTMENT ASSISTANCE. The commissioner may provide professional and financial assistance to communities to establish community energy councils, and develop and implement community energy programs, within available resources.

Sec. 107. [116J.873] ECONOMIC RECOVERY GRANTS.

Subdivision 1. ADMINISTRATION. Economic recovery grants shall be made available to local communities and recognized Indian tribal governments in accordance with the rules adopted for economic development grants in the small cities community development block grant programs, except that all units of general purpose local government are eligible applicants for economic recovery grants. The commissioner of energy and economic development shall administer the economic recovery grant program as a part of the small cities development program.

Subd. 2. ECONOMIC RECOVERY GRANT DEFINED. “Economic recovery grant” means an agreement between the state and an eligible recipient through which the state provides money to carry out specified programs, services, or activities designed to create new employment, maintain existing employment, increase the local tax base, or otherwise increase economic activity in a community.

Subd. 3. GRANT EVALUATION. The division of community development in the department shall accept, review, and evaluate applications for grants to local units of government made in accordance with rules adopted for economic development grants in the small cities development program. Applications recommended for funding, including recommended grant awards, shall be submitted by the division to the commissioner for approval.

Subd. 4. GRANT LIMITS. An economic recovery grant may not be approved for an amount over \$500,000. The division may recommend less funding than requested if, in the opinion of the division, the amount requested is more than is necessary to meet the applicant's needs. If the amount of the grant is reduced, the reasons for the reduction shall be given to the applicant. The portion of an economic recovery grant that exceeds \$100,000 must be repaid to the state when it is repaid to the local community or recognized Indian tribal government by the person or entity to which it was loaned by the local community or Indian tribal government. Money repaid to the state is appropri-

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ated to the commissioner of energy and economic development for the purpose of making additional economic recovery grants.

Sec. 108. Minnesota Statutes 1982, section 116J.88, is amended by adding a subdivision to read:

Subd. 8b. WASTE TIRE RECYCLING LOAN. “Waste tire recycling loan” means a loan to a business to finance acquisition of land, buildings, or equipment, installation of equipment, construction of buildings, and capital improvements for waste tire processing.

Sec. 109. Minnesota Statutes 1982, section 116J.89, is amended by adding a subdivision to read:

Subd. 1d. WASTE TIRE RECYCLING ACCOUNT. There is created within the economic development fund a waste tire recycling account for the purpose of making waste tire recycling loans and grants.

Sec. 110. Minnesota Statutes 1983 Supplement, section 116J.90, is amended by adding a subdivision to read:

Subd. 2a. WASTE TIRE RECYCLING LOANS AND GRANTS. The authority may make waste tire recycling loans to businesses. Applications for the loans are not complete unless the waste tire recycling project for which the loan is to be made is certified to be technically feasible by the director of the pollution control agency. The authority may make grants from the waste tire recycling account for studies necessary to demonstrate the technical and economic feasibility of a proposed waste tire recycling project. A grant must be less than \$30,000 and may not exceed 75 percent of the costs of the study. The commissioner shall adopt rules for administration of waste tire recycling grants and loans.

Sec. 111. Minnesota Statutes 1983 Supplement, section 116J.91, subdivision 4, is amended to read:

Subd. 4. It may adopt, amend, and repeal rules not inconsistent with the provisions of sections ~~116J.88~~ 116J.875 to 116J.91 as necessary to effectuate its purposes.

Sec. 112. Minnesota Statutes 1982, section 138.025, subdivision 11, is amended to read:

Subd. 11. BIRCH COULEE BATTLEFIELD STATE HISTORIC SITE. In accordance with the terms and provisions of this section and the laws relating to Birch Coulee battlefield state park historic site, the Minnesota historical society shall administer and control the historic site comprising the Birch Coulee state ~~park~~ historic site in Renville county and described as follows:

The NE 1/4 of the SE 1/4, Section 19, and part of the NW 1/4 of the SW 1/4, Section 20, Township 113, North, Range 34 West, fifth principal meridian, Renville county, Minnesota and containing 80 55 acres.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Birch Coulee state park is renamed ~~Birch Coulee battlefield state historic site.~~

Sec. 113. Minnesota Statutes 1982, section 144.414, is amended to read:
144.414 **PROHIBITIONS.**

No person shall smoke in a public place or at a public meeting except in designated smoking areas. This prohibition does not apply in cases in which an entire room or hall is used for a private social function and seating arrangements are under the control of the sponsor of the function and not of the proprietor or person in charge of the place. Furthermore, this prohibition shall not apply to factories, warehouses and similar places of work not usually frequented by the general public, except that ~~the department of labor and industry shall, in consultation with the state commissioner of health,~~ shall establish rules to restrict or prohibit smoking in those places of work where the close proximity of workers or the inadequacy of ventilation causes smoke pollution detrimental to the health and comfort of nonsmoking employees.

Sec. 114. Minnesota Statutes 1982, section 158.07, is amended to read:

158.07 **QUARTERLY REPORT BY BOARD OF REGENTS; PAY-
MENT.**

The board of regents of the University of Minnesota shall file a verified quarterly report with the commissioner of finance containing an itemized statement of the expense charged against each patient received on certification of any board of county commissioners, together with the name of the county from which the patient was certified, the amount of the expense charged against the patient that is to be paid by the county under section 158.04, and a statement of any sums paid by the patient, or by any person in his behalf. On the date that the board of regents files the quarterly report, it shall also submit requests for payment in amounts authorized in section 158.04 to each county from which expense amounts are due.

Sec. 115. Minnesota Statutes 1982, section 158.08, is amended to read:

158.08 **EXPENSES PAID BY COUNTIES.**

The commissioner of finance shall audit the quarterly reports submitted by the board of regents and draw his draft for the proper amount against each county from which expense charges are due and deliver it to the treasurer for collection. The treasurer shall notify the auditor of each county against whom a draft has been issued of the amount due. Upon receipt of such notice the invoice specified in section 158.07 a county auditor shall issue his warrant on the poor fund for the amount due, except that in any county now or hereafter caring for the poor under a county poor commission, the notice shall be given to the county poor commission, which shall issue its warrant on the poor fund of the county for the amount due. The warrant shall be delivered to the county treasurer, who

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shall, if funds are available, issue his check payable to the state treasurer University of Minnesota for the amount of the warrant. If no funds are available in the poor fund for the payment of the warrant, it shall be registered. The check or registered warrant shall be mailed to the state treasurer University of Minnesota. All payments hereunder shall be credited to the general fund, and are appropriated to the university of Minnesota.

Sec. 116. Minnesota Statutes 1983 Supplement, section 179.70, subdivision 1, is amended to read:

Subdivision 1. A written contract or memorandum of contract containing the agreed upon terms and conditions of employment and such other matters as may be agreed upon by the employer and exclusive representative shall be executed by the parties. The duration of the contract shall be negotiable except in no event shall contracts be for a term exceeding three years. Any contract between employer school board and an exclusive representative of teachers shall in every instance be for a term of two years beginning on July 1 of each odd-numbered year. For contracts effective July 1, 1979 or thereafter, the written contract executed by an employer school board and an exclusive representative of teachers shall contain the teachers' compensation including fringe benefits for the entire two-year term and shall not contain a wage reopening clause or any other provision for the renegotiation of the teachers' compensation for the second year of the contract. All contracts shall include a grievance procedure which shall provide compulsory binding arbitration of grievances including all disciplinary actions. Notwithstanding any home rule charter to the contrary, after the probationary period of employment, any disciplinary action, other than the termination of a teacher contract or the discharge of a teacher under section 125.12 or 125.17, is subject to the grievance procedure and compulsory binding arbitration. In the event that the parties cannot reach agreement on the grievance procedure, they shall be subject to the grievance procedure promulgated by the director pursuant to section 179.71, subdivision 5, clause (h). Employees covered by civil service systems created pursuant to chapters 43A, 44, 375, 387, 419 or 420, or by provision of a home rule charter pursuant to chapter 410, or by Laws 1941, chapter 423, may pursue a redress of their grievances through the grievance procedure established pursuant to this section. When the resolution of a grievance is also within the jurisdiction of appeals boards or appeals procedures created by chapters 43A, 44, 375, 387, 419 or 420, or by provision of a home rule charter pursuant to chapter 410, or by Laws 1941, chapter 423, the aggrieved employee shall have the option of pursuing redress through the grievance procedure or the civil service appeals procedure, but once a written grievance or appeal has been properly filed or submitted by the employee or on the employee's behalf with his consent the employee's right to pursue redress in the alternative manner is terminated. This section does not require employers or employee organizations to negotiate on matters other than terms and conditions of employment as defined in section 179.63, subdivision 18.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 117. Minnesota Statutes 1982, section 179.741, subdivision 2, is amended to read:

Subd. 2. **STATE EMPLOYEE SEVERANCE.** Each of the following groups of employees shall ~~have~~ has the right, as specified in this subdivision, to separate from the general professional, health treatment or general supervisory units provided for in subdivision 1: attorneys, physicians, professional employees of the higher education coordinating board who are compensated pursuant to section 43A.18, subdivision 4, state patrol-supervisors, regional enforcement officers employed by the department of natural resources, and criminal apprehension investigative-supervisors. This right shall be exercised by petition ~~during the period commencing on April 25, 1980 and concluding 30 days after that date or, after January 1, 1981,~~ during the 60 day period commencing 270 days prior to the termination of a contract covering the units. If one of these groups of employees exercises the right to separate from the units they shall have no right to meet and negotiate, but shall retain the right to meet and confer with the commissioner of employee relations and with the appropriate appointing authority on any matter of concern to them. The manner of exercise of the right to separate shall be as follows: An employee organization or group of employees claiming that a majority of any one of these groups of employees on a state-wide basis wish to separate from their units may petition the director for an election during the petitioning period. If the petition is supported by a showing of at least 30 percent support for the petitioner from the employees, the director shall hold an election to ascertain the wishes of the majority with respect to the issue of remaining within or severing from the units provided in subdivision 1. This election shall be conducted within 30 days of the close of the petition period. If a majority of votes cast endorse severance from the unit in favor of separate meet and confer status for any one of these groups of employees, the director shall certify that result. This election shall, where not inconsistent with other provisions of this section, be governed by section 179.67. If a group of employees elects to sever they may rejoin that unit by following the same procedures specified above for severance, but may only do so during the periods provided for severance.

Sec. 118. Minnesota Statutes 1983 Supplement, section 179.7411, is amended to read:

179.7411 LIMITATION ON THE CONTRACTING-OUT OF SERVICES PROVIDED BY MEMBERS OF A STATE OF MINNESOTA OR UNIVERSITY OF MINNESOTA BARGAINING UNIT.

Any contract entered into after March 23, 1982 by the state of Minnesota or the University of Minnesota involving services, any part of which, in the absence of the contract, would be performed by members of a unit provided in section 179.741, subdivision 1 or 3, shall be subject to section 16.07 and shall provide for the preferential employment by such a party of members of that unit

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whose employment with the state of Minnesota or the University of Minnesota is terminated as a result of that contract.

Contracts entered into by the state of Minnesota for the purpose of providing court reporter services or transcription of the record of a hearing which was recorded by means of an audio magnetic recording device shall be subject to section 16.098 and the preferential employment provisions enumerated in this section. Any court reporter seeking a contract pursuant to the preferential employment provisions of this section shall be given preference when the services are needed only if that court reporter's charges for the services requested are no greater than the average of the charges made for the identical services by other court reporters in the same locality who are also under contract with the state for those services.

Sec. 119. Minnesota Statutes 1983 Supplement, section 180.03, subdivision 2, is amended to read:

Subd. 2. Every person, firm or corporation that is or has been engaged in the business of mining or removing iron ore, taconite, semitaconite or other minerals except sand, crushed rock and gravel by the open pit method in any county which has appointed an inspector of mines pursuant to section 180.01 shall erect two inch by four inch mesh fencing along the outside perimeter of the excavation, open pit, or shaft of any mine in which mining operations have ceased for a period of six consecutive months or longer. The top and bottom wire shall not be less than 9 gauge and the filler wire shall not be less than 11 gauge. The fencing shall be not less than five feet in height with two strands of barbed wire six inches apart affixed to the top of the fence. The fence posts shall be no more than ten feet apart. In the case of open pit mines in which mining operations cease after November 1, 1979, and before March 1, 1980, the fencing shall be erected as soon as possible after March 1, 1980. Where mining operations cease on or after March 1, 1980, the fencing shall be erected forthwith. In the case of open pit mines in which mining operations had ceased for a period of six consecutive months or longer before November 1, 1979, and not resumed, the fencing shall be erected within ~~five~~ seven years after November 1, 1979. Any fencing required by an inspector of mines pursuant to subdivision 3 or other applicable law shall meet the standards of this section as a minimum. This subdivision does not apply to any excavation, open pit, or shaft, or any portion thereof, exempted from its application by the commissioner of natural resources pursuant to laws relating to mineland reclamation or exempted from its application by the county mine inspector pursuant to subdivision 4.

Sec. 120. [190.32] **FEDERAL REIMBURSEMENT RECEIPTS.**

The department of military affairs may deposit federal reimbursement receipts into the general fund account, maintenance of military training facilities. These receipts are for services, supplies, and materials initially purchased by the Camp Ripley maintenance account.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 121. Minnesota Statutes 1983 Supplement, section 298.296, subdivision 1, is amended to read:

Subdivision 1. **PROJECT APPROVAL.** The board shall by August 1 of each year prepare a list of projects to be funded from the northeast Minnesota economic protection trust with necessary supporting information including description of the projects, plans, and cost estimates. These projects shall be consistent with the priorities established in section 298.292 and shall not be approved by the board unless it finds that:

(a) the project will materially assist, directly or indirectly, the creation of additional long-term employment opportunities;

(b) the prospective benefits of the expenditure exceed the anticipated costs; and

(c) in the case of assistance to private enterprise, the project will serve a sound business purpose.

To be proposed by the board, a project must be approved by at least eight iron range resources and rehabilitation board members and the commissioner of iron range resources and rehabilitation. The list of projects shall be submitted to the legislative advisory commission for its review. The list with the recommendation of the legislative advisory commission shall be submitted to the governor, who shall, by November 15 of each year, approve or disapprove, or return for further consideration, each project. The money for a project may be expended only upon approval of the project by the governor.

The board may submit supplemental projects for approval at any time. Supplemental projects must be submitted to the members of the legislative advisory commission for their review and recommendations of further review. If a recommendation is not provided within ten days, no further review by the legislative advisory commission is required, and the governor shall approve or disapprove each project or return it for further consideration. If the recommendation by any member is for further review the governor shall submit the request to the legislative advisory commission for its review and recommendation. Failure or refusal of the commission to make a recommendation promptly is a negative recommendation.

Sec. 122. Minnesota Statutes 1982, section 325F.20, subdivision 1, is amended to read:

Subdivision 1. The commissioner shall adopt rules pursuant to chapter 14 regarding quality, information, and product safety specifications for the manufacture, labeling, installation, and thermographing of insulation. The specifications and any amendments to them shall conform as far as is practical to federal standards or other standards generally accepted and in use throughout the United States. The standards, with modifications as may be deemed necessary,

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may be adopted by reference. The specifications adopted and any amendments shall be based on the application of scientific principles, approved tests, and professional judgment. For purposes of this subdivision, the commissioner may adopt temporary rules, which may remain in effect for 360 days.

Sec. 123. Minnesota Statutes 1982, section 329.099, is amended to read:
329.099 **DEFINITION.**

The term "transient merchant" includes any person, individual, copartnership, and corporation, both as principal and agent, who engage in, do, or transact any temporary and transient business in this state, either in one locality, or in traveling from place to place in this state, selling goods, wares, and merchandise; and who, for the purpose of carrying on such business, hire, lease, occupy, or use a building, structure, vacant lot, or railroad car for the exhibition and sale of such goods, wares, and merchandise. The term "transient merchant" does not include a seller or exhibitor in a firearms collector show involving two or more sellers or exhibitors.

Sec. 124. Minnesota Statutes 1983 Supplement, section 352D.02, subdivision 1, is amended to read:

Subdivision 1. ~~COVERED EMPLOYEES COVERAGE.~~ The following employees, if they are in the unclassified service of the state and are eligible for coverage under the Minnesota state retirement system, shall participate in the unclassified program unless an employee gives notice to the executive director of the state retirement system within one year following the commencement of employment in the unclassified service that the employee desires coverage under the regular employee plan. For the purposes of this chapter, an employee who does not file notice with the executive director shall be deemed to have exercised the option to participate in the unclassified plan.

(1) Any employee in the office of the governor, lieutenant governor, secretary of state, state auditor, state treasurer, attorney general or the state board of investment,

(2) The head of any department, division, or agency created by statute in the unclassified service, an acting department head subsequently appointed to the position, or any employee enumerated in sections 15A.081, subdivision 1 or 15A.083, subdivision 4,

(3) Any permanent, full-time unclassified employee of the legislature or any commission or agency of the legislature or a temporary legislative employee having shares in the supplemental retirement fund as a result of former employment covered by this chapter, whether or not eligible for coverage under the Minnesota state retirement system,

(4) Any person employed in a position established pursuant to section 43A.08, subdivision 1, clause (c), or subdivision 1a or in a position authorized

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under a statute creating or establishing a department or agency of the state, which is at the deputy or assistant head of department or agency or director level,

(5) The chairman, chief administrator, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan waste control commission as designated by the commission, and the chairman, executive director, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan council as designated by the council; provided that upon initial designation of all positions provided for in this clause, no further designations or redesignations shall be made without approval of the board of directors of the Minnesota state retirement system,

(6) The executive director, associate executive director, and not to exceed nine positions of the higher education coordinating board in the unclassified service, as designated by the higher education coordinating board; provided that upon initial designation of all positions provided for in this clause, no further designations or redesignations shall be made without approval of the board of directors of the Minnesota state retirement system,

(7) The clerk of the appellate courts appointed pursuant to Article VI, Section 2, of the Constitution of the state of Minnesota,

(8) The chief executive officers of correctional facilities operated by the department of corrections and of hospitals and nursing homes operated by the department of welfare, ~~and~~

(9) Any employee whose principal employment is at the state ceremonial house, and

(10) Any employee of the world trade center board.

Sec. 125. Minnesota Statutes 1982, section 352E.02, is amended to read:

352E.02 PEACE OFFICERS BENEFIT FUND.

There is hereby created in the state treasury an account to be known as peace officers benefit fund. Funds in the peace officers benefit fund shall consist of moneys appropriated to that fund. The administrator of the fund is the commissioner of labor and industry, who shall follow the procedures specified in section 176.541, subdivisions 2, 3, and 4.

Sec. 126. Minnesota Statutes 1982, section 352E.04, is amended to read:

352E.04 DISBURSEMENTS.

Upon certification to the governor by the administrator of ~~any state or governmental subdivision employing peace officers~~ the fund that a peace officer employed by ~~that a~~ state or governmental subdivision within this state has been killed in the line of duty, leaving a spouse or one or more eligible dependents, the

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commissioner of finance shall, subject to the approval of the workers' compensation court of appeals, pay \$50,000 as follows:

- (a) If there is no dependent child, to the spouse;
- (b) If there is no spouse, to the dependent child or children in equal shares;
- (c) If there are both a spouse and one or more dependent children, one-half to the spouse and one-half to the child or children, in equal shares;
- (d) If there is no surviving spouse or dependent child or children, to the parent or parents dependent for support on the decedent, in equal shares;
- (e) If there is no surviving spouse or dependent child, children or parent, then there shall be no payment made from the peace officers benefit fund.

"Killed in the line of duty" does not include deaths from natural causes or deaths that occur during employment for a private employer.

Sec. 127. Minnesota Statutes 1982, section 398.09, is amended to read:
398.09 **SPECIFIC POWERS.**

Park district boards in addition to the foregoing general powers shall have these specific powers:

(a) The power to regulate by ordinance the use of the waters of any lake lying wholly within a park established under this chapter and the use of any lake shore which is within a park established under this chapter and the waterfront immediately abutting such lake shore for not to exceed 300 feet therefrom, by all persons, including persons boating, swimming, fishing, skating or otherwise, in, upon or about said lake, lake shore and abutting waterfront, subject to regulation by the state of Minnesota.

(b) The power to acquire lands either within or without the park district for conversion into forest reserves and for the conservation of the natural resources of the state, including streams, lakes, submerged lands and swamplands, and to these ends may create parks, parkways, forest reservations and other reservations and afforest, develop, improve, protect and promote the use of the same in such manner as is conducive to the general welfare. These lands may be acquired by the board, on behalf of the district, by gift or devise, by purchase or by condemnation. In furtherance of the use and enjoyment of the lands controlled by it, the board may accept donations of money or other property, or may act as trustee of land, money or other property and use and administer the same as stipulated by the donor, or as provided in the trust agreement. The terms of each such donation or trust shall first be approved by the district court before acceptance by the board. If the park district includes all or part of more than one court district, approval shall be by the district court of the court district having the largest area within the park district. In case of condemnation the

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proceedings are to be instituted in the name of the district and conducted in the manner provided in chapter 430 and acts now in effect and hereafter adopted amendatory thereof and supplemental thereto. Either the fee or any lesser interest may be acquired as the board deems advisable. All awards not set aside as therein provided shall be a charge upon the district for which its credit shall be pledged. The duties specified to be performed in said sections by the city council, the city clerk and the city engineer, respectively, shall be performed by the commissioners, the secretary and the superintendent of the district. Appeals to the district court shall be taken to the district court of the county in which the land lies. The notices required to be published shall be published in every case in a newspaper of general circulation published in the county or counties wherein the land lies. All reports and papers required by said sections to be filed with the city clerk shall be filed with the secretary of the district. Unless a lesser estate be designated, an absolute estate in fee simple, unqualified in any way whatsoever, shall vest in the district in every case of taking by the exercise of the power of eminent domain, and such estate shall not be limited or qualified in any way by construction. Nothing herein contained shall authorize the board to:

1. Acquire real estate by purchase or condemnation which is located within the boundaries of an incorporated statutory city or city unless the governing body of such statutory city or city shall have consented thereto by resolution duly adopted, or

2. Acquire real estate by condemnation which is located outside the park district unless the board of county commissioners of the county in which such property is located has consented thereto by resolution duly adopted.

(c) The power, if the board finds that any lands which it has acquired are not necessary for the purposes for which acquired, to dispose of such lands upon such terms as are advisable, including the power to transfer such lands to other public corporations. Where lands which were acquired by condemnation less than 20 years before are to be sold to private parties, the former owners, or their heirs, successors or assigns, shall be notified in writing of the board's intent to dispose of the properties and shall be given 20 days to purchase the property taken from them at such price as the board shall deem fair compensation to the district for such property. The board may lease any of its lands or permit their use for purposes consistent with the purposes for which the lands were acquired upon such terms as are advisable. No such lands shall be sold without the approval of the district court of the county in which the lands are situated.

(d) The power to fix, alter, charge and collect fees, tolls and charges for the use of facilities of the park district, for services rendered by, or for any commodities furnished by, or for licenses issued by, the board pursuant to ordinances authorized hereunder. All fines collected for any violation of a board's ordinance shall be paid into the treasury of such park district board.

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(e) The power to borrow, make and issue negotiable bonds, notes and other evidences of indebtedness, subject to the provisions of sections 398.16 and 398.17, and to pledge its full faith, credit and taxing power to the payment thereof, and/or to secure the payment of such obligations or any part thereof by mortgage, lien, pledge, deed of trust otherwise, on all or any of its property, contracts, franchises or revenues and to make such agreements with the purchasers or holders of such notes, bonds or other evidences of indebtedness or with others in connection with the same, whether issued or to be issued.

(f) The power to cooperate with or borrow from any governmental organization, state or federal, or from any agency of the state or federal government for any purpose within the scope of the authority of this corporation.

(g) The power to cooperate with any public or municipal corporation, with the counties and with any private or public organization engaged in conservation, recreational activities, protection of the public health and safety, prevention of water pollution, sanitation, and/or mosquito abatement for any constructive purpose, and the power, upon request, to assume control of all or a portion of any existing parks or park lands owned by any county government or municipal corporation in the park district; such control shall be assumed only at the request of and by agreement with the public authority in control of such parks or park lands. Thereupon such parks or park lands may be developed, improved, protected and operated as a park as in case of lands otherwise acquired by the board. Such acquisition or assumption of control or operation of a municipal park system by a park district shall in no way impair the authority and power of such municipality to levy and collect taxes for park, playground and recreational purposes, all or part of such tax funds to be transferred to the park district for such uses as may be agreed upon between the district and the municipality.

(h) The power to designate employees as police officers within the parks under the jurisdiction and control of the board, and employees so designated may exercise all the powers of police officers within the park lands under the jurisdiction and control of the board. Before exercising these powers, each such employee shall take an oath and give a bond to the state in such sum as the board prescribes for the proper performance of his duties in such respect. The board may contract with municipalities or with the county or counties for the policing of park properties.

(i) The power, upon a four-fifths vote of the board, to enter into an agreement under section 471.59 with any political subdivision, governmental unit, or agency, including an elected park and recreation board in a city of the first class, to expend public money, including bond proceeds, in its possession for any metropolitan regional park purposes, including transferring money in its possession as a grant to other political subdivisions, governmental units, or agencies, including an elected park and recreation board in a city of the first class.

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Sec. 128. Minnesota Statutes 1982, section 462A.05, subdivision 20, is amended to read:

Subd. 20. The agency may make grants solely to non-profit sponsors, as defined by the agency, for residential housing to be used to provide temporary shelter housing to low and moderate income persons and families having an immediate need for temporary shelter housing as a result of natural disaster, resettlement, condemnation, displacement, lack of habitable housing or other cause defined by the agency. Grants pursuant to this subdivision shall not be used for residential care facilities or for facilities that provide housing available for occupancy on less than a 24-hour continuous basis. To the extent possible, a nonprofit sponsor shall combine the grant with other funds obtained from public and private sources. In making grants, the agency shall determine the circumstances under which and the terms and conditions under which all or any portion thereof will be repaid and the appropriate security should repayment be required.

Sec. 129. Minnesota Statutes 1982, section 359.01, is amended to read:

359.01 COMMISSION.

The governor may appoint and commission as notaries public, by and with the advice and consent of the senate, as many citizens of this state, over the age of 18 years, resident in the county for which appointed, as he deems necessary. The fee for each commission shall not exceed \$10, ~~and shall be paid to the governor's private secretary.~~

Sec. 130. Minnesota Statutes 1983 Supplement, section 462A.07, subdivision 15, is amended to read:

Subd. 15. It may engage in housing programs for low and moderate income American Indians as that term is defined in section 254A.02, subdivision 11, residing in the metropolitan area defined in section 473.121, subdivision 2, and cities with a population greater than 50,000 persons. The programs shall demonstrate innovative methods of providing housing for urban Indians, may involve the construction, purchase, and rehabilitation of residential housing, and may be administered through any other provision of this chapter. To the extent possible, the programs shall combine appropriated money with other money from both public and private sources, except that interest earned on the portion of an appropriation to be expended for Indian housing programs in the city of Duluth does not have to be combined with money from other sources. Effective June 30, 1985, all money allocated by the agency under this subdivision to programs for urban Indian housing that are not subject to active contracts shall be reallocated by the agency to programs to fulfill the purposes of this subdivision. The agency shall consult with the advisory council on urban Indians created pursuant to section 3.922, subdivision 8, in the development of programs pursuant to this subdivision.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 131. Minnesota Statutes 1982, section 484.545, subdivision 1, is amended to read:

Subdivision 1. The district judges regularly assigned to hold court in each judicial district except for the second, fourth, and tenth judicial districts may by orders filed with the clerk of court and county auditor of each county in the district appoint a competent law clerk for every two district court judges of the judicial district. The district judges regularly assigned to hold court in the first and tenth judicial district districts may by orders filed with the clerk of court and county auditor of each county in the district appoint a competent law clerk for each district court judge of the district. ~~In addition, the Dakota county board of commissioners may authorize the district judges regularly assigned to hold court in the first judicial district to appoint three competent law clerks, whose salaries shall be paid by the county.~~

Sec. 132. Minnesota Statutes 1983 Supplement, section 486.06, is amended to read:

486.06 CHARGE FOR TRANSCRIPT.

~~Subdivision 1. FEE.~~ In addition to the salary specified in section 486.05, the court reporter may charge for a transcript of his or her record ordered by any person other than the judge ~~35~~ 50 cents per original folio thereof and ~~seven and one-half~~ ten cents per folio for each manifold or other copy thereof when so ordered that it can be made with the original transcript.

~~Subd. 2. ANNUAL FEE CHANGE AUTHORIZED.~~ Beginning August 1, 1983, and annually after that, the chief judge of the judicial district may by order establish new transcript fee ceilings per folio.

Sec. 133. [494.01] COMMUNITY DISPUTE RESOLUTION PROGRAM.

Subdivision 1. DEFINITION. For the purposes of sections 133 through 136 "dispute resolution" means a process voluntarily entered by parties in disagreement using mediation or arbitration to reconcile the parties' differences.

Subd. 2. ESTABLISHMENT; ADMINISTRATION. The dispute resolution program shall be established and administered by the state court administrator's office.

Subd. 3. GUIDELINES. The state court administrator shall develop guidelines for use by community dispute resolution programs and training programs for mediators and arbitrators for those community dispute resolution programs. The guidelines shall provide a method for insuring that participation in dispute resolution is voluntary and shall include procedures for case processing and program certification criteria which must be met in order to receive court referrals. The guidelines shall include standards for training mediators and arbitrators to recognize matters involving violence against a person. Any

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guidelines developed under this subdivision shall be submitted to the chairmen of the judiciary committees in the house of representatives and senate by February 1, 1985. The guidelines shall not constitute a rule nor shall they be a substantive or procedural law nor shall they take effect until the guidelines are enacted by the legislature. This shall not limit the existing authority of the state court administrator.

Subd. 4. REPORTS. The state court administrator shall compile statistical data regarding community dispute resolution programs, including the operation budget, the number of referrals, categories or types of cases referred, number of parties served, number of disputes resolved, nature of resolution, amount and type of awards, rate of compliance, returnees to the dispute resolution process, duration and estimated costs of proceedings, and any other pertinent information.

Sec. 134. [494.02] CONFIDENTIALITY OF COMMUNICATIONS.

Any communication relating to the subject matter of the dispute by any participant during dispute resolution shall not be used as evidence against a participant in a judicial or administrative proceeding. This shall not preclude the use of evidence obtained by other independent investigation.

Sec. 135. [494.03] EXCLUSIONS.

The guidelines shall exclude:

(1) any dispute involving violence against persons, including incidents arising out of situations that would support charges under sections 609.342 to 609.345, 609.3641 to 609.3644, or 609.365;

(2) any matter involving a person who has been adjudicated incompetent or relating to guardianship, conservatorship, or civil commitment;

(3) any matter involving neglect or dependency, or involving termination of parental rights arising under sections 260.221 to 260.245; and

(4) any matter arising under section 626.557 or sections 144.651 to 144.652, or any dispute subject to chapters 518, 518A, 518B, and 518C, whether or not an action is pending. This shall not restrict the present authority of the court or departments of the court from accepting for resolution a dispute arising under chapters 518, 518A, and 518C, or from referring disputes arising under chapters 518, and 518A to for-profit mediation.

Sec. 136. STATE COURT ADMINISTRATOR REPORT.

By January 1, 1986, the state court administrator shall report to the chairmen of the judiciary committees in the house and in the senate the experience to date with the dispute resolution program established pursuant to this act and shall make recommendations for any changes that may be deemed desirable in the dispute resolution program.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 137. Laws 1983, chapter 290, section 172, is amended to read:

Sec. 172. **APPROPRIATIONS; COMPLEMENT INCREASE.**

Subdivision 1. **DEPARTMENT OF LABOR AND INDUSTRY.** (a)

There is appropriated to the department of labor and industry for the fiscal years ending June 30 of the year indicated from the general fund in the state treasury:

\$1,947,500	\$2,142,400
	<u>\$1,907,500</u>

The approved complement of the department of labor and industry is increased by 90 of which two shall be federally funded and 19 shall be from the special compensation fund. The increased complement shall be allocated as follows:

- (1) workers' compensation administration, 1;
- (2) records and compliance, 15;
- (3) rehabilitation service, 20;
- (4) legal services, 1;
- (5) settlement and docket, 3;
- (6) mediation and arbitration, 6;
- (7) research and education, 8;
- (8) information management service, 6;
- (9) state employee fund, 6;
- (10) general support, 8; and
- (11) special compensation fund, 19.

The appropriation provided by this clause (a) is for the purpose of paying for the increased general fund complement and expenses related to their duties except that ~~\$100,000~~ 60,000 shall be used for the recodification of chapter 176 or related purposes, including but not limited to the preparation of indices, development and preparation of manuals or other educational materials designed to explain the workers' compensation law to employees, employers, insurers and other interested parties. This \$60,000 remains available until June 30, 1985.

The authorized complement for the records and compliance section shall be reduced by four positions by June 30, 1985.

(b) There is appropriated to the department of labor and industry for the fiscal years ending June 30 of the year indicated from the general fund in the state treasury:

1984	1985
\$437,500	\$875,000

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

The appropriation provided by this clause (b) is for the purpose of paying the state's premium to the workers' compensation reinsurance association. The commissioner of finance shall transfer to the general fund from each federal fund, dedicated or special revenue fund, or revolving fund the proportion of premium costs attributable to that fund as calculated pursuant to section 10. The amounts necessary for this transfer are appropriated from the various funds in the state treasury from which salaries are paid.

(c) There is appropriated to the department of labor and industry for the fiscal years ending June 30 of the year indicated from the special compensation fund in the state treasury:

1984	1985
\$614,000	\$646,400

The funds appropriated by this clause (c) are to pay the expenses of the increased complement provided for the fund by clause (a) and expenses related to their duties and to reimburse the general fund for legal services performed on behalf of the fund by the attorney general.

Sec. 138. Laws 1983, chapter 301, section 38, is amended to read:

Sec. 38. INDIAN AFFAIRS

COUNCIL	205,100	208,900
Approved Complement - 7		
General - 6		
Federal - 1		

Ten percent of the funding in the second year, or \$20,900, shall be available for allotment upon demonstration of dollar for dollar match with nonstate contributions.

Contributions received in the first year may be counted as match for the second year.

Those dollars, up to the \$20,900, not receiving a match shall cancel to the general fund. The agency shall report to the senate finance committee and house of representatives appropriations committee by March 1, 1984 its accomplishments for the first six months of the biennium and its work program, including its goals, objectives, timelines, and structure, for the remainder of the biennium. ~~The appropriation for the second year is available for expenditure only with the approval of the governor after consultation with the legislative advisory com-~~

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

mission, pursuant to Minnesota Statutes, section 3.30.

Sec. 139. Laws 1983, chapter 301, section 39, is amended to read:

Sec. 39. COUNCIL ON AFFAIRS

OF SPANISH-SPEAKING PEOPLE	104,600	105,500
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Approved Complement - 3

Ten percent of the funding in the second year, or \$10,600, shall be available for allotment upon demonstration of dollar for dollar match with nonstate contributions.

Contributions received in the first year may be counted as match for the second year.

Those dollars, up to the \$10,600, not receiving a nonstate match shall cancel to the general fund. The agency shall report to the senate finance committee and house of representatives appropriations committee by March 1, 1984 its accomplishments for the first six months of the biennium and its work program, including its goals, objectives, timelines, and structure, for the remainder of the biennium. ~~The appropriation for the second year is available for expenditure only with the approval of the governor after consultation with the legislative advisory commission, pursuant to Minnesota Statutes, section 3.30.~~

Sec. 140. Laws 1983, chapter 301, section 40, is amended to read:

Sec. 40. COUNCIL ON BLACK

MINNESOTANS	104,400	105,600
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Approved Complement - 3.5

Ten percent of the funding in the second year, or \$10,600, shall be available for allotment upon demonstration of dollar for dollar match with nonstate contributions.

Contributions received in the first year may be counted as match for the second year.

Those dollars, up to the \$10,600, not receiving a nonstate match shall cancel to the general fund. The agency shall report to the senate finance committee and house of representatives appropriations committee by March 1, 1984 its accomplishments for the

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

first six months of the biennium and its work program, including its goals, objectives, timelines, and structure, for the remainder of the biennium. ~~The appropriation for the second year is available for expenditure only with the approval of the governor after consultation with the legislative advisory commission, pursuant to Minnesota Statutes, section 3.30.~~

Sec. 141. Laws 1983, chapter 301, section 41, is amended to read:

Sec. 41. COUNCIL FOR THE

HANDICAPPED	330,700	336,700
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Approved Complement - 10

Ten percent of the funding in the second year, or \$33,700, shall be available for allotment upon demonstration of dollar for dollar match with nonstate contributions.

Contributions received in the first year may be counted as match for the second year.

Those dollars, up to the \$33,700, not receiving a nonstate match shall cancel to the general fund. The agency shall report to the senate finance committee and house of representatives appropriations committee by March 1, 1984 its accomplishments for the first six months of the biennium and its work program, including its goals, objectives, timelines, and structure, for the remainder of the biennium. ~~The appropriation for the second year is available for expenditure only with the approval of the governor after consultation with the legislative advisory commission, pursuant to Minnesota Statutes, section 3.30.~~

Sec. 142. Laws 1983, chapter 301, section 42, is amended to read:

Sec. 42. HUMAN RIGHTS

General Operations and Management	1,363,400	1,440,900
Approved Complement - 59		

General - 43

Federal - 16

The commissioner of administration shall assign a transition team to work with the

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

commissioner of human rights in reviewing or developing charge intake and charge processing policies. Specific action plans shall be developed for the purpose of improving the administration and enforcement of the Human Rights Act. The commissioner of administration shall report to the legislature by February 1, 1984, on the action plans developed and an analysis of the resources needed to accomplish the statutory responsibilities of the commissioner of human rights. The commissioner of administration shall consult with the attorney general to ensure that the new enforcement alternatives being implemented are consistent with the objectives and requirements of Minnesota Statutes, chapter 363.

The amounts that may be expended from this appropriation for each program are as follows:

Enforcement

\$ 900,400 \$ 979,300

The commissioner of human rights may assign priority to the investigation of charges based on likelihood of early settlement, potential for widespread impact on discriminatory behavior, or other criteria as established by the commissioner by rule adopted pursuant to Minnesota Statutes, chapter 14. By February 1, 1984, the commissioner shall report to the legislature on the charge-processing policies that have been adopted.

Planning, Public Information and Administrative Services

\$ 463,000 \$ 461,600

The commissioner of human rights with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose among the programs specified in this section. Transfers shall be reported immediately to the committee on finance of the senate and the committee on appropriations of the house of representatives.

The agency shall report to the senate finance committee and house of representa-

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

tives appropriations committee by March 1, 1984 its accomplishments for the first six months of the biennium and its work program, including its goals, objectives, timelines, and structure, for the remainder of the biennium. ~~The appropriation for the second year is available for expenditure only with the approval of the governor after consultation with the legislative advisory commission, pursuant to Minnesota Statutes, section 3.30. If approval is obtained, the complement of the department of human rights is increased by six positions in fiscal year 1985.~~

Sec. 143. AVAILABILITY OF APPROPRIATION.

The appropriation to the commissioner of finance of \$600,000 in fiscal year 1985 made by Laws 1983, chapter 301, section 53, for reimbursement of excess public employee pension contributions as provided by that act and notwithstanding anything to the contrary in that act is available for expenditure in both fiscal years 1984 and 1985.

Sec. 144. POLICE AND FIRE AID.

Notwithstanding any law to the contrary, payments to the general fund required of local police and salaried firefighters relief associations by Laws 1982, Third Special Session, chapter 1, article 2, section 2, subdivision 1, paragraph (v), clause (6) may be retained by the local relief associations.

Sec. 145. REALLOCATION OF APPROPRIATION BALANCE.

The unexpended balance of \$8,480,000 remaining in the appropriation to the commissioner of finance for pension fund reimbursements made by Laws 1982, Third Special Session, chapter 1, article II, section 2, subdivision 1, paragraph (v), clause (9), as amended by Laws 1983, chapter 301, section 224, is reallocated for expenditure in the following manner:

(a) \$317,000 for refund to local police and salaried firefighters relief associations of payments made by the associations pursuant to Laws 1983, Third Special Session, chapter 1, article II, section 2, subdivision 1.

(b) \$6,163,000 for the fiscal year ending June 30, 1984, for apportionment to the retirement associations governed by Minnesota Statutes, chapters 354 and 354A. Apportionment shall be made on the basis of each association's covered payroll in basic and coordinated retirement plans for the fiscal year ending June 30, 1983.

(c) \$2,000,000 shall cancel back to the general fund.

Changes or additions are indicated by underline, deletions by strikeout.

Sec. 146. AGRICULTURAL INTERPRETIVE CENTER.

(a) Notwithstanding Laws 1983, chapter 344, section 13, interest on funds not required for payments to the Agricultural Interpretive Center and required to be invested by the state board of investment, as well as payments back to the state of Minnesota by the center, shall be credited to the state bond fund and not to the general fund.

(b) Notwithstanding any contract with the operator of the Agricultural Interpretive Center, the operator need not repay the sum of \$1,500,000 plus interest, and need not make debt service payments to the state, except as provided in this section. The operator of the Agricultural Interpretive Center shall repay \$600,000 to the state over a period of not more than ten years from the date the last payment from the appropriation in Laws 1983, chapter 344, section 13 was made to the operator. Repayments shall be made in equal installments deposited in the state treasury and credited to the state bond fund before November 1 each year.

Sec. 147. RATIFICATION.

Subdivision 1. The labor agreement between the state of Minnesota and the American federation of state, county, and municipal employees, council 6, approved by the legislative commission on employee relations on July 22, 1983, is ratified.

Subd. 2. The labor agreement between the state of Minnesota and the Minnesota association of professional employees, approved by the legislative commission on employee relations on August 22, 1983, is ratified.

Subd. 3. The labor agreement between the state of Minnesota and the middle management association, approved by the legislative commission on employee relations on August 22, 1983, is ratified.

Subd. 4. The labor agreement between the state of Minnesota and the bureau of criminal apprehension agents' association, Minnesota conservation officers association, and Minnesota state patrol officers association, approved by the legislative commission on employee relations on August 22, 1983, is ratified.

Subd. 5. The labor agreement between the state of Minnesota and the Minnesota government engineers' council, approved by the legislative commission on employee relations on August 22, 1983, is ratified.

Subd. 6. The commissioner of employee relations' plan for unrepresented employees, approved by the legislative commission on employee relations on August 22, 1983, is ratified.

Subd. 7. The commissioner of employee relations' plan for managerial employees, as amended and approved by the legislative commission on employee relations on October 3, 1983, is ratified.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 8. The salary plan for positions listed in section 15A.081, subdivision 1, approved by the legislative commission on employee relations on October 3, 1983, is ratified.

Subd. 9. The labor agreement between the state of Minnesota and the association of health treatment professionals, approved by the legislative commission on employee relations on October 3, 1983, is ratified.

Subd. 10. The labor agreement between the state of Minnesota and the Minnesota nurses association, approved by the legislative commission on employee relations on November 14, 1983, is ratified.

Subd. 11. The labor agreement between the state of Minnesota and the interfaculty organization, Minnesota education association, approved by the legislative commission on employee relations on January 31, 1984, is ratified.

Subd. 12. The labor agreement between the state of Minnesota and the Minnesota community college faculty association, Minnesota education association, approved by the legislative commission on employee relations on January 31, 1984, is ratified.

Subd. 13. The labor agreement between the state of Minnesota and the Minnesota state university association of administrative service faculty, international brotherhood of teamsters, local 320, approved by the legislative commission on employee relations on January 31, 1984, is ratified.

Subd. 14. The labor agreement between the state of Minnesota and the state residential schools education association is ratified.

Sec. 148. INTERIM APPROVAL.

After adjournment of the 1984 session but before the 1985 session of the legislature, the legislative commission on employee relations may give interim approval to any negotiated agreement, arbitration award, or compensation or salary plan submitted to it under other law. The commission shall submit the agreement, award, or plan to the entire legislature for ratification in the same manner and with the same effect as provided for agreements, awards, and plans submitted after adjournment of the legislature in an odd-numbered year.

Sec. 149. UNIT COMPOSITION SCHEDULE.

The unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980, as amended by the legislature and by action of the bureau of mediation services, is amended by deleting the job classification "heavy equipment service attendant" from unit 3, and inserting this job classification in unit 2.

Sec. 150. RED LAKE WATERSHED DISTRICT.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

The Red Lake watershed district may study ways to improve the management of the Clearwater River.

Sec. 151. **MANUFACTURING GROWTH COUNCIL.**

Subdivision 1. LEGISLATIVE FINDINGS AND PURPOSE. The legislature finds that manufacturing is vital to the economic growth of Minnesota; that there is little knowledge or consensus of future economic policy orientation in manufacturing in Minnesota; that plant closings, job losses, and economic loss to communities continue to threaten economic life in our state; and that state and national business growth are undergoing patterns of change.

In response to these findings, Minnesota must provide leadership to examine issues relating to manufacturing by establishing a mechanism to encourage consensus, compromise, and broad support among diverse groups interested in Minnesota's economic growth. Representatives of manufacturing management, labor, and state government must work together to establish long-term goals for manufacturing growth through careful economic analysis. The legislature must clearly indicate to manufacturing labor and management that it is willing to address the problems of Minnesota manufacturers.

Subd. 2. CREATION OF COUNCIL. There is created the Minnesota Manufacturing Growth Council whose purpose is to address manufacturing concerns in Minnesota. The council shall consist of 21 members appointed by the governor. The governor shall serve as chairperson of the council. The governor shall appoint seven members who represent manufacturing labor; seven members who represent manufacturing management; the commissioners of economic security, energy and economic development, and labor and industry; one economist; and two members of the public-at-large. The governor shall seek to appoint at least one member representing manufacturing businesses owned or managed by women.

Subd. 3. DUTIES. The duties and responsibilities of the council are:

(1) to recommend realistic objectives and goals for state manufacturing growth;

(2) to collect and analyze manufacturing data necessary for state policy-making; the council shall monitor permanent plant closings, plant relocations to other states, out-of-state expansions by firms with headquarters or significant facilities in Minnesota, expansions within the state, and new plant start-ups; the council shall identify Minnesota's competitive position in the national and international marketplace in both general and industry-by-industry terms and shall forecast the current and long-term supply and demand by industry for Minnesota manufacturing labor and products;

(3) to devise a strategy for encouraging Minnesota-based firms to maintain or expand production and jobs in the state;

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(4) to identify the kinds of manufacturing firms that may have a special economic advantage for locating in Minnesota;

(5) to provide a forum within state government to address concerns and problems of individual manufacturers;

(6) to make regularly scheduled advisory reports to the legislature that outline specific proposals for allocating state resources necessary to implement a manufacturing policy;

(7) to design systematic procedures for measuring the effect that proposed state policies will have on Minnesota's position in the competition for manufacturing jobs;

(8) to create a center for productivity with the following responsibilities: to organize an adopt-a-company program designed to give small- to medium-sized companies assistance in productivity, planning, implementation, and review; to promote productivity improvements by acting as an information resource; to determine a research program to evaluate productivity processes and measure the improvements of various programs; to encourage additional productivity partnerships between manufacturing labor, management, and educational institutions; and to sponsor group roundtables to discuss technology, improved productivity, and concern for job security on a sector-by-sector basis; and

(9) to conduct a study to consider establishing a program to assist troubled manufacturing firms by determining the feasibility of a state assistance program, outlining how the program might work, and estimating its potential costs.

Subd. 4. OFFICES, STAFF, SUPPORT. The commissioner of energy and economic development shall provide the council with suitable offices, staff, and general administrative support.

Subd. 5. REPEALER. This section is repealed June 30, 1986.

Sec. 152. CONVENTION FACILITY COMMISSION.

Subdivision 1. LEGISLATIVE POLICY; PURPOSE. The legislature finds that Minnesota does not have a convention facility that is competitive in the national and international convention market. The legislature also finds that establishing a world class convention center in Minnesota could be an economic development initiative of statewide significance that may make a major contribution to the state's economic development and employment objectives. It is therefore necessary to determine the potential for improving Minnesota's position in the national convention market, and to prepare a proposal for the construction, operation, maintenance, promotion, location, and financing of a world-class state convention facility.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 2. COMMISSION; MEMBERSHIP, ADMINISTRATION. (a) The Minnesota convention facility commission is established and shall be organized, structured, and administered as provided in this section.

(b) The commission consists of one member from each congressional district and up to seven additional members, including the chairman, appointed by the governor. Commission members shall be compensated as provided in Minnesota Statutes, section 15.0575, subdivision 3.

(c) The chairman of the commission shall be appointed by the governor. The chairman shall preside at all meetings of the commission, if present, and perform all other duties and functions assigned by the commission or by law. The commission may appoint from among its members a vice-chairman to act for the chairman during temporary absence or disability.

Subd. 3. POWERS OF COMMISSION. (a) **GENERAL.** The commission shall have all powers necessary or convenient to discharge the duties imposed by law, including those specified in this section.

(b) **ACTIONS.** The commission may sue and be sued and shall be a public body within the meaning of chapter 562.

(c) **EMPLOYEES; CONTRACTS FOR SERVICES.** The commissioner of energy and economic development may employ persons and contract for services necessary to carry out the functions of the commission. Employees are in the unclassified service and members of the Minnesota State Retirement System.

(d) **RESEARCH.** The commission may conduct research studies and programs, collect and analyze data, prepare reports, maps, charts, and tables, and conduct all necessary hearings and investigations in connection with its functions.

Subd. 4. COMMISSION DUTIES. (a) **COMMISSION'S REPORT.** Not later than February 5, 1985, the commission shall make a report to the governor and legislature containing the commission's findings and recommendations and a proposal for the construction, operation, maintenance, promotion, location, and financing of a Minnesota state convention facility.

(b) **SELECTION OF HOST CITY.** By September 11, 1984, the commission shall choose the city in which the convention facility is to be located. The commission shall hold at least one hearing at which any city wishing to be considered as the location for the convention facility may give testimony. For the purposes of this section, the term "city" includes statutory and home rule charter cities.

(c) **MARKET ANALYSIS.** The commission's report shall contain a market analysis that evaluates Minnesota's potential to compete successfully for large national conventions and describes the type of convention, hotel, and related facilities and promotional efforts needed to be competitive in the national market.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(d) ECONOMIC BENEFIT ANALYSIS. The commission's report shall estimate the economic and other impact of the proposed facility.

(e) OWNERSHIP AND OPERATION. The commission's report shall contain a primary proposal for ownership, operation, and promotion of the facility along with a list of alternate proposals.

(f) LOCATION. The commission's report shall contain a listing of alternative sites considered for the convention facility, and the proposal shall recommend a specific site for the convention facility. The report shall indicate whether the host city for the convention facility supports the proposed site.

(g) FINANCING. The commission's report shall include a description of financing alternatives considered by the commission and a proposed method for financing the facility.

Subd. 5. TERMINATION. This section is repealed July 1, 1985.

Sec. 153. INDIAN COUNTRY LIQUOR LICENSES.

Subdivision 1. TOWN LIQUOR LICENSE. Notwithstanding any other provision of law, the town of Shingobee in Cass County and the town of Lake Edward in Crow Wing County may renew any off-sale intoxicating liquor licenses issued by it prior to the effective date of this act, and all licenses issued by the town prior to the effective date of this act may remain in effect.

Subd. 2. ON-SALE AND OFF-SALE LICENSES; INDIAN RESERVATIONS. Notwithstanding section 340.11 or any other law to the contrary, a license to sell off-sale or on-sale intoxicating liquor in effect on July 1, 1984, and issued by the governing body of an Indian tribe in accordance with United States Code, title 18, section 1161, is valid under chapter 340 without obtaining a license from a local unit of government. A valid license under this section may be renewed with the approval of the commissioner of public safety.

Subd. 3. REPEALER. This section is repealed July 1, 1985.

Sec. 154. LINO LAKES ENERGY SERVICES.

Notwithstanding any other law to the contrary, there shall be no shared energy services under Minnesota Statutes, section 16.02, subdivision 29, at the Minnesota correctional facility at Lino Lakes.

Sec. 155. REPEALER.

Minnesota Statutes 1982, sections 10.13; 16A.132; 16A.51; 16A.59; and 16A.73; 84.82, subdivision 1; Minnesota Statutes 1983 Supplement, section 17.106; and Laws 1983, chapter 301, section 233, are repealed.

Sec. 156. EFFECTIVE DATE.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

This article is effective the day following final enactment, except that the motor vehicle transfer fee is effective for initial registrations and transfers that occur on and after September 1, 1984.

ARTICLE 3

AGRICULTURE, TRANSPORTATION AND OTHER AGENCIES

Section 1. TRANSPORTATION

Approved Complement

Trunk Highway - Add 9

The appropriations in this section are from the trunk highway fund, except where another fund is designated.

(a) Trunk Highway Development 26,300,000 23,500,000

It is estimated that this appropriation will be funded by Federal Highway Aid amounting to \$26,300,000 and the transfer of motor vehicle excise tax receipts amounting to \$23,500,000.

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 2, subdivision 2.

(b) County State Aids 11,300,000

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 2, subdivision 2.

This appropriation is from the county state-aid highway fund and is available until expended.

(c) Municipal State Aids 3,400,000

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 2, subdivision 2.

This appropriation is from the municipal state-aid street fund and is available until expended.

(d) Equal Employment Opportunity 255,000

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

This appropriation is added to the appropriation for construction support in Laws 1983, chapter 293, section 2, subdivision 3.

(e) Maintenance Deficiency

1,000,000

This appropriation is added to the appropriation for maintenance in Laws 1983, chapter 293, section 2, subdivision 3.

Of the appropriation in Laws 1983, chapter 293, section 2, subdivision 3, for highway maintenance, \$930,000 of the appropriation for fiscal year 1985 is also available for fiscal year 1984.

(f) Expanded Program Delivery

6,500,000

This appropriation is added to the engineering services activity appropriation in Laws 1983, chapter 293, section 2, subdivision 4.

The commissioner of administration shall prepare a report to the chairman of the house appropriations committee and the chairman of the senate finance committee regarding the long-term staffing and financial needs required by the department of transportation in order to provide maximum cost effectiveness in the delivery of the projected highway construction improvement program. This report shall include, but is not necessarily limited to, an assessment of staffing needs in design and construction for a projected ten-year period, assumptions used in projecting the level of the highway improvement program, cost effectiveness of consultant work in all areas of project development, and recommendations on the criteria which should be used to guide decisions on the need for enhancing department complement levels or contracting for project development services. The commissioner of transportation shall cooperate in the preparation of this report. The commissioner of administration shall submit the report along with recommendations to the chairman of the house appropriations committee and the chairman of the senate finance committee by November 1, 1984.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

This appropriation shall not be considered the base appropriation for succeeding fiscal years. The commissioner of transportation shall incorporate the recommendations of the report as part of the department's 1985-1987 biennial budget submitted to the legislature.

The commissioner of transportation shall not alter the existing nine district departmental structure prior to June 30, 1985.

(g) Junkyard Regulation, Screening, and Removal

250,000

This appropriation is from the general fund to pay the costs incurred under Minnesota Statutes, section 161.242, subdivisions 3 and 4, and to make reimbursements to counties, on application by them, for the reasonable costs incurred by them in the enforcement of county ordinances regulating junkyards.

(h) Bicycle Transportation Program

66,600

This appropriation is added to the environmental services activity appropriation in Laws 1983, chapter 293, section 2, subdivision 4.

(i) Transit Assistance

12,600,000

This appropriation is from the transit assistance fund and is available only for distribution as provided in this paragraph.

The commissioner may distribute up to 100 percent of the receipts made available for the metropolitan area in the fiscal year ending June 30, 1985, for the planning and engineering design for light rail transit in the Hiawatha, University and Southwest Corridors. The commissioner may distribute up to 100 percent of the receipts made available for recipients outside of the metropolitan area in the fiscal year ending June 30, 1985, as he deems appropriate.

The commissioner of transportation shall submit to the chairman of the house appropriations committee and the chairman of the senate finance committee budget and proposed contract plans for the expenditure of

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

this appropriation. The commissioner shall not expend this appropriation until the chairmen have made their recommendations on the expenditure plans and contracts. The recommendations are advisory only.

For the biennium ending June 30, 1985, the Metropolitan Transit Commission shall provide each month to the administrator of the Work Incentive Program in the Department of Economic Security no more than 575 monthly "All-You-Can-Ride" bus passes for use by the participants in the training and job replacement programs.

(j) Rail Service Improvements

17,500

This appropriation is from the general fund.

This appropriation is for the purpose of conducting a study of expanded railroad passenger service.

The commissioner of transportation shall study the feasibility and potential methods of expanding railroad passenger service in the state. The study must examine the following rail corridors: (1) St. Paul to Willmar to Morris to Breckenridge to Moorhead; (2) Moorhead to Grand Forks to Winnipeg; (3) St. Paul to Mankato to Worthington; (4) St. Paul to Northfield to Owatonna to Albert Lea to Austin; (5) Duluth to Virginia to International Falls to Winnipeg; (6) St. Paul to Rochester; and St. Paul to Alexandria to Fergus Falls to Moorhead to Winnipeg. The commissioner shall collect ridership data independent from AMTRAK data to analyze ridership and shall focus on local and intermediate stops. In analyzing the feasibility of expanding the railroad passenger service, the commissioner shall consider the following factors and any other factors deemed appropriate: (1) minimum train speed, service frequency, and performance standards; (2) station locations; (3) availability of equipment; (4) ridership forecasts; (5) track upgrading estimates; (6) fuel consumption; and (7) estimated fare recovery in relation to total operating costs. The commissioner

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

shall report to the house and senate transportation committees by February 1, 1985, on his findings and recommendations.

This appropriation may not be expended until units of government along the proposed corridors have committed at least \$17,500 to match it.

Notwithstanding any provision of Minnesota Statutes, chapter 16A or any other law, the total amount appropriated for rail service improvements by Laws 1983, chapter 293, section 2, subdivision 5(a), shall be available for expenditure in any fiscal year.

(k) General Support 169,100

\$147,400 of this appropriation is added to the finance and administration activity appropriation in Laws 1983, chapter 293, section 2, subdivision 7.

\$21,700 of this appropriation is added to the general services activity appropriation in Laws 1983, chapter 293, section 2, subdivision 7.

Sec. 2. PUBLIC SAFETY

Approved Complement

General - Add 5.25

Trunk Highway - Subtract 1

Federal - Add 1.25

(a) Capitol Security Position Transfer 40,900

This appropriation is added to the appropriation for capitol security in Laws 1983, chapter 293, section 4, subdivision 7. The trunk highway fund appropriation for the state patrol in Laws 1983, chapter 293, section 4, subdivision 6, is reduced by \$40,900 for the year ending June 30, 1985.

(b) Natural Gas Pipeline Safety 34,800

This appropriation is added to the appropriation for fire safety in Laws 1983, chapter 293, section 4, subdivision 5.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(c) Licensing and Regulation of Video Games of Chance 75,000

This appropriation is for the liquor control division to regulate the sale and operation of video games of chance in Minnesota.

(d) Local Grants for Buy Fund 100,000

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 4, subdivision 4, for grants to local officials for the cooperative investigation of cross-jurisdictional criminal activity. The commissioner of public safety shall report to the legislature by March 1, 1985, on the expenditure of money from this appropriation.

Sec. 3. AGRICULTURE

Approved Complement

General Fund - Add 8

Seven of these positions are in the unclassified service.

(a) Quality Standards for Milk Manufacturers 40,000

This appropriation is added to the appropriation for agricultural protection services in Laws 1983, chapter 293, section 5.

The general fund appropriation for Milk for Manufacturing investment reimbursements in Laws 1983, chapter 232, section 3, subdivision 1, is reduced by \$40,000 for the biennium ending June 30, 1985.

(b) Claims for Livestock Depredation 30,000

This appropriation is added to the appropriation for administration and financial aids services in Laws 1983, chapter 293, section 5.

(c) Trade and Export Activity 108,000 142,000

This appropriation is added to the appropriation for the same purpose in Laws 1983, chapter 301, section 29.

Any unencumbered balance of this appropriation remaining in the first year shall not

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

cancel, but is available for the second year of the biennium.

(d) International Trade 59,000

This appropriation is added to the appropriation for the trade and export office in Laws 1983, chapter 301, section 29.

\$180,000 of the appropriation made in Laws 1983, chapter 301, section 29, for the trade and export office shall not cancel but is available for fiscal year 1985.

(e) Family Farm Crisis Project 50,000

This appropriation shall be used to provide financial advice and counsel to farmers in financial crisis.

Individuals providing advice and counsel to farmers in financial crisis shall be knowledgeable and qualified and shall be trained by the commissioner of agriculture before beginning their duties.

(f) Administration and Financial Aids Services 65,000

This appropriation is for the purpose of contracting for studies into the effects and abatement of animal health and production problems created by stray voltage. Results of the studies shall be reported to the legislature by March 1, 1985.

(g) Soil and Water Conservation 74,000

This appropriation is for the purpose of implementing the various agricultural land preservation and conservation programs provided for by this act.

(h) Availability of Certain Appropriations

Notwithstanding any contrary provision of Laws 1983, chapter 293, section 5, the appropriations made in that section for the southern Minnesota river basin study area 2 and for grants to soil and water districts for cost-sharing contracts for erosion control and water quality management are available until expended.

Sec. 4. COMMERCE

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Approved Complement

General Fund - Add 12

(a) Real Estate Education and Research 25,000

This appropriation is added to the appropriation for investment protection in Laws 1983, chapter 293, section 7.

This appropriation is from the real estate education, research, and recovery account in the special revenue fund for the purpose of Minnesota Statutes, section 82.34, subdivision 6.

(b) Enforcement and Investigation 348,500

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 7.

Sec. 5. BOARD OF BOXING 22,800

Approved Complement - Add 1

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 8, subdivision 6.

Sec. 6. PUBLIC SERVICE 85,000

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 10, for the purpose of relocating the weights and measures division.

Of this amount no more than \$30,000 shall be recovered through the division's service fees and may be distributed equitably over a period not to exceed five years.

The attorney general shall pursue reimbursement to the general fund from the trunk highway fund and the federal government for costs associated with the relocation of the weights and measures division.

Sec. 7. RACING COMMISSION

The University of Minnesota shall prepare and present to the legislature by January 1, 1985, a plan for providing analytical laboratory services for medical testing of horses running at racetracks licensed by the Minnesota racing commission. If the racing commission, in cooperation with the Univer-

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sity of Minnesota, finds it necessary to obtain funding for the racing analytical laboratory before January 1, 1985, in order for the laboratory to be operational for the 1985 racing season, the racing commission may apply to the legislative advisory commission for funding from the general contingent account.

Sec. 8. MINNESOTA HISTORICAL SOCIETY

(a) Artists Exhibit in the State Capitol 50,000

(b) Acquire and restore Lind House 30,000

This appropriation is for payment to the City of New Ulm, but is available only to match contributions received from nonstate sources in the amount of \$30,000, dollar for dollar. This appropriation is available until June 30, 1985.

(c) Roy Wilkins Memorial

The Minnesota historical society shall prepare a proposal for the legislature recommending a suitable memorial in the state capitol area commemorating the life and works of Roy Wilkins. The Minnesota historical society shall solicit the advice of the National Association for the Advancement of Colored People and the capitol area architectural and planning board regarding the design and placement of the proposed memorial. The Minnesota historical society shall submit the proposal not later than February 1, 1985.

(d) State Archaeologist 26,500

This appropriation is for payment to the state archaeologist for the purpose of performing the duties relating to Minnesota Statutes, sections 138.31 to 138.42.

(e) Birch Coulee Battlefield State Historic Site 10,000

This appropriation is to repair park facilities and make road improvements related to conveyance of the picnic grounds area to Renville County.

Sec. 9. BOARD OF THE ARTS

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(a) Administrative Services	5,000
(b) Grants	100,000

\$50,000 is to match a sponsorship program grant from the Northwest Area Foundation and may be used only for that purpose.

\$50,000 is to be granted to the regional arts councils to match sponsorship program grants from the Blandin Foundation and may be used only for that purpose.

The appropriations in (a) and (b) are added to the appropriations for the same purposes in Laws 1983, chapter 293, section 18.

Sec. 10. VOYAGEURS NATIONAL PARK CITIZENS COMMITTEE	11,500	22,000
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This appropriation is added to the appropriation in Laws 1983, chapter 293, section 15. This appropriation is for the purpose of seeking federal funds for the planning and development of the Voyageurs National Park and to promote Voyageurs National Park on a national level through designation of the Voyageurs National Park as a pilot project area for the national tourism and recreation industry program, except that \$5,000 in the second year is for planning, promoting, and implementing a Voyageurs recognition day and for general promotional purposes.

Any unencumbered balance remaining in the first year shall not cancel, but is available for the second year of the biennium.

Sec. 11. VETERANS OF FOREIGN WARS	5,000
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This appropriation is added to the appropriation in Laws 1983, chapter 293, section 25.

Sec. 12. UNIFORM LAWS COMMISSION	4,000
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This appropriation is added to the appropriation in Laws 1983, chapter 293, section 14.

Of this appropriation, \$500 may be used for the purpose of supporting the activities of

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the annual convention to be held in Minnesota.

Sec. 13. Minnesota Statutes 1983 Supplement, section 10A.01, subdivision 18, is amended to read:

Subd. 18. "Public official" means any:

- (a) member of the legislature;
- (b) constitutional officer in the executive branch and his chief administrative deputy;
- (c) member, chief administrative officer or deputy chief administrative officer of a state board or commission which has at least one of the following powers: (i) the power to adopt, amend or repeal rules, or (ii) the power to adjudicate contested cases or appeals;
- (d) commissioner, deputy commissioner or assistant commissioner of any state department as designated pursuant to section 15.01;
- (e) individual employed in the executive branch who is authorized to adopt, amend or repeal rules or adjudicate contested cases;
- (f) executive director of the state board of investment;
- (g) executive director of the Indian affairs intertribal board;
- (h) commissioner of the iron range resources and rehabilitation board;
- (i) director of mediation services;
- (j) deputy of any official listed in clauses (e) to (i);
- (k) judge of the workers' compensation court of appeals;
- (l) hearing examiner or compensation judge in the state office of administrative hearings or hearing examiner in the department of economic security;
- (m) solicitor general or deputy, assistant or special assistant attorney general;
- (n) individual employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, or researcher or attorney in the office of senate research, senate counsel, or house research; or
- (o) member or chief administrative officer of the metropolitan council, regional transit board, metropolitan transit commission, metropolitan waste control commission, metropolitan parks and open spaces commission, metropolitan airports commission or metropolitan sports facilities commission; or
- (p) executive director of the Minnesota educational computing consortium.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 14. Minnesota Statutes 1982, section 15.0597, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** As used in this section, the following terms shall have the meanings given them.

(a) "Agency" means (1) a state board, commission, council, committee, authority, task force or other similar multi-member agency created by statute and having statewide jurisdiction; and (2) the metropolitan council, ~~metropolitan transit commission~~ regional transit board, metropolitan airports commission, metropolitan parks and open space commission, metropolitan sports facilities commission, metropolitan waste control commission, capitol area architectural and planning board, and any agency with a regional jurisdiction created in this state pursuant to an interstate compact.

(b) "Vacancy" or "vacant agency position" means (1) a vacancy in an existing agency, or (2) a new, unfilled agency position; provided that "agency" shall not mean (1) a vacant position on an agency composed exclusively of persons employed by a political subdivision or another agency, or (2) a vacancy to be filled by a person required to have a specific title or position.

(c) "Secretary" means the secretary of state.

Sec. 15. Minnesota Statutes 1983 Supplement, section 15A.081, subdivision 7, is amended to read:

Subd. 7. The following salaries are provided for officers of metropolitan agencies:

	Effective	Effective
	July 1	July 1
	1983	1984
Chairman, metropolitan council	\$47,000	50,000
Chairman, metropolitan airports commission	14,000	16,000
Chairman, metropolitan transit commission	42,000	46,000 -0-
<u>Chairman, regional transit board</u>	<u>-0-</u>	<u>46,000</u>
Chairman, metropolitan waste control commission	18,500	20,000

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Fringe benefits for unclassified employees of the metropolitan waste control commission shall not exceed those fringe benefits received by unclassified employees of the metropolitan council.

Sec. 16. Minnesota Statutes 1982, section 17A.03, is amended by adding a subdivision to read:

Subd. 13. STATE LIVESTOCK WEIGHMASTER. "State livestock weighmaster" means a person employed by the department and appointed by the commissioner to weigh livestock and issue official certificates of state weight.

Sec. 17. Minnesota Statutes 1982, section 17A.03, is amended by adding a subdivision to read:

Subd. 14. PUBLIC LIVESTOCK WEIGHER. "Public livestock weigher" means a person employed by the company to be responsible and accountable for weighing and recording the weights of livestock.

Sec. 18. Minnesota Statutes 1982, section 17A.03, is amended by adding a subdivision to read:

Subd. 15. COMMERCIAL LIVESTOCK SCALE. "Commercial livestock scale" means a livestock scale or monorail scale used in the purchase or sale of livestock or livestock carcasses. For purposes of this subdivision, "livestock scale" means a scale equipped with stock racks and gates and adapted to weighing single or multiple heads of livestock standing on the scale platform, and "monorail scale" means a scale, also called an abattoir scale, a track scale, or a rail scale, the load receiving element of which is part of a monorail conveyor system and which is used primarily for the weighing of livestock carcasses.

Sec. 19. Minnesota Statutes 1982, section 17A.04, subdivision 1, is amended to read:

Subdivision 1. **LICENSING PROVISIONS.** Licenses shall be issued to livestock market agencies and public stockyards annually and shall expire on December 31 each year, renewable annually thereafter. The license issued to a livestock market agency and public stockyard shall be conspicuously posted at the licensee's place of business. Licenses shall be required for livestock dealers and their agents for the period beginning July 1 each year and ending June 30. The license issued to a livestock dealer or the agent of a livestock dealer shall be carried by the person so licensed. The livestock dealer shall be responsible for the acts of his agents. Licensed livestock market agencies, public stockyards, and livestock dealers shall be responsible for the faithful performance of duty of the public livestock weighers at their places of business. The license issued to a livestock market agency, public stockyard or a livestock dealer or agent of a livestock dealer is not transferable. The operation of livestock market agencies, livestock dealers, agents and packers at a public stockyard are exempt from sections 17A.01 to 17A.09, 17A.12 to 17A.15, and 239.27.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 20. Minnesota Statutes 1982, section 17A.04, subdivision 6, is amended to read:

Subd. 6. **REFUSAL TO LICENSE.** The commissioner shall refuse to issue a livestock market agency or livestock dealer license if the applicant has not filed a surety bond in the form and amount required under sections 17A.04 and 17A.05; the commissioner may refuse to issue a license if the applicant (1) has not satisfactorily demonstrated by a current balance sheet and financial statement that the applicant's assets exceed his liabilities; (2) has been found by the department to have failed to pay, without reasonable cause, obligations incurred in connection with livestock transactions; or (3) has failed to maintain and operate livestock or monorail scales in a manner to ensure accurate and correct weights; or (4) has failed to comply with other statutes or, rules, or regulations enforced by the commissioner or, the board of animal health, the division of weights and measures of the department of public service, or the federal Packers and Stockyards Administration.

Sec. 21. Minnesota Statutes 1982, section 17A.04, subdivision 7, is amended to read:

Subd. 7. **REVOCAION OF LICENSE.** Whenever the commissioner finds that any livestock market agency or livestock dealer has violated the provisions of sections 17A.04, 17A.05, 17A.07, or 17A.08 this chapter, or has failed to comply with other laws, rules, or regulations enforced by the board of animal health, the division of weights and measures of the department of public service, or the federal Packers and Stockyards Administration, the commissioner may, by order, pursuant to the provisions of chapter 14, and this subdivision, revoke the license of the offender. Before any such license shall be revoked, the licensee shall be furnished with a statement of the complaints made against him, and a hearing shall be had before the commissioner upon at least ten days notice to the licensee to determine whether such license shall be revoked, which notice may be served either by certified mail addressed to the address of the licensee as shown in his application or in the manner provided by law for the service of a summons. At the time and place fixed for hearing, the commissioner or any official, employee or agent of the department authorized by the commissioner, shall receive evidence, administer oaths, examine witnesses, hear the testimony and thereafter file an order either dismissing the proceedings or revoking the license.

Sec. 22. Minnesota Statutes 1982, section 17A.04, subdivision 8, is amended to read:

Subd. 8. **SUSPENSION OF LICENSE.** Whenever the commissioner finds that the licensee has violated the provisions of sections 17A.04, 17A.05, 17A.07, or 17A.08 this chapter, or has failed to comply with other laws, rules, or regulations enforced by the board of animal health, the division of weights and measures of the department of public service, or the Federal Packers and

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Stockyards Administration, and that the continued activity of a licensee may cause irreparable injury or loss to persons engaged in business with the licensee, the commissioner may, without hearing, suspend the license of the licensee, provided that when a license is so suspended, the commissioner shall immediately initiate procedures to afford the licensee a hearing pursuant to subdivision 7 except that the ten days notice required in subdivision 7 may be waived by the licensee.

Sec. 23. Minnesota Statutes 1982, section 17A.05, is amended to read:

17A.05 AMOUNT OF BONDS.

Subdivision 1. **LIVESTOCK MARKET AGENCIES.** The amount of each livestock market agency bond filed with the commissioner shall be not less than \$10,000 or such larger amount as required, based on the commissioner's consideration of the principal's financial statement, the volume of business he reports, or any other factor the commissioner deems pertinent for the protection of the public. Each such bond shall be executed on a Packers and Stockyards Act form and shall contain the condition clause applicable when the principal sells on commission. A bond equivalent ~~in the form of a trust fund agreement~~ executed in accordance with the Packers and Stockyards Act, 1921, as amended, (7 U.S.C. 181 et seq.) shall be is acceptable.

Subd. 2. **LIVESTOCK DEALERS.** The amount of each livestock dealer bond filed with the commissioner shall be not less than \$5,000 or such larger amount as required, based on the commissioner's consideration of the principal's financial statement, the volume of business he reports, or any other factor the commissioner deems pertinent for the protection of the public. Each such bond shall contain the condition clause applicable when the principal buys on commission or as a dealer. A livestock dealer's bond shall be executed on a form furnished by the commissioner or in accordance with the Packers and Stockyards Act, 1921, as amended, (7 U.S.C. 181 et seq.).

If the When a bond is executed on a state form furnished by the commissioner, the bond shall be for the protection of both the buyer and the seller named in the transaction when the principal fails to pay when due for livestock purchased or sold for his own account or the account of others and shall be limited to the protection of claimants whose residence or principal place of livestock business is in the state of Minnesota at the time of the transaction. If the bond is filed on a form in accordance with the Packers and Stockyards Act, the bond shall cover claimants regardless of place of residence.

Sec. 24. Minnesota Statutes 1983 Supplement, section 17A.06, subdivision 3, is amended to read:

Subd. 3. **LEGAL PUBLIC NOTICE.** Prior to a hearing, the commissioner shall notify by certified mail all known potential claimants and publish a notice setting forth the default of the licensee and requiring all claimants to file

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proof of claim with the commissioner within ~~three months~~ 45 days of the date such notice is published or be barred from participating in the proceeds of the bond. Such publication shall be made for ~~three consecutive weeks~~ in a newspaper published at the county seat of ~~in~~ the county in which the licensee has his principal place of business. The commissioner shall also fulfill any notice requirements prescribed by chapter 14 and rules of the office of administrative hearings. No claim shall be allowed unless it is filed with the commissioner within one year of the date of the transaction. If a livestock market agency or livestock dealer has on file a Packers and Stockyards Act bond and is registered with the Packers and Stockyards Administration, the terms of the bond or that federal agency's regulations will control in ~~determining the time for filing claims.~~

Sec. 25. Minnesota Statutes 1982, section 17A.07, is amended to read:

17A.07 PROHIBITED CONDUCT.

It shall be unlawful for any person to (1) carry on the business of a livestock market agency ~~or~~ livestock dealer, or public stockyard without a valid and effective license issued by the commissioner under the provisions of section 17A.04; (2) carry on the business of a livestock market agency or livestock dealer without filing and maintaining a valid and effective surety bond in conformity with sections 17A.04 and 17A.05; (3) carry on the business of a livestock market agency or livestock dealer if he cannot pay his debts as they become due or ceases to pay his debts in the ordinary course of business as they become due; (4) use or allow to be used any livestock scale or monorail scale which has not been certified and approved for official use or has been found to be inaccurate; (5) fail to maintain and operate livestock or monorail scales in a manner to ensure accurate and correct weights; (6) weigh livestock or carcasses at other than true and correct weights or issue accounts and records on the basis of inaccurate or incorrect weights; (7) engage in or use any unfair or deceptive practice or device in connection with marketing of livestock; ~~(5)~~ (8) willfully make or cause to be made any false entry or statement of fact in any application, financial statement or report filed with the department under the provisions of sections 17A.04, 17A.05 and 17A.08 this chapter.

Sec. 26. Minnesota Statutes 1982, section 17A.10, is amended to read:

17A.10 PACKING PLANTS, LIVESTOCK MARKET AGENCIES SCALES AND STOCKYARDS; WEIGHERS WEIGHING.

Subdivision 1. COMMERCIAL LIVESTOCK SCALES. All livestock scales and monorail scales used for the purpose of buying or selling livestock or livestock carcasses within the state must meet the construction, maintenance, testing, and certification requirements of the division of weights and measures of the department of public service, and be in compliance with the scales and weighing regulations of the Packers and Stockyards Administration of the United States Department of Agriculture and be tested and certified by the state division

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of weights and measures. The division of weights and measures or an authorized scale company shall test all livestock scales at least twice per year. The department of agriculture may perform scale maintenance inspections at least twice per year at intervals that will provide alternate testing or inspection of each scale every 90 days. Special tests may be required as necessary. The basic maintenance tolerance for livestock scales is one pound per 1,000 pounds of test load. The responsibility for compliance of a scale with these requirements rests with the owner or manager of the scale.

Subd. 2. STATE LIVESTOCK WEIGHMASTERS. The commissioner shall appoint at public stockyards, packing plants, slaughtering houses, buying stations, or livestock market agencies where the average daily number of livestock weighed for the purpose of establishing a basis for sale is 500 head or more, and the commissioner may appoint state employees as necessary to provide state weighing service at public stockyards, packing plants, slaughtering houses, buying stations, or livestock market agencies on application from such facilities where the average daily number of livestock weighed for the purpose of establishing a basis for sale is less than 500 head, such weighers as may be necessary for weighing livestock, provided that no weighers shall be required at facilities where the only livestock handled has been previously purchased or acquired, and title or terms of ownership already established. The commissioner shall prescribe and follow such reasonable regulations as he deems necessary for determining such daily average. Such weighers the business entity requesting official state livestock weighing. State livestock weighmasters shall weigh all livestock coming to these places for sale, and keep a record thereof. Upon request, the weighers shall of the weights, and furnish the interested parties a certificate setting forth of state weight stating the number of animals weighed and the actual weight of such animal or the animals. Such The certificate shall be is prima facie evidence of the facts therein certified. The scales at all such places on which livestock is weighed shall be constructed and maintained in accordance with the requirements of the state division of weights and measures, and be tested up to the maximum draft that may be weighed thereon, at least once every 90 days, and be in compliance with all the statutory requirements and regulations adopted by the state division of weights and measures pertaining to livestock scales and weighing. An application for official state livestock weighing constitutes an agreement between the business entity requesting state weighing and the commissioner. The agreement is for one year beginning July 1 and ending the following June 30. The agreement automatically renews each year unless the average daily number of livestock weighed falls below 500 head, in which case the business entity must give the commissioner a written notice of intent to terminate at least 90 days prior to July 1. Otherwise the commissioner shall continue to provide state weighing services in accordance with this chapter.

State weighing service that exists on January 1, 1984, may not be terminated except as provided in this subdivision.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 3. SUPERVISION AND ENFORCEMENT. State livestock weighmasters have charge over the scales on which official certificates of state weight are issued to ensure compliance with scale maintenance and testing requirements and proper weighing procedures.

The commissioner shall appoint law compliance personnel as necessary to provide maintenance inspections, check-weighing, comparison weighing, and record audits and to investigate complaints in order to enforce this chapter.

The regulations pertaining to livestock and monorail scales adopted by the Packers and Stockyards Administration of the United States Department of Agriculture are applicable in Minnesota, and a memorandum of understanding with the Packers and Stockyards Administration provides for a cooperative state and federal enforcement program.

Sec. 27. Minnesota Statutes 1982, section 17A.11, is amended to read:

17A.11 FEES FOR LIVESTOCK WEIGHING.

The commissioner shall prescribe the fee necessary to cover the cost of such state weighing, to be assessed and collected from the seller in such the manner as the commissioner may prescribe; provided, that. The fee prescribed by the commissioner shall not exceed the fee in effect on March 1, 1984. The fee assessed must be the same, and the manner of collection thereof of the fee must be uniform at all facilities, and provided, further, that if. At any location, except a public stockyard, where state weighing is performed in accordance with Laws 1974, Chapter 347 this chapter and the total annual fees collected are insufficient to pay the cost of such the weighing, the annual deficit shall be assessed and collected in such the manner as the commissioner may prescribe. Additional moneys money arising from the weighing of animals by the commissioner, which have has been collected and retained by any person, shall be paid on demand to the commissioner. All moneys money collected by the commissioner shall be deposited in the state treasury and credited to the livestock weighing fund, and shall be paid out only on the order of the commissioner and the state's warrant.

Sec. 28. Minnesota Statutes 1982, section 17A.12, is amended to read:

17A.12 QUALIFICATIONS.

No weigher state livestock weighmaster shall, during his the weighmaster's term of service, be in any manner financially interested in the handling, shipping, purchase, or sale of livestock, nor or in the employment of any person engaged therein.

Sec. 29. [17A.17] **AUDIT BY DEPARTMENT.**

The department may audit records, including incoming purchase records of a livestock packer and shipping weights or transfer of weight invoices, in order

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to ensure there are no weight discrepancies in hot weight or grade and yield transactions.

Sec. 30. Minnesota Statutes 1983 Supplement, section 38.02, subdivision 1, is amended to read:

Subdivision 1. **PRO RATA DISTRIBUTION; CONDITIONS.** (1) Money appropriated to aid county and district agricultural societies and associations shall be distributed among all county and district agricultural societies or associations in the state pro rata, upon condition that each of them has complied with the conditions specified in clause (2).

(2) To be eligible to participate in such distribution, each such agricultural society or association (a) shall have held an annual fair for each of the three years last past, unless prevented from doing so because of a calamity or an epidemic declared by the local board of health or the state commissioner of health to exist; (b) shall have an annual membership of 25 or more; (c) shall have paid out to exhibitors for premiums awarded at the last fair held a sum not less than the amount to be received from the state; (d) shall have published and distributed not less than three weeks before the opening day of the fair a premium list, listing all items or articles on which premiums are offered and the amounts of such premiums and shall have paid premiums pursuant to the amount shown for each article or item to be exhibited; provided that premiums for school exhibits may be advertised in the published premium list by reference to a school premium list prepared and circulated during the preceding school year; and shall have collected all fees charged for entering an exhibit at the time the entry was made and in accordance with schedule of entry fees to be charged as published in the premium list; (e) shall have paid not more than one premium on each article or item exhibited, excluding championship or sweepstake awards, and excluding the payment of open class premium awards to 4H Club exhibits which at this same fair had won a first prize award in regular 4H Club competition; (f) shall have submitted its records and annual report to the commissioner of agriculture on a form provided by the commissioner of agriculture, on or before the first day of ~~December~~ November of the current year.

(3) All payments authorized under the provisions of this chapter shall be made only upon the presentation by the commissioner of agriculture with the commissioner of finance of a statement of premium allocations. As used herein the term premium shall mean the cash award paid to an exhibitor for the merit of an exhibit of livestock, livestock products, grains, fruits, flowers, vegetables, articles of domestic science, handicrafts, hobbies, fine arts, and articles made by school pupils, or the cash award paid to the merit winner of events such as 4H Club or Future Farmer Contest, Youth Group Contests, school spelling contests and school current events contests, the award corresponding to the amount offered in the advertised premium list referred to in schedule 2. Payments of awards for horse races, ball games, musical contests, talent contests, parades, and

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for amusement features for which admission is charged, are specifically excluded from consideration as premiums within the meaning of that term as used herein. Upon receipt of the statement by the commissioner of agriculture, it shall be the duty of the commissioner of finance to draw his voucher in favor of the agricultural society or association for the amount to which it is entitled under the provisions of this chapter, which amount shall be computed as follows: On the first \$750 premiums paid by each society or association, such society or association shall receive 100 percent reimbursement; on the second \$750 premiums paid, 80 percent; on the third \$750 premiums paid, 60 percent; and on any sum in excess of \$2,250, 40 percent.

(4) If the total amount of state aid to which the agricultural societies and associations are entitled under the provisions of this chapter exceeds the amount of the appropriation therefor, the amounts to which the societies or associations are entitled shall be pro rated so that the total payments by the state will not exceed the appropriation.

Sec. 31. [40A.01] STATE AGRICULTURAL LAND PRESERVATION POLICY.

Subdivision 1. GOALS. The goals of this chapter are to:

(1) preserve and conserve agricultural land for long-term agricultural use in order to protect the productive natural resources of the state, maintain the farm and farm-related economy of the state, and assure continued production of food and other agricultural products;

(2) preserve and conserve soil and water resources; and

(3) encourage the orderly development of rural and urban land uses.

Subd. 2. METHODS. The goals contained in subdivision 1 will be best met by combining state policies and guidelines with local implementation and enforcement procedures and private incentives.

Sec. 32. [40A.02] DEFINITIONS.

Subdivision 1. TERMS DEFINED. As used in this chapter, the terms defined in this section have the meanings given them.

Subd. 2. AGENCY. "Agency" means the state planning agency.

Subd. 3. AGRICULTURAL USE. "Agricultural use" means the production of livestock, dairy animals, dairy products, poultry or poultry products, fur bearing animals, horticultural or nursery stock, fruit, vegetables, forage, grains, or bees and apiary products. "Agricultural use" also includes wetlands, pasture, forest land, wildlife land, and other uses that depend on the inherent productivity of the land.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 4. BOARD. "Board" means the state soil and water conservation board.

Subd. 5. COMMISSIONER. "Commissioner" means the commissioner of agriculture.

Subd. 6. CROP EQUIVALENT RATING. "Crop equivalent rating" means a rating that reflects the net economic return per acre of soil when managed for cultivated crops, permanent pasture, or forest, whichever provides the highest net return.

Subd. 7. DEPARTMENT. "Department" means the department of agriculture.

Subd. 8. DEVELOPMENT. "Development" means the subdivision and partitioning of land or the construction of residences on land or the conversion to competing land uses.

Subd. 9. DISTRICT. "District" means a soil and water conservation district.

Subd. 10. EXCLUSIVE AGRICULTURAL USE ZONE. "Exclusive agricultural use zone" or "zone" means a zone created under this chapter.

Subd. 11. FOREST LAND. "Forest land" has the meaning given in section 88.01, subdivision 7.

Subd. 12. LOCAL GOVERNMENT. "Local government" means a county or municipality.

Subd. 13. METROPOLITAN AREA. "Metropolitan area" has the meaning given in section 473.121, subdivision 2.

Subd. 14. MUNICIPALITY. "Municipality" means a statutory or home rule charter city or town.

Subd. 15. OFFICIAL CONTROLS. "Official controls" or "controls" has the meaning given in section 462.352, subdivision 15.

Subd. 16. SOIL SURVEY. "Soil survey" means the comprehensive inventory and classification of soil types being conducted by the Minnesota cooperative soil survey.

**Sec. 33. [40A.03] PILOT COUNTY AGRICULTURAL LAND PRES-
ERVATION.**

Subdivision 1. PILOT COUNTIES; SELECTION. By January 1, 1985, the commissioner, in consultation with counties and regional development commissions, where they exist, shall select not more than seven counties located outside of the metropolitan area that request to participate in a pilot program for county agricultural land preservation. If possible, counties shall include:

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(1) a county that currently has official controls for agricultural land preservation and an adjacent county that does not have official controls;

(2) a county that is experiencing problems with forest land preservation;

(3) a county where a high level of development is likely to occur in the next ten years; and

(4) other counties representing a cross-section of agricultural uses and land management problems in the state.

Subd. 2. PLANS AND OFFICIAL CONTROLS. By January 1, 1987, each pilot county selected under subdivision 1 shall submit to the commissioner and to the regional development commission in which it is located, if one exists, a proposed agricultural land preservation plan and proposed official controls implementing the plan. The commissioner, in consultation with the regional development commission, shall review the plan and controls for consistency with the elements in this chapter and shall submit written comments to the county within 90 days of receipt of the proposal. The comments must include a determination of whether the plan and controls are consistent with the elements in this chapter. The commissioner shall notify the county of its determination. If the commissioner determines that the plan and controls are consistent, the county shall adopt the controls within 60 days of completion of the commissioner's review.

Sec. 34. [40A.04] STATEWIDE AGRICULTURAL LAND PRESERVATION.

Subdivision 1. COUNTIES. Each county with a completed county soil survey, except for counties in the metropolitan area, may submit to the commissioner and to the regional development commission in which it is located, if one exists, a proposed agricultural land preservation plan and proposed official controls implementing the plan. The remaining counties located outside of the metropolitan area may submit a proposed plan and proposed controls. To the extent practicable, submission of the proposal must coincide with the completion of the county soil survey. The commissioner, in consultation with the regional development commission, shall review the plan and controls for consistency with the elements in this chapter and shall submit written comments to the county within 90 days of receipt of the proposal. The comments must include a determination of whether the plan and controls are consistent with the elements in this chapter. The commissioner shall notify the county of its determination. If the commissioner determines that the plan and controls are consistent, the county shall adopt the controls within 60 days of completion of the commissioner's review.

Subd. 2. NONMETROPOLITAN CITY. A city that is located partially within a county in the metropolitan area but is not included in the definition of the metropolitan area may elect to be governed by this section. The city may:

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(1) request the county outside of the metropolitan area where it is partially located to include the city in the agricultural land preservation plan and official controls of the county, using the joint planning board process under section 462.3585; or

(2) perform the duties of a county independently under this section.

If the city does not elect to be governed by this section, the city shall perform the duties of an authority under chapter 473H.

Sec. 35. [40A.05] ELEMENTS OF PLAN AND OFFICIAL CONTROLS.

Subdivision 1. GENERAL. The plans and official controls prepared under this chapter must address the elements contained in this section.

Subd. 2. PLAN. A plan must address at least the following elements:

(1) integration with comprehensive county plans;

(2) identification of land currently in agricultural use, including the type of agricultural use, the relative productive value of the land based on the crop equivalent rating, and the existing level of investment in buildings and equipment;

(3) identification of areas in which development is occurring or is likely to occur during the next 20 years;

(4) identification of existing and proposed public sanitary sewer and water systems;

(5) classification of land suitable for long-term agricultural use and its current and future development;

(6) determination of present and future housing needs representing a variety of price and rental levels and an identification of areas adequate to meet the demonstrated or projected needs; and

(7) a general statement of policy as to how the county will achieve the goals of this chapter.

Subd. 3. OFFICIAL CONTROLS. Official controls implementing a plan must be consistent with the plan and must address at least the following elements:

(1) designation of land suitable for long-term agricultural use and the creation of exclusive agricultural use zones, allowing for conditional, compatible uses that do not conflict with long-term agricultural use;

(2) designation of urban expansion zones where limited growth and development may be allowed;

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(3) residential density requirements and minimum lot sizes in exclusive agricultural use zones and urban expansion zones; and

(4) standards and procedures for county decisions on rezoning, subdivision, and parcel divisions.

Sec. 36. [40A.06] CONTESTED CASE HEARINGS; JUDICIAL REVIEW.

If a county or a municipality in the county disputes the determination of the commissioner relating to the elements under this chapter, the county or municipality may request that the commissioner initiate a contested case proceeding under chapter 14 within 30 days after receiving the determination. In addition, ten or more eligible voters of the county who own real estate within the county may request a contested case proceeding. The commissioner shall initiate the proceeding within 30 days after receiving the request. Judicial review of the contested case decision is as provided in chapter 14.

Sec. 37. [40A.07] MUNICIPAL AGRICULTURAL LAND PRESERVATION.

Subdivision 1. FAILURE BY COUNTY TO PLAN. As of January 1, 1990, if a county has not submitted a proposed agricultural land preservation plan and proposed official controls to the commissioner and the regional development commission, if one exists, a municipality within the county may request by resolution that the county submit a plan and official controls to the commissioner and the regional development commission. If the county does not do so within one year of receipt of the resolution, the municipality may perform the duties of the county with respect to land under its jurisdiction.

Subd. 2. RELATIONSHIP TO OTHER LAWS. Nothing in this chapter limits a municipality's power to plan or zone under other laws or to adopt official controls that are consistent with or more restrictive than those enacted by the county.

Sec. 38. [40A.08] STATE PLANNING AGENCY; REGIONAL DEVELOPMENT COMMISSIONS.

The state planning agency shall cooperate with and assist the commissioner in administering the agricultural land preservation program under this chapter. The commissioner may enter into agreements with the agency or a regional development commission under which staff are loaned for the purpose of selecting pilot counties and reviewing plans and official controls for consistency with the state guidelines.

Sec. 39. [40A.09] EXCLUSIVE AGRICULTURAL USE ZONE; ELIGIBILITY.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

An owner or owners of land that has been designated for exclusive long-term agricultural use under a plan submitted to or approved by the commissioner is eligible to apply for the creation of an exclusive agricultural use zone. Eligibility continues unless the commissioner determines that the plan and official controls do not address the elements contained in this chapter or unless the county fails to implement the plan and official controls as required by this chapter.

Sec. 40. [40A.10] APPLICATION FOR CREATION OF EXCLUSIVE AGRICULTURAL USE ZONE.

Subdivision 1. CONTENTS. An eligible person may apply to the county in which the land is located for the creation of an exclusive agricultural use zone on forms provided by the commissioner. In case a zone is located in more than one county, the application must be submitted to the county in which the majority of the land is located. The application must contain at least the following information and other information the commissioner requires:

(a) Legal description of the area to be designated and parcel identification numbers where designated by the county auditor;

(b) Name and address of the owner;

(c) A witnessed signature of the owner covenanting that the land will be kept in exclusive agricultural use and will be used in accordance with the provisions of this chapter that exist on the date of application; and

(d) A statement that the restrictive covenant will be binding on the owner or the owner's successor or assignee, and will run with the land.

In the case of registered property, the owner shall submit the owner's duplicate certificate of title along with the application.

Subd. 2. REVIEW AND NOTICE. Upon receipt of an application, the county shall determine if all material required by subdivision 1 has been submitted and, if so, shall determine that the application is complete. The county shall send a copy of the application to the regional development commission, where applicable, and the soil and water conservation district where the land is located. The district shall prepare an advisory statement of existing and potential conservation problems in the zone. The district shall send the statement to the owner of record and to the commissioner.

Subd. 3. RECORDING. Within five days of the date of application, the county shall forward the application to the county recorder, together with the owner's duplicate certificate of title in the case of registered property. The county recorder shall record the restrictive covenant and return it to the applicant. In the case of registered property, the recorder shall memorialize the restrictive covenant upon the certificate of title and the owner's duplicate

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certificate of title. The recorder shall notify the county that the covenant has been recorded or memorialized.

Subd. 4. COMMENCEMENT OF EXCLUSIVE AGRICULTURAL USE ZONE. The land is an exclusive agricultural use zone and subject to the benefits and restrictions of this chapter commencing 30 days from the date the county determines the application is complete under subdivision 1.

Subd. 5. FEE. The county may require an application fee, not to exceed \$50.

Sec. 41. [40A.11] DURATION OF EXCLUSIVE AGRICULTURAL USE ZONE.

Subdivision 1. GENERAL. An exclusive agricultural use zone continues in existence until either the owner or the county initiates expiration as provided in this section. The date of expiration by the owner or the county must be at least eight years from the date of notice under this section.

Subd. 2. TERMINATION BY OWNER. The owner may initiate expiration of an exclusive agricultural use zone by notifying the county on a form prepared by the commissioner and available in each county. The notice must describe the property involved and must state the date of expiration. The notice may be rescinded by the owner during the first two years following notice.

Subd. 3. TERMINATION BY COUNTY. The county may initiate expiration of the exclusive agricultural use zone by notifying the owner by registered mail on a form provided by the commissioner, provided that before notification the following conditions are met:

(a) The agricultural land preservation plan and official controls have been amended so that the land is no longer designated for long-term agricultural use; and

(b) The commissioner has reviewed and approved the amended plan and official controls for consistency with the guidelines contained in this chapter. The notice must describe the property involved and must state the date of expiration.

Subd. 4. NOTICE AND RECORDING; TERMINATION. When the county receives notice under subdivision 2 or serves notice under subdivision 3, the county shall forward the original notice to the county recorder for recording and shall notify the regional development commission and the county soil and water conservation district of the date of expiration. Designation as an exclusive agricultural use zone and the benefits and limitations contained in this chapter and the restrictive covenant filed with the application cease on the date of expiration. In the case of registered property, the county recorder shall cancel the restrictive covenant upon the certificate of title and the owner's duplicate certificate of title on the effective date of the expiration.

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Subd. 5. EARLY EXPIRATION. An exclusive agricultural use zone may be terminated earlier than as provided in this section only in the event of a public emergency upon petition from the owner or county to the governor. The determination of a public emergency must be made by the governor through executive order under section 4.035 and chapter 12. The executive order must identify the exclusive agricultural use zone, the reasons requiring the action, and the date of expiration.

Sec. 42. [40A.12] PROTECTION FOR NORMAL AGRICULTURAL PRACTICES.

Local governments may not enact ordinances or regulations that may restrict or regulate normal agricultural practices within an exclusive agricultural use zone unless the restriction or regulation has a direct relationship to public health and safety. This section applies to the operation of vehicles and machinery for planting, maintaining, and harvesting crops and timber and for caring and feeding farm animals, to the type of farming, and to the design of farm structures, except for residences.

Sec. 43. [40A.13] SOIL CONSERVATION PRACTICES.

Subdivision 1. CONSERVATION PRACTICES TO PREVENT SOIL LOSS REQUIRED. An owner of agricultural land in an exclusive agricultural use zone shall manage the land with sound soil conservation practices that prevent excessive soil loss. Soil loss is excessive if it is greater than the soil loss tolerance for each soil type described in the United States soil conservation service field office technical guide or if the soil loss is greater than the soil loss allowed in an ordinance of the county. A sound soil conservation practice prevents excessive soil loss or reduces soil loss to the most practicable extent. The county shall enforce this subdivision.

Subd. 2. COMPLAINT. An elected local government official or district board member from the affected jurisdiction may submit a written complaint to the county attorney if conditions exist that indicate there is excessive soil loss from a tract of land that affects another tract of land or body of water. The written complaint must contain the name and address of the landowner, the location of the tract of land with the excessive soil loss, other land or water that is affected by the excessive soil loss, and a description of the nature of the excessive soil loss and resulting sedimentation. The county attorney may submit the complaint to the district for soil loss determination.

Subd. 3. DISTRICT DETERMINATION OF SOIL LOSS. (a) Upon request by the county attorney the district shall determine the average soil loss in tons per acre per year of the tract of land cited in the complaint.

(b) The district shall submit a report to the county attorney that states the average soil loss in tons per acre per year for each tract of land and if that soil loss exceeds the amounts allowed in subdivision 1. If the soil loss is excessive the

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report must include the existing management and soil conservation practices and alternative practices that will prevent excessive soil loss or reduce the soil loss to the most practicable extent. If the report shows that the soil loss from the tract of land is excessive and alternative practices are available to reduce the soil loss the county attorney shall submit the complaint and the report to the county board.

(c) The district may enter public or private land to make an inspection for the determination of soil loss or to complete the report. The landowners must be notified of the time of the inspections and be given an opportunity to be present when the inspection is made.

Subd. 4. COUNTY BOARD INSPECTION; RESOLUTION. (a) Upon receipt of the complaint and district report from the county attorney the county board may make an inspection of the land cited in the complaint to determine if the land is managed properly. The county board may enter public or private land to make an inspection for the determination. The county board must notify landowners of the time of the inspection and give them an opportunity to be present when the inspection is made.

(b) If the county board determines that the land is managed properly the complaint must be dismissed. If the county board determines that the land is not being managed properly the board shall adopt a resolution that describes alternative management practices; requires the owner within one year after receiving the resolution to commence practices or measures to reduce soil loss to the most practicable extent or prevent excessive soil loss, or submit a completed application for cost-sharing funds; and require that the practices or measures must be completed within one year after cost-sharing funds are available, or two years after receiving the resolution, whichever is later. The resolution must be delivered by personal service or certified mail to the landowner cited in the complaint.

Subd. 5. DISTRICT ASSISTANCE. At the request of a landowner receiving a resolution under subdivision 4, the district shall assist in the planning, design, and application of practices necessary to reduce soil loss to the amounts allowed in subdivision 1 or to the greatest practicable extent. The district shall give the landowner a high priority for technical and cost-sharing assistance.

Sec. 44. [40A.14] AGRICULTURAL LAND PRESERVATION AND CONSERVATION AWARENESS PROGRAM.

Subdivision 1. ESTABLISHMENT AND ADMINISTRATION. An agricultural land preservation and conservation awareness program is created. The commissioner shall administer the program as provided in this section. The purposes of the program are to promote and increase public awareness of:

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(1) the need for agricultural land preservation and conservation and the consequences of resource degradation;

(2) the physical, environmental, and social factors that affect agricultural land use; and

(3) the availability and effectiveness of agricultural land preservation and conservation approaches and technologies.

The commissioner shall administer the program in order to develop a working partnership between the state and local governments.

Subd. 2. SURVEY. The commissioner shall survey awareness of agricultural land preservation and conservation problems, technologies, and available technical and financial resources. The survey must include:

(1) an assessment of related efforts of the United States department of agriculture, the state soil and water conservation board, the Minnesota association of soil and water conservation districts, and other related public and private organizations;

(2) an assessment of programs in other states; and

(3) an assessment of attitudes among a variety of target audiences in Minnesota that are involved in or affected by land use decisions.

Subd. 3. PUBLIC PARTICIPATION. The commissioner shall ensure the participation of a cross-section of the public in developing and promoting programs under this chapter. The commissioner shall actively solicit public involvement in reviewing proposed agricultural land preservation plans and proposed official controls. The commissioner shall assist the public in obtaining information concerning the status of county proposals and the agricultural land preservation and conservation assistance program. The department may form a citizen advisory board to assist it in assessing needs, determining the feasibility of different approaches, and securing applications for assistance and resources in local situations.

Sec. 45. [40A.15] AGRICULTURAL LAND PRESERVATION AND CONSERVATION ASSISTANCE PROGRAM.

Subdivision 1. ESTABLISHMENT AND ADMINISTRATION. An agricultural land preservation and conservation assistance program is created to provide technical and financial assistance for agricultural land preservation and conservation activities and to provide assistance to counties and municipalities in preparing agricultural land preservation plans and official controls. The commissioner shall administer the program under rules promulgated under chapter 14. The commissioner shall actively seek the involvement of local government officials in the rulemaking process.

Changes or additions are indicated by underline, deletions by strikeout.

Subd. 2. ELIGIBLE RECIPIENTS. All counties within the state, municipalities that prepare plans and official controls instead of a county, and districts are eligible for assistance under the program. Counties and districts may apply for assistance on behalf of other municipalities. In order to be eligible for financial assistance a county or municipality must agree to levy at least one-half mill on the dollar of assessed value of property within its jurisdiction for agricultural land preservation and conservation activities or otherwise spend the equivalent amount of local money on those activities, or spend \$15,000 of local money, whichever is less.

Subd. 3. PROGRAM DEVELOPMENT. In administering the program the commissioner shall time the promotion of public awareness and the distribution of technical and financial assistance in order to maximize the use of available resources, facilitate the agricultural land preservation process, and promote sound soil conservation practices.

Subd. 4. FINANCIAL ASSISTANCE. The commissioner shall administer grants for up to 50 percent of the cost of the activity to be funded, except that grants to the pilot counties shall be for 100 percent of the cost of preparing new plans and official controls required under this chapter. Grants may not be used to reimburse the recipient for activities that are already completed. Grants may be used to employ and train staff, contract with other units of government or private consultants, and pay other expenses related to promoting and implementing agricultural land preservation and conservation activities. The commissioner shall prepare and publish an inventory of sources of financial assistance. To the extent practicable, the commissioner shall assist recipients in obtaining matching grants from other sources.

Subd. 5. TECHNICAL ASSISTANCE. The commissioner shall provide for technical assistance for eligible recipients. The commissioner shall provide model plans and model official controls for the preservation of land for long-term agricultural use that address the elements contained in this chapter. To the extent practicable, the commissioner shall provide technical assistance through existing administrative structures. The commissioner may contract for the delivery of technical assistance by a regional development commission, a district, any state or federal agency, any political subdivision of the state, or private consultants. The commissioner shall prepare and publish an inventory of sources of technical assistance, including studies, publications, agencies, and persons available.

Sec. 46. [40A.16] INTERAGENCY COOPERATION.

The board, districts, the agency, and the department of natural resources shall cooperate with and assist the commissioner in developing and implementing the agricultural land preservation and conservation awareness and assistance programs. The commissioner may enter into agreements under which staff from those agencies are loaned for the purpose of administering the programs.

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Sec. 47. [40A.17] REPORT.

The commissioner shall report to the legislature on January 1 and July 1 of each year on activities under this chapter. By July 1, 1985, the report must include the survey of public awareness in the awareness program. The report shall include recommendations for funding levels and other necessary legislative action.

Sec. 48. Minnesota Statutes 1983 Supplement, section 43A.04, subdivision 8, is amended to read:

Subd. 8. **DONATION OF TIME BY STATE PATROL.** Notwithstanding any law to the contrary, the commissioner shall authorize the appointing authority to permit the donation of up to three hours of accumulated vacation time in each year by each employee who is a member of law enforcement unit number 1 to their union representative for the purpose of carrying out the duties of his or her office.

Sec. 49. Minnesota Statutes 1982, section 117.195, subdivision 1, is amended to read:

Subdivision 1. **AWARD; INTEREST.** All damages allowed under this chapter, whether by the commissioners or upon appeal, shall bear interest from the time of the filing of the commissioner's report or from the date of the petitioner's possession whichever occurs first. The rate of interest shall be determined according to section 549.09. If the award is not paid within 70 days after the filing, or, in case of an appeal within 45 days after final judgment, or within 45 days after a stipulation of settlement, the court, on motion of the owner of the land, shall vacate the award and dismiss the proceedings against the land.

Sec. 50. Minnesota Statutes 1982, section 117.232, subdivision 1, is amended to read:

Subdivision 1. When acquisition of private property is accomplished by the state department of transportation by direct purchase the owner shall be entitled to reimbursement for appraisal fees, not to exceed a total of ~~\$300~~ \$500. When acquisition of private property is accomplished by any other acquiring authority, the owner is entitled to reimbursement for appraisal fees, not to exceed ~~\$300~~ \$500, if the owner is otherwise entitled to reimbursement under sections 117.50 to 117.56. The purchaser in all instances shall inform the owner of his right, if any, to reimbursement for appraisal fees reasonably incurred, in an amount not to exceed ~~\$300~~ \$500, together with relocation costs, moving costs and any other related expenses to which an owner is entitled by sections 117.50 to 117.56. This subdivision does not apply to acquisition for utility purposes made by a public service corporation organized pursuant to section 300.03 or electric cooperative associations organized pursuant to section 308.05.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 51. Minnesota Statutes 1982, section 155A.06, subdivision 1, is amended to read:

Subdivision 1. **CREATION.** The Minnesota cosmetology advisory council is created, consisting of ~~nine~~ 11 members, as follows: Three members representative of consumers; ~~three~~ four cosmetologists or shop managers; ~~two~~ three cosmetology school representatives, at least one representing of whom shall represent public cosmetology schools and one ~~representing~~ represent private cosmetology schools; and one representative of manufacturers of cosmetology products. The chair shall be selected at the first meeting of each year by the council from among its members by majority vote and shall serve until a successor is elected.

Sec. 52. Minnesota Statutes 1982, section 161.173, is amended to read:

161.173 SUBMISSION OF CORRIDOR PROPOSAL.

The commissioner shall submit to the governing body of each municipality wherein a trunk highway is proposed to be constructed or improved, and to the governing body of each municipality adjacent to any such municipality, a report containing: a statement of the need for this proposed construction or improvement, a description of alternate routes which were considered by the commissioner and an explanation of the advantages and disadvantages in the selection of any route considered. The report shall also contain for each alternate, the following information: general alignment and profile, approximate points of access, highway classification, an approximate cost estimate, relation to existing and planned regional and local development and to other transportation routes and facilities, and a statement of the expected general effect on present and future use of the property within the corridor. Where a state trunk highway is proposed to be constructed or improved within the metropolitan area, a copy of the report shall also be submitted to the metropolitan council and the ~~metropolitan transit commission~~ regional transit board established by chapter 473. In all areas of the state a copy of the report shall be sent to established regional, county and municipal planning commissions in the area affected by the highway project. Not less than 45 nor more than 90 days, or as otherwise mutually agreed, after the report has been submitted, the commissioner shall hold a public hearing on the proposed highway construction or improvement at such time and place within any municipality wherein a portion of the proposed construction or improvement is located, as the commissioner shall determine. Not less than 30 days before the hearing the commissioner shall mail notice thereof to the governing body of each municipality or agency entitled to receive a copy of the report, and shall cause notice of the hearing to be published at least once each week for two successive weeks in a newspaper or newspapers having general circulation in such municipalities, the second publication to be not less than five days before the date of the hearing. The notice shall state the date, time, place and purpose of the hearing, shall describe the proposed or actual general location of the highway to be

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constructed or improved, and shall state where the report may be inspected prior to the hearing by any interested person. The hearing shall be conducted by the commissioner or his designee, and shall be transcribed and a record thereof mailed to each municipality or agency entitled to receive a copy of the report. All interested persons shall be permitted to present their views on the proposed highway construction or improvement. The hearing may be continued as often as necessary. Within 120 days after the hearing is completed, the governing body of each municipality or agency entitled to receive a copy of the report shall submit to the commissioner its approval or disapproval of the report. If all or any part of the report is disapproved, the municipality or agency shall state the reasons for such disapproval and suggested changes in the report. The commissioner shall, before preparing additional plans for the proposed highway construction or improvement, submit to the governing body of each municipality or agency disapproving the report, a statement accepting or rejecting any suggested changes and the reasons for his acceptance or rejection.

Sec. 53. Minnesota Statutes 1982, section 161.174, is amended to read:

161.174 SUBMISSION OF LAYOUT PLANS.

The commissioner shall submit to the governing body of each municipality wherein a highway is proposed to be constructed or improved, a proposed layout plan for the highway construction or improvement containing: the proposed location, elevation, width and geometrics of the construction or improvement, together with a statement of the reasons therefor. Said plan shall also contain: approximate right-of-way limits; a tentative schedule for right-of-way acquisition, if known; proposed access points; frontage roads; separation structures and interchanges; location of utilities, when known; landscaping, illumination, a tentative construction schedule, if known; and the estimated cost of the construction or improvement. The commissioner shall submit more than one layout plan. Each such plan shall also be submitted to the metropolitan council and the ~~metropolitan transit commission~~ regional transit board if any portion of the proposed highway construction or improvement is located in the metropolitan area. In all areas of the state a copy of the layout plan shall be sent to established regional, county and municipal planning commissions in the area affected by the highway project. Not less than 90 nor more than 120 days after said plan has been submitted, the commissioner shall hold a public hearing on the proposed highway construction or improvement at such time and place within any municipality wherein a portion of the construction or improvement is located, as the commissioner shall determine. The hearing shall be noticed, held and conducted in the manner provided in section 161.173, except that the commissioner shall mail notice of the hearing only to those municipalities and agencies entitled to receive a copy of the layout plan. The hearing shall be transcribed and a record thereof made available to each municipality or agency entitled to receive a copy of said plan. Within 180 days after the hearing is completed, the commissioner shall formally adopt a layout plan. A copy of the

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layout plan as adopted shall be submitted to each municipality or agency entitled to receive a copy of the proposed plan, together with the reasons for any change in the plan as presented at the hearing. Within 120 days after the receipt of the adopted layout plan, each such municipality or agency shall submit to the commissioner its approval or disapproval of the layout plan and the reasons for such disapproval, and proposed alternatives, which may include a recommendation of no highway. Such alternatives submitted by a municipality located within the metropolitan area shall, upon request of the municipality, be reviewed by the metropolitan council in order to determine whether such alternatives are likely to meet minimum federal requirements. The metropolitan council is authorized to provide whatever assistance it deems advisable to the submitting municipality in order to assist it in arriving at an alternative which meets minimum federal requirements. If said plan or any part thereof is not disapproved within such period, the commissioner may proceed to prepare final construction plans and specifications for the highway construction or improvement consistent with the adopted layout plan, and may acquire the necessary right-of-way. If the layout plan or any part thereof is disapproved by any municipality or agency, and the commissioner determines to proceed with the plan without modifications, he shall proceed in the manner provided in section 161.175. If the commissioner determines to proceed with the plan with modifications, he shall submit the modified layout plan to the municipalities and agencies entitled to receive the original layout plan in the manner described above, for approval or disapproval by each such municipality or agency within 60 days after receipt of the modified layout plan. If the modified layout plan or any part thereof is not disapproved by any municipality or agency within 60 days after its receipt, the commissioner may proceed to prepare final construction plans and specifications consistent with the modified layout plan, and may acquire the necessary right-of-way. If the modified plan is disapproved by any municipality and the commissioner determines to proceed with the plan without additional modification, he shall proceed in the manner provided in section 161.175. If the layout plan is disapproved, either as originally submitted or as modified and the commissioner does not act pursuant to section 161.175, within one year from the date of the completion of the hearing, any objecting municipality entitled to receive a copy of the layout plan by virtue of this section may invoke the appellate procedure pursuant to section 161.175, in the same manner as the same might be invoked by the commissioner. In the event the appellate procedure is invoked by either the commissioner or the municipality, the commissioner shall hold a public hearing prior to the appointment of an appeal board. Such hearing shall be limited to the proposed alternative layout plans.

Sec. 54. Minnesota Statutes 1982, section 161.242, subdivision 3, is amended to read:

Subd. 3. **UNAUTHORIZED JUNK YARDS PROHIBITED.** ~~(+) No~~
~~(a) A~~ A junk yard may not exist or be operated outside a zoned or unzoned industrial area, including those located on public lands ~~and reservations of the~~

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United States, unless it be ~~is~~ screened so as to effectively conceal it from the view of motorists using the highway. The screening required by this section may be effected by trees, shrubs, or foliage, natural objects, fences or other appropriate means as determined by standards established by the commissioner. Plantings ~~which that~~ will eventually achieve effective screening shall be acceptable. Plantings shall be used in connection with any fence or other non-natural screening device.

(2) ~~Any such~~ (b) A portion of a junk yard or portion thereof which that cannot be effectively be screened shall must be removed or relocated pursuant to under the provisions of this section ~~on or before July 1, 1979~~. ~~Any such~~ A junk yard lawfully existing ~~on~~ along a highway ~~which that~~ is made a part of the trunk highway system after January 1, 1975, and becomes nonconforming thereby shall be effectively screened or removed or relocated within four years ~~thereafter~~. Any junk yard ~~which that~~ comes into existence after July 1, 1971 ~~which that~~ does not conform to this section, or ~~which that~~ becomes nonconforming after July 1, 1971, or ~~which that~~ becomes nonconforming after action by the commissioner pursuant to this section, is hereby declared to be a public nuisance and illegal, and the commissioner may enter upon the land where the junk yard is located and may screen the same, or may relocate or dispose of the junk yard after 90 days notice to the owner or dealer thereof, if known, or to the owner of the land. In this event, no compensation shall be paid to the owner or dealer or owner of the land, and the commissioner may ~~collect~~ recover the cost of screening, removal, relocation or disposal from the owner or dealer, if known, or from the owner of the land upon which the junk yard is located. Any costs recovered by the commissioner shall be deposited in the general fund.

(3) (c) None of the articles commonly found in junk yards shall be allowed to remain on the grounds for more than 24 hours unless within the buildings or the properly screened area as provided herein, nor shall any junk in any junk yard be allowed to extend above existing or planned screening so as to be visible from the highway.

Sec. 55. Minnesota Statutes 1982, section 161.242, subdivision 4, is amended to read:

Subd. 4. **AUTHORITY; ENFORCEMENT.** The commissioner shall screen junk yards when required by this section at locations on the right-of-way of the highway or on lands within 1,000 feet of the right-of-way and shall pay for the costs thereof. If screening is not feasible because of economic or topographic reasons, the commissioner shall secure the removal, relocation or disposal of such junk yard by sale, agreement, or other means, and pay for the costs thereof. Notwithstanding the other provisions of this section, if a junk yard exists within one-half mile of the right-of-way of any trunk highway and is visible from the highway, the commissioner may acquire easements for screening purposes up to one-half mile from the edge of the right-of-way of the highway. The commis-

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sioner shall acquire such rights and interest in property, personal or real, necessary to carry out the purposes of this section by purchase, gift, or eminent domain proceedings and shall pay just compensation therefor. ~~The commissioner shall not expend any money to acquire rights or interests in junk yards under this section, except those for which acquisition proceedings were begun before June 8, 1979 or for which federal money has been appropriated by Congress for junk yards described in Title 23, United States Code, Section 136(j) and the federal share has been made available to the commissioner. All costs described herein shall be necessary for a highway purpose.~~

Sec. 56. Minnesota Statutes 1982, section 161.31, subdivision 1, is amended to read:

Subdivision 1. **MAPS.** The commissioner shall periodically publish a map showing the location and status of improvements of the trunk highway system. Trunk highway maps may contain advertising as a means of offsetting the costs of preparing and distributing the maps. All advertising revenues received by the commissioner under this subdivision shall be deposited in the trunk highway fund.

Sec. 57. Minnesota Statutes 1983 Supplement, section 161.43, is amended to read:

161.43 RELINQUISHMENT OF HIGHWAY EASEMENTS.

The commissioner of transportation may relinquish and quitclaim to the fee owner an easement or portion of an easement owned but no longer needed by the transportation department for trunk highway purposes, upon payment to the transportation department of an amount of money equal to the appraised current market value of the easement. If the fee owner refuses to pay the required amount, or if after diligent search the fee owner cannot be found, the commissioner may convey the easement to an agency or to a political subdivision of the state upon terms and conditions agreed upon, or the commissioner may acquire the fee title to the land underlying the easement in the manner provided in section 161.20, subdivision 2. After acquisition of the fee title, the lands may be sold to the highest responsible bidder upon three weeks published notice of the sale in a newspaper or other periodical of general circulation in the county where the land is located. All bids may be rejected and new bids received upon like publication. If the lands remain unsold after being offered for sale to the highest bidder, the commissioner may retain the services of a licensed real estate broker to find a buyer. The sale price may be negotiated by the broker, but must not be less than 90 percent of the appraised market value as determined by the commissioner. The broker's fee must be established by prior agreement between the commissioner and the broker, and must not exceed ten percent of the sale price for sales of \$10,000 or more. The broker's fee must be paid to the broker from the proceeds of the sale.

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Sec. 58. Minnesota Statutes 1983 Supplement, section 161.44, subdivision 6a, is amended to read:

Subd. 6a. **SERVICES OF A LICENSED REAL ESTATE BROKER.** If the lands remain unsold after being offered for sale to the highest bidder, the commissioner may retain the services of a licensed real estate broker to find a buyer. The sale price may be negotiated by the broker, but must not be less than 90 percent of the appraised market value as determined by the commissioner. The broker's fee must be established by prior agreement between the commissioner and the broker, and must not exceed ten percent of the sale price for sales of \$10,000 or more. The broker's fee must be paid to the broker from the proceeds of the sale.

Sec. 59. Minnesota Statutes 1982, section 168.27, subdivision 2, is amended to read:

Subd. 2. **NEW MOTOR VEHICLE DEALER.** No person shall engage in the business of selling or arranging the sale of new motor vehicles or shall offer to sell, solicit, arrange or advertise the sale of new motor vehicles without first acquiring a new motor vehicle dealer license. A new motor vehicle dealer licensee shall be entitled thereunder to sell, broker, wholesale or auction and to solicit and advertise the sale, broker, wholesale or auction of new motor vehicles covered by his franchise and any used motor vehicles or to lease and to solicit and advertise the lease of new motor vehicles and any used motor vehicles and such sales or leases may be either for consumer use at retail or for resale to a dealer. Nothing herein shall be construed to require an applicant for a dealer license who proposes to deal in new and unused motor vehicle bodies to have a bona fide contract or franchise in effect with the manufacturer or distributor of any motor vehicle chassis upon which the new and unused motor vehicle body is mounted.

Sec. 60. Minnesota Statutes 1982, section 168.27, subdivision 3, is amended to read:

Subd. 3. **USED MOTOR VEHICLE DEALER.** No person shall engage in the business of selling or arranging the sale of used motor vehicles or shall offer to sell, solicit, arrange or advertise the sale of used motor vehicles without first acquiring a used motor vehicle dealer license. A used motor vehicle dealer licensee shall be entitled thereunder to sell, lease, broker, wholesale or auction and to solicit and advertise the sale, lease, broker, wholesale or auction of any used motor vehicles for consumer use at retail or for resale to a dealer.

Sec. 61. Minnesota Statutes 1982, section 168.33, subdivision 2, is amended to read:

Subd. 2. **POWERS.** The registrar shall have the power to appoint, hire and discharge and fix the compensation of the necessary employees, in the manner provided by law, as may be required to enable him to properly carry out

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the duties imposed upon him by the provisions of this chapter. As of April 14, 1976, the registrar may appoint, and for cause discontinue, a deputy registrar for any city as the public interest and convenience may require, without regard to whether the county auditor of the county in which the city is situated has been appointed as the deputy registrar for the county or has been discontinued as the deputy registrar for the county, and without regard to whether the county in which the city is situated has established a county license bureau which issues motor vehicle licenses as provided in section 373.32.

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

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

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

Sec. 62. Minnesota Statutes 1983 Supplement, section 169.81, subdivision 2, is amended to read:

Subd. 2. **LENGTH OF VEHICLES.** (a) No single unit motor vehicle, except truck cranes which may not exceed 45 feet, unladen or with load may exceed a length of 40 feet extreme overall dimensions inclusive of front and rear bumpers, except that the governing body of a city is authorized by permit to provide for the maximum length of a motor vehicle, or combination of motor vehicles, or the number of vehicles that may be fastened together, and which may be operated upon the streets or highways of a city; provided, that the permit may not prescribe a length less than that permitted by state law. A motor vehicle operated in compliance with the permit on the streets or highways of the city is not in violation of this chapter.

(b) No single semitrailer may have an overall length, exclusive of non-cargo-carrying accessory equipment, including refrigeration units or air compressors, necessary for safe and efficient operation mounted or located on the end of the semitrailer adjacent to the truck or truck-tractor, in excess of 48 feet, except as provided in paragraph (d). No single trailer may have an overall length inclusive of tow bar assembly and exclusive of rear protective bumpers which do not increase the overall length by more than six inches, in excess of 45 feet. For determining compliance with the provisions of this subdivision, the length of the semitrailer or trailer must be determined separately from the overall length of the combination of vehicles.

(c) No semitrailer or trailer used in a three-vehicle combination may have an overall length, exclusive of non-cargo-carrying accessory equipment, including refrigeration units or air compressors, necessary for safe and efficient operation mounted or located on the end of the semitrailer or trailer adjacent to the truck or truck-tractor, and further exclusive of the tow bar assembly, in excess of 28-1/2 feet. The commissioner may not grant a permit authorizing the movement, in a three-vehicle combination, of a semitrailer or trailer that exceeds 28-1/2 feet, except that the commissioner may renew a permit that was granted

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before April 16, 1984 for the movement of a semitrailer or trailer that exceeds the length limitation in this paragraph.

(d) The commissioner may issue an annual permit for a semitrailer in excess of 48 feet in length, if the distance from the kingpin to the centerline of the rear axle group of the semitrailer does not exceed 41 feet and if a combination of vehicles, which includes a semitrailer in excess of 48 feet for which a permit has been issued under this paragraph, does not exceed an overall length of 65 feet. The annual fee for a permit issued under this paragraph is \$36.

Sec. 63. Minnesota Statutes 1982, section 174.22, is amended by adding a subdivision to read:

Subd. 2a. "Metropolitan area" has the meaning given it in section 473.121.

Sec. 64. Minnesota Statutes 1982, section 174.22, subdivision 5, is amended to read:

Subd. 5. "Operating deficit" means the amount by which the total prudent operating expenses incurred in the operation of the public transit system exceeds the amount of operating revenue derived ~~therefrom and the amount of any social fare reimbursement pursuant to section 174.24, subdivision 4~~ from the system.

Sec. 65. Minnesota Statutes 1982, section 174.22, subdivision 10, is amended to read:

Subd. 10. "Urbanized area service" means a transportation service operating in an urban area of more than 50,000 persons but does not include ~~services operated by the metropolitan transit commission, as defined in subdivision 4, or~~ elderly and handicapped service, as defined in subdivision 13.

Sec. 66. Minnesota Statutes 1982, section 174.22, subdivision 13, is amended to read:

Subd. 13. "Elderly and handicapped service" means transportation service provided on a regular basis in urbanized or large urbanized areas, ~~except for metro mobility service established under section 174.31,~~ and designed exclusively or primarily to serve individuals who are elderly or handicapped and unable to use regular means of public transportation.

Sec. 67. Minnesota Statutes 1982, section 174.23, subdivision 2, is amended to read:

Subd. 2. **FINANCIAL ASSISTANCE.** The commissioner shall seek out and select eligible recipients of financial assistance under sections 174.21 to 174.27. The commissioner shall establish by rule the procedures and standards for review and approval of applications for financial assistance submitted to the commissioner pursuant to sections 174.21 to 174.27. Any applicant shall provide

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to the commissioner any financial or other information required by the commissioner to carry out his duties. The commissioner may require local contributions from applicants as a condition for receiving financial assistance. Before the commissioner approves any grant, the application for the grant shall be reviewed and approved by the appropriate regional development commission ~~or the metropolitan council~~ only for consistency with regional transportation plans and development guides. If an applicant proposes a project within the jurisdiction of a transit authority or commission or a transit system assisted or operated by a city or county, the application shall also be reviewed by that commission, authority or political subdivision for consistency with its transit programs, policies and plans. Any regional development commission that has not adopted a transportation plan may review but may not approve or disapprove of any application.

Sec. 68. Minnesota Statutes 1982, section 174.23, subdivision 4, is amended to read:

Subd. 4. **RESEARCH; EVALUATION.** The commissioner shall conduct research and shall study, analyze, and evaluate concepts, techniques, programs, and projects to accomplish the purposes of sections 174.21 to 174.27, including traffic operations improvements, preferential treatment and other encouragement of transit and paratransit services and high-occupancy vehicles, improvements in the management and operation of regular route transit services, special provision for pedestrians and bicycles, management and control of parking, changes in work schedules, and reduction of vehicle use in congested and residential areas. The commissioner shall examine and evaluate such concepts, techniques, programs, and projects now or previously employed or proposed in this state and elsewhere. The commissioner or an independent third party under contract to the commissioner shall monitor and evaluate the management and operation of public transit systems, services, and projects receiving financial or professional and technical assistance under sections 174.21 to 174.27 or other state programs to determine the manner in which and the extent to which such systems, services, and projects contribute or may contribute to the purposes of sections 174.21 to 174.27. The commissioner shall develop and promote proposals and projects to accomplish the purposes of sections 174.21 to 174.27 and shall actively solicit such proposals from municipalities, counties, legislatively established transit commissions and authorities, regional development commissions, ~~the metropolitan council~~, and potential vendors. In conducting such activities the commissioner shall make the greatest possible use of already available research and information. The commissioner shall use the information developed under sections 174.21 to 174.27 in developing or revising the state transportation plan.

Sec. 69. Minnesota Statutes 1982, section 174.24, subdivision 1, is amended to read:

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Subdivision 1. **ESTABLISHMENT; PURPOSE.** A public transit participation program is established to carry out the objectives stated in section 174.21 by providing financial assistance from the state to eligible recipients outside of the metropolitan area.

Sec. 70. Minnesota Statutes 1982, section 174.24, subdivision 2, is amended to read:

Subd. 2. **ELIGIBILITY; APPLICATIONS.** Any legislatively established public transit commission or authority, any county or statutory or home rule charter city providing financial assistance to or operating public transit, any private operator of public transit, or any combination thereof is eligible to receive financial assistance through the public transit participation program. Eligible recipients must be located outside of the metropolitan area.

Sec. 71. Minnesota Statutes 1983 Supplement, section 174.24, subdivision 3, is amended to read:

Subd. 3. **FINANCIAL ASSISTANCE.** Payment of financial assistance shall be by contract between the commissioner and an eligible recipient. The commissioner shall determine the total operating cost of any public transit system receiving or applying for assistance in accordance with generally accepted accounting principles. To be eligible for financial assistance, an applicant or recipient shall provide to the commissioner all financial records and other information and shall permit any inspection reasonably necessary to determine total operating cost and correspondingly the amount of assistance which may be paid to the applicant or recipient. Where more than one county or municipality contributes assistance to the operation of a public transit system, the commissioner shall identify one as lead agency for the purpose of receiving moneys under this section.

~~The commissioner shall adopt rules establishing uniform performance standards for private operators of regular route transit systems in the transit taxing district, as defined in section 473.446, subdivision 2. The rules are subject to the provisions in the Administrative Procedure Act of sections 14.01 to 14.70. Payments to those private operators shall be based on the uniform performance standards and operating deficit and shall not exceed 100 percent of the operating deficit as determined by the commissioner. Payments shall be based on approved estimates of expenditures during the contract period and shall be subject to audit and adjustment after any payment has been made.~~

Prior to distributing operating assistance to eligible recipients for any contract period, the commissioner shall place all recipients into one of the following classifications: large urbanized area service, urbanized area service, small urban area service, rural area service, and elderly and handicapped service. The commissioner shall distribute funds under this section so that the percentage of total operating cost paid by any recipient from local sources will not exceed the

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percentage for that recipient's classification, except as provided in an undue hardship case. The percentages shall be: for large urbanized area service, 55 percent; for urbanized area service and small urban area service, 40 percent; for rural area service, 35 percent; and for elderly and handicapped service, 35 percent. The remainder of the total operating cost will be paid from state funds less any assistance received by the recipient from any federal source. For purposes of this subdivision "local sources" means all local sources of funds and includes all operating revenue, tax levies, and contributions from public funds, except that the commissioner may exclude from the total assistance contract revenues derived from operations the cost of which is excluded from the computation of total operating cost.

If a recipient informs the commissioner in writing after the establishment of these percentages but prior to the distribution of financial assistance for any year that paying its designated percentage of total operating cost from local sources will cause undue hardship, the commissioner may reduce the percentage to be paid from local sources by the recipient and increase the percentage to be paid from local sources by one or more other recipients inside or outside the classification, provided that no recipient shall have its percentage thus reduced or increased for more than two years successively. If for any year the funds appropriated to the commissioner to carry out the purposes of this section are insufficient to allow the commissioner to pay the state share of total operating cost as provided in this paragraph, the commissioner shall reduce the state share in each classification to the extent necessary.

Sec. 72. Minnesota Statutes 1982, section 174.24, subdivision 5, is amended to read:

Subd. 5. **METHOD OF PAYMENT.** Payments under this section to recipients other than the metropolitan transit commission and private operators within the seven-county metropolitan area whose deficits are funded 100 percent by the state shall be made in the following manner:

- 50 percent of the total contract amount in the first month of operation;
- 40 percent of the total contract amount in the seventh month of operation;
- 9 percent of the total contract amount in the twelfth month of operation;
- and
- 1 percent of the total contract amount after the final audit.

~~The method of payment under this section to private operators within the seven-county metropolitan area whose deficits are funded 100 percent by the state shall be determined by the commissioner.~~

Sec. 73. Minnesota Statutes 1982, section 174.265, subdivision 3, is amended to read:

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Subd. 3. **ELIGIBILITY.** The commissioner may provide assistance under the program to any statutory or home rule charter city or town, or group of such cities or towns, which: (a) is located within the metropolitan transit taxing district, as defined in section 473.446, subdivision 2; (b) is not served by the metropolitan transit commission or is served only with bus routes which end or begin within the city or town, or group of cities or towns; and (c) has fewer than four scheduled runs of bus service provided by the commission during off-peak hours; and (d) is receiving assistance or has submitted an application or a letter of intent to apply for assistance under the program by July 1, 1984. Eligible cities or towns may apply on behalf of any operator of public transit with whom they propose to contract for service.

Sec. 74. [174.32] **TRANSIT ASSISTANCE PROGRAM.**

Subdivision 1. ESTABLISHMENT; PURPOSE. A transit assistance program is established to provide transit assistance within the state. The commissioner shall provide financial assistance from the fund created in subdivision 2 to eligible recipients for transit service activities as provided in this section.

Subd. 2. TRANSIT ASSISTANCE FUND; DISTRIBUTION. A transit assistance fund is created for the purpose of receiving money distributed under section 297B.09. The commissioner shall distribute 80 percent of the receipts of the fund to recipients located in the metropolitan area and 20 percent to recipients located outside of the metropolitan area.

Subd. 3. ELIGIBLE RECIPIENTS. A legislatively established public transit commission; a public authority organized and existing under chapter 398A; a county or statutory or home rule charter city operating, intending to operate, or providing financial assistance to a transit service; a rail authority; or a private operator of public transit is eligible for assistance under the program.

Subd. 4. ELIGIBLE SERVICES. Transit services eligible for assistance under the program include but are not limited to:

- (1) public transit;
- (2) light rail transit;
- (3) commuter van, car pool, ride share, and park and ride; and
- (4) other services that further the purposes of section 174.21.

Subd. 5. ELIGIBLE ACTIVITIES. Activities eligible for assistance under the program include but are not limited to:

- (1) planning and engineering design for transit services;
- (2) capital assistance to purchase or refurbish transit vehicles, purchase rail lines and associated facilities for light rail transit, purchase rights-of-way, and other capital expenditures necessary to provide a transit service; and

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(3) other assistance for public transit services.

Sec. 75. [221.022] METROPOLITAN TRANSIT COMMISSION; EXCEPTION.

The powers granted to the board under sections 221.011 to 221.296 do not include the power to regulate any service or vehicles operated by the metropolitan transit commission.

Sec. 76. Minnesota Statutes 1983 Supplement, section 221.041, is amended by adding a subdivision to read:

Subd. 4. NONAPPLICABILITY. This section does not apply to any regular-route passenger transportation being performed with operating assistance provided by the regional transit board.

Sec. 77. Minnesota Statutes 1983 Supplement, section 221.071, subdivision 1, is amended to read:

Subdivision 1. **CONSIDERATIONS; TEMPORARY CERTIFICATES; AMENDING.** If the board finds from the evidence that the petitioner is fit and able to properly perform the services proposed and that public convenience and necessity require the granting of the petition or a part of the petition, it shall issue a certificate of public convenience and necessity to the petitioner. In determining whether a certificate should be issued, the board shall give primary consideration to the interests of the public that might be affected, to the transportation service being furnished by a railroad which may be affected by the granting of the certificate, and to the effect which the granting of the certificate will have upon other transportation service essential to the communities which might be affected by the granting of the certificate. The board may issue a certificate as applied for or issue it for a part only of the authority sought and may attach to the authority granted terms and conditions as in its judgment public convenience and necessity may require. If the petitioner is seeking authority to operate regular-route transit service wholly within the seven-county metropolitan area with operating assistance provided by the regional transit board, the board shall consider only whether the petitioner is fit and able to perform the proposed service. The operating authority granted to such a petitioner must be the operating authority for which the petitioner is receiving operating assistance from the regional transit board. A carrier receiving operating assistance from the regional transit board may amend his certificate to provide for additional routes by filing a copy of the amendment with the board, and approval of the amendment by the board is not required if the additional service is provided with operating assistance from the regional transit board.

The board may grant a temporary certificate, ex parte, valid for a period not exceeding 180 days, upon a showing that no regular route common carrier or petroleum carrier is then authorized to serve on the route sought, that no other

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petition is on file with the board covering the route, and that a need for the proposed service exists.

A certificate issued to a regular route common carrier or petroleum carrier may be amended by the board on ex parte petition and payment of a \$25 fee to the commissioner, to grant an additional or alternate route if there is no other means of transportation over the proposed additional route or between its termini, and the proposed additional route does not exceed ten miles in length.

Sec. 78. Minnesota Statutes 1982, section 221.295, is amended to read:

221.295 NOTICE TO METROPOLITAN TRANSIT COMMISSION REGIONAL TRANSIT BOARD.

Notwithstanding any provision of any statute to the contrary, the metropolitan transit commission shall regional transit board must be notified by the commissioner of any matter ~~pertaining to or~~ affecting public transit or an existing or proposed transit system within the Twin Cities seven-county metropolitan transit area, which matter is formally or informally before the commissioner or board for action or which is under study, including the initiation of any request for action or study and prior to any hearings on other proceedings, whether ex parte or otherwise. ~~Further, such Notification shall must~~ in all cases be given in a manner, at such time, and with such information and data available to the commissioner or board so as to enable the metropolitan transit commission regional transit board to meaningfully evaluate, participate in, and comment upon the matter. The commissioner or board shall not approve, deny, or otherwise attempt to resolve or act upon ~~any such~~ the matter until receipt of the comments and advice of the metropolitan transit commission regional transit board with respect thereto, but if none are received they may act within 30 days after demand ~~therefor upon~~ of the metropolitan transit commission regional transit board, or otherwise by mutual agreement. If the commissioner or board takes action in any way contrary to or different from the comments and advice of the metropolitan transit commission regional transit board, they shall specifically state the reasons and factual data for ~~such~~ the action.

Sec. 79. Minnesota Statutes 1982, section 239.10, is amended to read:

239.10 ANNUAL INSPECTION.

The department shall charge a fee to the owner for the costs of the regular inspection of scales, weights, measures, and weighing or measuring devices. The cost of any other inspection shall must be paid by the owner if the inspection is performed at his the owner's request or if the inspection is made at the request of some other person and the scale, weight, measure, or weighing or measuring device is found to be incorrect. The department may fix the fees and expenses for all regular inspections and special services, except that no additional fee may be charged for retail petroleum pumps, petroleum vehicle meters, and petroleum bulk meters that dispense petroleum products for which the petroleum inspection

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fee required by section 296.13 is collected. All moneys Money collected by the department for its regular inspections, special services, fees, and penalties shall must be paid into the state treasury and credited to the state general fund.

Sec. 80. Minnesota Statutes 1983 Supplement, section 240.06, subdivision 7, is amended to read:

Subd. 7. **LICENSE SUSPENSION AND REVOCATION.** The commission may revoke a class A license for a violation of law, order, or rule which in the commission's opinion adversely affects the integrity of horse racing in Minnesota, or for an intentional false statement made in a license application, or for a willful failure to pay any money required to be paid by Laws 1983, chapter 214, and may revoke for failure to perform material covenants or representations made in a license application.

The commission may suspend a class A license for up to one year for a violation of law, order, or rule which in the commission's opinion adversely affects the integrity of horse racing in Minnesota, and may suspend a class A license indefinitely if it determines that the licensee has as an officer, director, shareholder, or other person with a direct, indirect, or beneficial interest a person who is in the commission's opinion inimical to the integrity of horse racing in Minnesota or who cannot be certified under subdivision 1, clause (d).

A license revocation or suspension under this subdivision is a contested case under sections 14.57 to 14.70 of the Administrative Procedure Act, and is in addition to criminal penalties imposed for a violation of law or rule.

Sec. 81. Minnesota Statutes 1982, section 296.13, is amended to read:

296.13 INSPECTION FEES.

An inspection fee shall be charged on petroleum products when received by the distributor, and on petroleum products received and held for sale or use by any person when such petroleum products have not theretofore been received by a licensed distributor. The fee charged shall be uniform and in an amount determined by the commissioner but not to exceed one and three-quarters cents per 50 gallons. The commissioner shall adjust the inspection fee to recover the amount appropriated for petroleum product quality inspection expenses and the amount appropriated for the inspection and testing of petroleum product measuring devices as required by chapter 239. The commissioner shall review and adjust the inspection fee as required by section 16A.128 but notwithstanding section 16A.128, the review of the fee shall occur annually on or before January 1, of each year.

Credit shall be allowed the distributor by the commissioner for inspection fees previously paid in error or on any material exported or sold for export from the state upon filing of a report in a manner approved by the commissioner.

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Sec. 82. Minnesota Statutes 1983 Supplement, section 297B.09, is amended to read:

297B.09 ALLOCATION OF REVENUE.

Subdivision 1. **GENERAL FUND SHARE.** Money collected and received under this chapter must be deposited in the state treasury and credited as follows:

(a) All of the proceeds collected before July 1, 1985, must be credited to the general fund.

(b) Three-fourths of the proceeds collected after June 30, 1985, and before July 1, 1987, must be credited to the general fund.

(c) One-half of the proceeds collected after June 30, 1987, and before July 1, 1989, must be credited to the general fund.

(d) One-fourth of the proceeds collected after June 30, 1989, and before July 1, 1991, must be credited to the general fund.

(e) After June 30, 1991, none of the proceeds collected may be credited to the general fund to the general fund. The amounts collected and received shall be credited to the highway user tax distribution fund and the transit assistance fund as provided in subdivision 2, and transferred from the general fund on July 15 and January 15 of each fiscal year. The commissioner of finance must make each transfer based upon the actual receipts of the preceding six calendar months and include the interest earned during that six-month period. The commissioner of finance may establish a quarterly or other schedule providing for more frequent payments to the transit assistance fund if he determines it is necessary or desirable to provide for the cash flow needs of the recipients of moneys from the transit fund.

Subd. 2. **HIGHWAY USER TAX DISTRIBUTION FUND AND TRANSIT ASSISTANCE FUND SHARE.** The proceeds collected under this chapter and not credited to the general fund must be deposited in the highway user tax distribution fund and the transit assistance fund for apportionment in the following manner:

(a) None of the proceeds collected before July 1, 1985 ~~1984~~, may be credited to either fund.

(b) 18.75 percent of the proceeds collected after June 30, 1985 ~~1984~~, and before July 1, 1987, must be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 6.25 percent of the proceeds must be credited to the transit assistance fund ~~account~~ to be appropriated to the commissioner of transportation for transit assistance within the state.

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(c) 37.5 percent of the proceeds collected after June 30, 1987, and before July 1, 1989, must be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 12.5 percent of the proceeds must be credited to the transit assistance fund ~~account~~ to be appropriated to the commissioner of transportation for transit assistance within the state.

(d) 56.25 percent of the proceeds collected after June 30, 1989, and before July 1, 1991, must be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 18.75 percent of the proceeds must be credited to the transit assistance fund ~~account~~ to be appropriated to the commissioner of transportation for transit assistance within the state.

(e) 75 percent of the proceeds collected after June 30, 1991, must be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 25 percent of the proceeds must be credited to the transit assistance fund ~~account~~ to be appropriated to the commissioner of transportation for transit assistance within the state.

Sec. 83. Minnesota Statutes 1982, section 299D.03, subdivision 2, is amended to read:

Subd. 2. **SALARIES.** (1) Each employee other than the chief supervisor, lieutenant colonel, majors, captains, corporals and sergeants hereinafter designated shall be known as patrol troopers.

(2) There may be appointed one lieutenant colonel; and such majors, captains, corporals, sergeants and troopers as the commissioner deems necessary to carry out the duties and functions of the state patrol. Persons in above named positions shall be appointed by law and have such duties as the commissioner may direct and, except for troopers, shall be selected from the patrol troopers, corporals, sergeants, captains, and majors who shall have had at least five years' experience as either patrol troopers, corporals, sergeants, or supervisors.

(3) The salary rates for all state patrol troopers, corporals and sergeants shall be deemed to include \$6 per day reimbursement for shift differential, meal and business expenses incurred by state patrol troopers, corporals and sergeants in the performance of their assigned duties in their patrol areas; business expenses include, but are not limited to: uniform costs, home garaging of squad cars and maintenance of home office.

Sec. 84. Minnesota Statutes 1982, section 299F.63, is amended by adding a subdivision to read:

Subd. 4. COST OF INSPECTION AND REVIEW. The state fire marshal shall establish, by rule under section 16A.128, a fee to recover the state

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share of all costs related to field inspections, investigations of pipeline facilities, plan review, and other duties as provided by sections 299F.56 to 299F.63. Fees collected under this subdivision shall be credited to the general fund.

Sec. 85. Minnesota Statutes 1982, section 340.11, subdivision 11a, is amended to read:

Subd. 11a. **ON-SALE LICENSES TO CERTAIN SPORTS COMMISSIONS.** Notwithstanding any law or municipal charter provision to the contrary, on-sale licenses for the sale of intoxicating liquor may be issued to establishments located on lands owned by the commission created in sections 473.551 to 473.595 and which are used primarily for sports and recreational purposes upon payment of the regular on-sale license fee therefor to the municipality wherein the licensed premises are located. Such licenses shall authorize the sale of intoxicating liquor to club members and guests only. Notwithstanding any other law, or municipal charter provision or ordinance to the contrary, retail "on-sale" licenses permitting the sale of nonintoxicating malt liquors issued to establishments located on lands owned by the commission created in section 473.553 permit the licensees to sell nonintoxicating malt liquors, in addition to other times permitted by law, between the hours of 10:00 a.m. and 12:00 noon on any Sunday on which a sports or other event is scheduled to begin at that location at or before 1:00 p.m. on that day.

Sec. 86. Minnesota Statutes 1982, section 345.47, subdivision 1, is amended to read:

Subdivision 1. Except as provided in subdivision subdivisions 3 and 5, all abandoned property other than money delivered to the ~~state treasurer~~ commissioner under sections 345.31 to 345.60 shall within one year after the delivery be sold by him to the highest bidder at public sale in whatever city in the state affords in his judgment the most favorable market for the property involved. The ~~state treasurer~~ commissioner may decline the highest bid and reoffer the property for sale if he considers the price bid insufficient. He need not offer any property for sale if, in his opinion, the probable cost of sale exceeds the value of the property.

Sec. 87. Minnesota Statutes 1982, section 345.47, is amended by adding a subdivision to read:

Subd. 5. The commissioner shall provide the Minnesota historical society with an inventory of abandoned property, other than money, six months prior to public sale. The society may select for its collections any items it finds of historical value. The society shall make its selection before the commissioner appraises or sorts the material for public sale. The society has 90 days from the date of notification by the commissioner to exercise the authority granted by this subdivision.

Sec. 88. Minnesota Statutes 1982, section 345.525, is amended to read:

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345.525 PROPERTY HAVING NO APPARENT COMMERCIAL OR HISTORICAL VALUE.

Property delivered to the state treasurer pursuant to chapter 345 which has no apparent commercial value shall be made available for inspection by the Minnesota historical society to determine if the property has any historical value. If the society judges any property to be of historical value, the state treasurer shall turn the property over to the society for safekeeping. The commissioner may, in his discretion, withhold the property from sales under this section. If it is determined that property delivered to the state treasurer ~~commissioner~~ has no commercial or historical value he may thereafter destroy or otherwise dispose of the property, and in that event no action or proceeding shall be brought or maintained against the state or any officer thereof or against the holder for or on account of any action taken by the state treasurer ~~commissioner~~ pursuant to chapter 345 with respect to the property. The state treasurer ~~commissioner~~ shall keep a record of all items destroyed under this section, and all items held by the historical society, including the name and address of the owner of the property and the person who delivered the property to him, the date of delivery, a description of the property destroyed and the date of destruction.

Sec. 89. [349.50] DEFINITIONS.

Subdivision 1. TERMS. For the purposes of sections 89 to 99, the terms defined in this section have the meanings given them.

Subd. 2. COMMISSIONER. "Commissioner" means the commissioner of public safety.

Subd. 3. DEPARTMENT. "Department" means the department of public safety.

Subd. 4. DISTRIBUTOR. "Distributor" means a person which manufactures, sells, markets, advertises, or otherwise distributes video games of chance.

Subd. 5. LOCATION AGREEMENT. "Location agreement" is an agreement between an operator and an owner for the placement of video games of chance for use by the public.

Subd. 6. OPERATOR. "Operator" means a person which holds legal title to video games of chance and places them for use by the public pursuant to a location agreement.

Subd. 7. OWNER. "Owner" means a person operating a business in which video games of chance are placed for use by the public.

Subd. 8. VIDEO GAME OF CHANCE. "Video game of chance" means games or devices that simulate games commonly referred to

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as poker, blackjack, craps, hi-lo, roulette or other common gambling forms, though not offering any type of pecuniary award or gain to players. The term also includes any video game having one or more of the following characteristics:

(1) it is primarily a game of chance, and has no substantial elements of skill involved;

(2) it awards game credits or replays and contains a meter or device which records unplayed credits or replays and contains a device that permits them to be cancelled.

Subd. 9. PRIVATE CLUBS. "Private clubs" are clubs holding club on-sale licenses issued under section 340.11, subdivision 11.

Sec. 90. [349.51] DISTRIBUTOR AND OPERATOR LICENSES.

Subdivision 1. LICENSE REQUIRED. No person shall engage in the business of a distributor or operator of video games of chance at any place of business without first having received a license from the department to engage in that business at that location.

Subd. 2. APPLICATION; REQUIREMENTS. (a) Every application for a license must be made on a form prescribed by the department and must state the name and address of the applicant. If the applicant is a firm, partnership, or association, the application must state the name and address of each of its members. If the applicant is a corporation, the application must state the name and address of each of its officers, the date of incorporation, the address of its principle place of business, the place where the business is to be licensed and business conducted, and information concerning whether or not any officer, director, resident manager, or direct salesman of the applicant has been convicted of a felony or convicted for a gambling offense within the past five years. The application may contain other information the department requires for licensing purposes.

(b) Every applicant for a license shall be a legal resident or be incorporated within the state of Minnesota prior to the date of application for a distributor or operator license.

(c) Every applicant shall disclose under oath to the commissioner whether or not the applicant has any financial, legal, or other interests in a licensed wholesale liquor or alcoholic beverage distributorship or video game of chance distributorship in another state.

(d) No distributor may also be a wholesale distributor of liquor or alcoholic beverages.

(e) No distributor in this state may also be a distributor in another state, unless the distributor adequately demonstrates that he does not manufacture

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video games of chance outside of this state for use, sale, or distribution within this state.

Subd. 3. FEES. (a) The annual license fee for a distributor license is \$10,000.

(b) The annual license fee for an operator license is \$2,500.

Subd. 4. DISTRIBUTOR BOND. An application for a distributor's license must be accompanied by a corporate surety bond issued by a surety licensed to do business in this state, in the sum of \$10,000, conditioned upon the true and faithful compliance by the distributor with all the provisions of the license. The bond required by this subdivision must be kept in full force during the period covered by the license.

Subd. 5. LICENSE ISSUED. Upon receipt of the application, the bond in proper form, and payment of the license required by subdivision 3, the department shall issue a license in form as prescribed by the department to the applicant, unless it determines that the applicant is otherwise unqualified. The license permits the applicant to whom it is issued to engage in business as a distributor or operator at the place of business shown in the application. The department must assign a license number to each person licensed at the time the initial license is issued. The license number must be inscribed upon all licenses issued to that distributor or operator.

Sec. 91. [349.52] VIDEO GAME OF CHANCE LICENSES.

Subdivision 1. REQUIREMENTS. In addition to a license, an operator must obtain from the commissioner an annual nontransferable license for each video game of chance. The license fee is \$120 per game. The fee must be prorated according to the number of months remaining in the calendar year at the time of the license application.

Subd. 2. COLLECTION. At the time a video game of chance is sold to an operator, the distributor must collect the license fee specified in subdivision 1. The distributor must affix to each game a stamp containing the operator's license number. All license fees must be given to the state treasurer for deposit in the account created in subdivision 3.

Subd. 3. VIDEO GAMING LICENSE ACCOUNT. There is created in the state treasury an account to be known as the "video gaming license account." All fees received by the state treasury pursuant to this section must be credited to this account. The commissioner shall, by January 10 of each year, certify to the state treasurer the number of video games of chance located in each city, and in each county outside of incorporated areas, on December 31 of the previous year. Within ten days of receiving this certification the state treasurer shall pay from the video gaming license account to each city and county \$30 for each video game of chance located in the city or in the county outside city limits. After

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making these payments he shall transfer the unexpended balance in the account to the general fund.

Subd. 4. LOCAL FEES PROHIBITED. A municipality may not impose a fee or tax of any kind on video games of chance.

Sec. 92. [349.53] RECORD KEEPING DUTIES OF DISTRIBUTORS.

A distributor shall keep at each licensed place of business complete and accurate records for that place of business, including invoices of video games of chance held, purchased, manufactured, brought in or caused to be brought in from outside the state, or shipped or transported to operators in this state, and of all sales of video games of chance made. The distributor must also keep adequate records of the names, addresses, and license numbers of operators to whom video games of chance are sold. All books, records, and other papers and documents required by this section to be kept must be preserved for a period of at least one year after the date of the documents, or the date of their entries as they appear in the records, unless the department, in writing, authorizes their destruction or disposal at an earlier date. At any time during usual business hours, the commissioner or his designated representatives may enter any place of business of a distributor without a search warrant and inspect the premises and the records required to be kept under this section, to determine whether or not all the provisions of this chapter are being fully complied with. If the commissioner or any representative is denied free access or is hindered or interfered with in making an examination, the license of the distributor at the premises is subject to revocation.

Sec. 93. [349.54] ACCESS TO GAMES.

The commissioner and his designated representatives must be given access to all video games of chance, whether the games are in the possession of distributors, operators, or owners, upon reasonable notice.

Sec. 94. [349.55] GAME SPECIFICATIONS.

No payment may be made directly from any game or in connection with the operation of any device. Each game must contain a random character generator, and any internal meter must be nonresetable. Any game canceling replays or credits must cancel them no more than one at a time.

Sec. 95. [349.56] LOCATION AGREEMENTS.

An operator is required to have a location agreement with the owner where the game is placed for use by the public. The location agreement must show that the game is to be placed only in locations permitted by law. The location agreements, together with the other records of the operator, must be accessible to the commissioner and his designated representatives. The operator is required to certify under oath to the department annually the name and

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address of the location in which each game has been placed and that the games have been placed only in locations permitted by law. Placing a game in an illegal location is grounds for suspension or revocation of the operator's license.

Sec. 96. [349.57] **PLACEMENT LIMITATIONS.**

Subdivision 1. NUMERICAL. No more than two video games of chance may be operated in any location.

Subd. 2. LOCATIONS. Video games of chance may be operated only at licensed on-sale intoxicating liquor establishments and private clubs.

Sec. 97. [349.58] **PENALTIES.**

A violation of any of the provisions of sections 89 to 96 is punishable as a misdemeanor.

Sec. 98. [349.59] **CONTRABAND.**

Subdivision 1. PACKAGES DECLARED TO BE CONTRABAND. The following are declared to be contraband:

(1) all video games of chance which do not have a licensing stamp affixed to them and all containers that contain contraband video games of chance;

(2) all video games of chance to which the commissioner or his designated representatives have been denied access for the inspection of contents. In lieu of seizure, the commissioner or his designated representatives may seal the game to prevent its use until inspection of contents is permitted;

(3) all video games of chance at a location at which there is no location agreement in force; and

(4) all video games of chance illegally brought into the state.

Subd. 2. SEIZURE. Contraband may be seized by the commissioner or his designated representatives or by any sheriff or other police officer, with or without process, and is subject to forfeiture as provided in subdivision 3.

Subd. 3. DISPOSITION OF SEIZED PROPERTY. The person who has seized the property must follow the procedure set forth under section 297A.15, subdivision 4. Whenever the commissioner is satisfied that any person from whom property is seized under this section acting in good faith and without intent to evade the tax imposed by those sections, he shall release the property seized without further legal proceedings.

Sec. 99. [349.60] **CONSTRUCTION; OTHER ACTIONS.**

Subdivision 1. CONSTRUCTION. Video games of chance are also governed by sections 349.30 to 349.31 and 609.75 to 609.76.

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Subd. 2. OTHER ACTIONS. Agencies of government may investigate and prosecute violations of the laws governing video games of chance as well as other laws relating to gambling.

Sec. 100. Minnesota Statutes 1982, section 352.01, subdivision 2A, is amended to read:

Subd. 2A. **INCLUDED EMPLOYEES.** The following persons are included in the meaning of state employee:

(1) Employees of the Minnesota Historical Society.

(2) Employees of the State Horticultural Society.

(3) Employees of the Disabled American Veterans, Department of Minnesota, Veterans of Foreign Wars, Department of Minnesota, if employed prior to July 1, 1963.

(4) Employees of the Minnesota Crop Improvement Association.

(5) Employees of the adjutant general who are paid from federal funds and who are not covered by any federal civilian employees retirement system.

(6) Employees of the state universities employed under the university activities program.

(7) Currently contributing employees covered by the system who are temporarily employed by the legislature during a legislative session or any currently contributing employee employed for any special service as defined in clause (8) of subdivision 2B.

(8) Employees of the armory building commission.

(9) Permanent employees of the legislature and persons employed or designated by the legislature or by a legislative committee or commission or other competent authority to make or conduct a special inquiry, investigation, examination or installation including permanent employees of the legislative research committee.

(10) Trainees who are employed on a full time established training program performing the duties of the classified position for which they will be eligible to receive immediate appointment at the completion of the training period.

(11) Employees of the Minnesota Safety Council.

(12) Employees of the transit operating division of the metropolitan transit commission and any employees on authorized leave of absence from the transit operating division who are employed by the labor organization which is the exclusive bargaining agent representing employees of the transit operating division.

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(13) Employees of the metropolitan council, metropolitan parks and open space commission, regional transit board, metropolitan transit commission, metropolitan waste control commission, metropolitan sports facilities commission or the metropolitan mosquito control commission unless excluded or covered by another public pension fund or plan pursuant to sections 473.141, subdivision 12, or 473.415, subdivision 3.

(14) Judges of the tax court.

Sec. 101. Minnesota Statutes 1982, section 473.121, subdivision 7, is amended to read:

Subd. 7. "Metropolitan commission" means the metropolitan waste control commission, ~~the metropolitan transit commission~~, and other such commissions as the legislature may hereafter designate.

Sec. 102. Minnesota Statutes 1982, section 473.121, subdivision 10, is amended to read:

Subd. 10. "Policy plan" means ~~the a~~ long-range comprehensive ~~plans~~ plan of each metropolitan commission adopted pursuant to section 473.146 ~~the metropolitan council~~.

Sec. 103. Minnesota Statutes 1982, section 473.121, is amended by adding a subdivision to read:

Subd. 14a. "Regional transit board" or "transit board" means the regional transit board created by section 473.373.

Sec. 104. Minnesota Statutes 1982, section 473.121, subdivision 16, is amended to read:

Subd. 16. "Metropolitan transit area" ~~or "transit area" or "MTA"~~ means the metropolitan transit area established in section 473.403.

Sec. 105. Minnesota Statutes 1982, section 473.121, subdivision 18, is amended to read:

Subd. 18. "Operator" means any person engaged or seeking to engage in the business of providing regular route public transit.

Sec. 106. Minnesota Statutes 1982, section 473.121, subdivision 19, is amended to read:

Subd. 19. "Public transit" or "transit" means transportation of passengers for hire within the transit area by means of a motor vehicle or other means of conveyance by any person operating as a common carrier on fixed routes and schedules. "Public transit" shall not include transportation of children to or from school or of passengers between a common carrier terminal station and a hotel or motel, transportation by a common carrier railroad or common carrier railroads or by taxi, transportation furnished by a person solely for his or its

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employees or customers, or paratransit has the meaning given in section 174.22, subdivision 7.

Sec. 107. Minnesota Statutes 1982, section 473.121, is amended by adding a subdivision to read:

Subd. 20a. "Regular route transit" has the meaning given in section 174.22, subdivision 8.

Sec. 108. Minnesota Statutes 1982, section 473.146, subdivision 3, is amended to read:

Subd. 3. **TRANSPORTATION POLICY PLAN.** The council shall adopt a transportation policy plan as a part of its comprehensive development guide as provided in subdivisions 1 and 2, ~~which shall.~~ The regional transit board shall perform the functions and have the responsibility and authority provided for a metropolitan commission. The policy plan must include policies, relating to all transportation forms. The plan shall and be designed to promote the legislative determinations, policies and purposes goals set forth in section 473.402 to the end of providing the transit area an integrated and efficient transportation system 473.371. In addition to the requirements of subdivision 1 regarding the contents of the policy plan, the transit elements of the plan must include the following:

(1) a statement of service objectives, policies, and standards that should govern the distribution, coordination, and general location of facilities, services, and service areas to be planned, deployed, or developed by or under the direction or auspices of the transit board;

(2) a general statement of timing and priorities in the planning, deployment, and development of services;

(3) a statement of the policies and standards that should govern the levels of public expenditure, both capital and operating, for various services and service areas;

(4) a statement of the policies and standards that should govern total annual regional funding levels, the sources of funds, and the distribution of funds among the facilities, services, and service areas; and

(5) a description of the contents that should be included in the implementation plans prepared by the transit board.

In addition to the requirements of subdivisions 1 and 2 regarding the use of the expertise of the ~~metropolitan transit commission affected~~ agency, the state transportation department, metropolitan transit commission, and affected counties and municipalities may provide such technical assistance as ~~may~~ be requested by the council. The council shall amend its policy plan to conform to the requirements of this subdivision by January 1, 1986.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 109. Minnesota Statutes 1982, section 473.146, subdivision 4, is amended to read:

Subd. 4. **TRANSPORTATION PLANNING.** The metropolitan council ~~shall be~~ is the designated planning agency for any long-range comprehensive transportation planning required by Section 134 of the Federal Highway Act of 1962, Section 4 of Urban Mass Transportation Act of 1964 and Section 112 of Federal Aid Highway Act of 1973 and ~~such~~ other federal transportation laws as ~~may hereinafter be enacted.~~ The council shall assure administration and coordination of transportation planning with appropriate state, regional and other agencies, counties, and municipalities, and ~~together with the metropolitan transit commission~~ shall establish ~~such~~ an advisory body consisting of ~~citizen representatives, commission, municipality, county and appropriate state agency representatives of the regional transit board, citizens, municipalities, counties, and state agencies~~ in fulfillment of the planning responsibilities of the council and the ~~commission~~ transit board.

Sec. 110. Minnesota Statutes 1982, section 473.164, is amended to read:

473.164 PAYMENT OF METROPOLITAN COUNCIL COSTS.

Subdivision 1. The metropolitan parks and open space commission, the ~~metropolitan regional transit commission~~ board, the metropolitan waste control commission, and the metropolitan airports commission shall annually reimburse the council for costs incurred by the council in the discharge of its responsibilities relating to the ~~commission~~ or board. The costs may be charged against any revenue sources of the ~~commission~~ or board as determined by the ~~commission~~ or board.

Subd. 2. On or before May 1 of each year, the council shall transmit to each ~~commission~~ or board an estimate of the costs which the council will incur in the discharge of its responsibilities related to the ~~commission~~ or board in the next budget year including, without limitation, costs in connection with the preparation, review, implementation and defense of plans, programs and budgets of the ~~commission~~ or board. Each ~~commission~~ or board shall include the estimates in its budget for the next budget year and may transmit its comments concerning the estimated amount to the council during the budget review process. Prior to December 15 of each year, the amount budgeted by each ~~commission~~ or board for the next budget year may be changed following approval by the council. During each budget year, the ~~commission~~ or board shall transfer budgeted funds to the council in advance when requested by the council.

Subd. 3. At the conclusion of each budget year, the council, in cooperation with each ~~commission~~ or board, shall adopt a final statement of costs incurred by the council for each ~~commission~~ or board. Where costs incurred in the budget year have exceeded the amount budgeted, each ~~commission~~ or board shall transfer to the council the additional moneys needed to pay the amount of

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the costs in excess of the amount budgeted, and shall include a sum in its next budget. Any excess of budgeted costs over actual costs may be retained by the council and applied to the payment of budgeted costs in the next year. Costs incurred during 1976 shall be reimbursed to the council by each ~~commission~~ on or before December 31, 1976 following receipt and in accordance with a statement of costs transmitted by the council. Notwithstanding the provisions of this section, after July 1, 1981, the metropolitan council shall not charge the ~~metropolitan regional transit commission board~~ for any costs incurred by the council for the study of light rail transit unless the study plan and budget have been approved by the ~~metropolitan transit commission board~~.

Sec. 111. Minnesota Statutes 1982, section 473.167, subdivision 1, is amended to read:

Subdivision 1. **CONTROLLED ACCESS HIGHWAYS: COUNCIL APPROVAL.** Before acquiring land for or constructing a controlled access highway in the area, ~~hereinafter a project~~, the state transportation department or local government unit proposing ~~such the~~ acquisition or construction shall submit to the council a statement describing the proposed project. The statement ~~shall~~ must be in the form and detail required by the council. Immediately upon receipt of the statement, the council shall transmit a copy to the ~~metropolitan regional transit commission board~~, which shall review and evaluate the project in relationship to the ~~development program board's~~ implementation plan and report its recommendations and comments to the council. The council shall also review the statement to ascertain its consistency with its policy plan and the development guide. No ~~such~~ project may be undertaken unless the council determines that it is consistent with the policy plan and ~~development program~~ implementation plan. This approval ~~shall be~~ is in addition to the requirements of any other statute, ordinance or regulation.

Sec. 112. Minnesota Statutes 1982, section 473.168, subdivision 2, is amended to read:

Subd. 2. The metropolitan council in consultation with the ~~metropolitan regional transit commission board~~ may require that any freeway constructed in the metropolitan area on which actual construction has not been commenced by April 12, 1974 ~~shall~~ include provisions for exclusive lanes for buses and, as the council may determine, other forms of multi-passenger transit. The council, in making its determination, must demonstrate that the exclusive lanes are necessary to implement the transportation policy plan of the development guide.

Sec. 113. Minnesota Statutes 1982, section 473.181, subdivision 3, is amended to read:

Subd. 3. **METROPOLITAN TRANSIT COMMISSION.** The council shall review acquisition of public transit systems and the issuance of revenue

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bonds by the metropolitan transit commission pursuant to sections 473.405, subdivision 4 5, and 473.438, subdivision 7.

Sec. 114. Minnesota Statutes 1982, section 473.223, is amended to read:

473.223 **FEDERAL AID.**

For the purposes of this section the term "governmental subdivision" includes municipalities, counties and other political subdivisions generally. If federal aid for transportation programs and projects is otherwise unavailable to an existing agency or governmental subdivision, the metropolitan council may cooperate with the government of the United States and any agency or department thereof and the affected agency or other governmental subdivision in establishing metropolitan area eligibility to receive federal aid, and may comply with the provisions of the laws of the United States and any rules and regulations made thereunder for the expenditure of federal moneys upon such projects as are proposed for federal assistance. If necessary to meet federal requirements, the council, the regional transit board, and the metropolitan transit commission may be considered a single eligible unit to carry out their respective responsibilities. The metropolitan council may accept federal aid and other aid, either public or private, for and in behalf of the metropolitan area or any governmental subdivision of the state, for transportation programs and projects within the metropolitan area upon such terms and conditions as are or may be prescribed by the laws of the United States and any rules or regulations made thereunder, and is authorized to act as agent of any governmental subdivision of the state with jurisdiction in the metropolitan area upon request of such subdivision in accepting the aid in its behalf for such programs or projects financed either in whole or in part by federal aid. The governing body of any such subdivision is authorized to designate the metropolitan council as its agent for such purposes and to enter into an agreement with the council prescribing the terms and conditions of the agency relationship in accordance with state and federal laws, rules and regulations. The metropolitan council is authorized to designate an appropriate state agency as its agent for such purposes and to enter into an agreement with such agency prescribing the terms and conditions of the agency relationship in accordance with state and federal laws, rules and regulations.

Nothing contained herein shall limit any separate authority of agencies or governmental subdivisions of the state to contract for and receive federal aid.

Sec. 115. **[473.371] POLICY; GOALS.**

Subdivision 1. POLICY. The legislature finds that, for the provision of essential mobility and transportation options in the metropolitan area, for the encouragement of alternatives to the single-occupant vehicle and for the development of transportation service designed to meet public needs efficiently and effectively, there is a need for the creation of regional transit programs and agencies with the powers and duties prescribed by law.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 2. GOALS. The goals of sections 473.371 to 473.449 are as follows:

(a) to provide, to the greatest feasible extent, a basic level of mobility for all people in the metropolitan area;

(b) to arrange to the greatest feasible extent for the provision of a comprehensive set of transit and paratransit services to meet the needs of all people in the metropolitan area;

(c) to cooperate with private and public transit providers to assure the most efficient and coordinated use of existing and planned transit resources; and

(d) to maintain public mobility in the event of emergencies or energy shortages.

Sec. 116. [473.373] REGIONAL TRANSIT BOARD.

Subdivision 1. ESTABLISHMENT. To carry out the policy and achieve the goals of section 473.371 there is established a regional transit board as a public corporation and a political subdivision of the state. Except as provided in this section, the board is organized, structured, and administered as provided for metropolitan commissions in section 473.141.

Subd. 2. MEMBERSHIP. The transit board consists of 14 members appointed by the council plus a chair appointed by the governor. One member must be appointed by the council from each of the following districts:

(1) District A, consisting of council district 1;

(2) District B, consisting of council district 2;

(3) District C, consisting of council district 3;

(4) District D, consisting of council district 4;

(5) District E, consisting of council district 5;

(6) District F, consisting of council district 6;

(7) District G, consisting of council district 8;

(8) District H, consisting of council district 10;

(9) District I, consisting of council district 11;

(10) District J, consisting of council district 12;

(11) District K, consisting of council district 15;

(12) District L, consisting of council districts 7 and 9;

(13) District M, consisting of council district 13 and that part of council district 14 within Carver and Hennepin counties;

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(14) District N, consisting of council district 16 and that part of council district 14 within Dakota and Scott counties.

Subd. 3. APPOINTMENTS. The council shall establish a transit board appointments committee, composed of members of the council. In addition to the notice required in section 15.0597, subdivision 4, the council shall notify in writing the governing body of the statutory and home rule charter cities, towns, and counties having territory in the district for which the member is to be appointed. The notification must describe the appointment process and invite participation and recommendations on the appointment. The appointments committee shall hold a public hearing in each district for which a member is to be appointed. Following the hearing, the appointments committee shall submit to the council a written report that lists the persons who have applied or been nominated or recommended for the position, along with a description of the background and qualifications of each. Appointments by the council are not subject to the advice and consent of the senate. The council shall by resolution, after a public hearing on the subject, provide the governor with a list of nominees for the position of chair.

Subd. 4. TERMS. The initial terms of members and the chair commence on the first day after July 1, 1984, that the chair and at least seven other members have been appointed and qualified. The terms of members and the chair are as follows: members representing commission districts, B, E, F, J, K, L, and N, and the chair of the board, for terms ending the first Monday in January of the year ending in the numeral "7"; members representing commission districts A, C, D, G, H, I, and M, for terms ending the first Monday in January of the year ending in the numeral "9."

Subd. 5. CHAIR. The duties of the chair are:

- (a) to preside over all board meetings at which he is in attendance;
- (b) to serve as the principal transit spokesman within the metropolitan area before the legislature, other state and regional agencies, local units of government, and the general public;
- (c) to present to the governor and the legislature, after approval by the council, the board's financial plan for public transit in the metropolitan area;
- (d) to convene and preside at an annual regional transit conference of transit providers, operators, and users; and
- (e) to perform other duties assigned by law or by the board.

Subd. 6. EXECUTIVE DIRECTOR. The chief administering officer of the board shall hold the position of executive director. The executive director shall be appointed as provided in section 473.141 and have the duties and authority prescribed for a chief administrator in section 473.141, except as provided in subdivision 7.

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Subd. 7. EMPLOYEES. The board has the authority of a chief administrator to make all decisions on the appointment, promotion, demotion, suspension, and removal of all subordinate officers and regular employees of the board. The board may not take any action inconsistent with its personnel code. The board may authorize the chair or executive director to recommend employment decisions. The board shall act within 30 days on employment decisions recommended by the chair or executive director.

Subd. 8. PENSION RIGHTS. A person who is an employee of the metropolitan transit commission on the effective date of this section and who subsequently becomes an employee of the transit board has the option of continued coverage under Minnesota Statutes, chapter 353.

Sec. 117. [473.375] POWERS OF BOARD.

Subdivision 1. GENERAL. The transit board has the power and duties imposed by law. The exercise of any powers by the board must be consistent with the exercise by the metropolitan council of any of its powers.

Subd. 2. ACTIONS. The board may sue and be sued.

Subd. 3. CONTRACTS. The board may enter into contracts necessary to carry out its responsibilities.

Subd. 4. PROPERTY. The board may acquire by purchase, lease, gift, or grant property and interests in property necessary for the accomplishment of its purposes and may sell or otherwise dispose of property which it no longer requires. The board may not rent or lease any premises from a recipient of financial assistance from the board.

Subd. 5. INSURANCE. The board may require any employee to obtain and file with it an individual bond or fidelity insurance policy. It may procure insurance in the amounts it deems necessary against the liability of the board or its officers and employees for personal injury or death and property damage or destruction, with the force and effect stated in chapter 466, and against risks of damage to or destruction of any of its facilities, equipment, or other property.

Subd. 6. INVESTIGATIONS. When necessary and proper to the performance of its duties, the board may enter in a reasonable manner upon any premises for the purpose of making any reasonably necessary or proper investigations and examinations. The entry is not a trespass. The board is liable for any actual and consequential loss, injury, or damage from the entry. When necessary and proper to the performance of its duties, the board or its authorized agents may require the production of accounts, books, records, memoranda, correspondence, and other documents and papers of a person receiving financial assistance from the board, may inspect and copy them, and may have access to and may inspect the lands, buildings, facilities, or equipment of the person.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 7. TAXES. The board may levy taxes as provided in section 473.446.

Subd. 8. GIFTS; GRANTS. The board may apply for, accept and disburse gifts, grants, or loans from the United States, the state, or from any person on behalf of itself or any of its contract recipients, for any of its purposes. It may enter into an agreement required for the gifts, grants, or loans and may hold, use, and dispose of money or property received therefrom according to the terms of the gift, grant, or loan. When the board has adopted an approved implementation plan and has certified to the governor that it is ready to receive federal funds, the governor shall take whatever steps are necessary to designate the board as a recipient of federal transit assistance for the metropolitan area.

No political subdivision within the metropolitan area may apply for federal transit assistance unless its application has been submitted to and approved by the board.

Subd. 9. ADVISORY COMMITTEES. The board may establish one or more advisory committees composed of and representing transit providers, transit users, and local units of government to advise it in carrying out its purposes. The members of advisory committees serve without compensation.

Subd. 10. RESEARCH. The board may conduct research studies and programs or may contract with other persons for research studies and programs. It may advise and assist the metropolitan council and other government units on transportation issues within its jurisdiction.

Subd. 11. RIDESHARING. Upon certification by the board, after June 30, 1985, that it has adopted an approved interim implementation plan and is ready to assume responsibilities for the program, the board shall assume the responsibilities identified by the board that are imposed on the commissioner of transportation, the metropolitan council, or the transit commission pursuant to section 174.257 and other applicable provisions of law for the establishment and implementation of a ridesharing program in the metropolitan area, except for the statewide vanpool leasing program conducted by the commissioner. The commissioner, the council, and the commission shall cooperate with the board in the transfer of these duties and in the conduct of ridesharing activities in areas where the commissioner's programs and the board's program overlap. The board shall establish a rideshare advisory committee to advise it in carrying out the program. The board may contract for services in operating the program.

Subd. 12. ASSISTANCE. The board shall offer, use, and apply its services to assist and advise transit providers in the metropolitan transit area in the planning, promotion, development, operation, and evaluation of programs and projects which are undertaken or proposed to be undertaken by contract with the board, and shall seek out and select recipients of this assistance and advice.

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Subd. 13. FINANCIAL ASSISTANCE. The board may provide financial assistance to the commission and other providers as provided in sections 473.371 to 473.449 in furtherance of and in conformance with the implementation plan of the board.

Subd. 14. COORDINATION. The board shall coordinate transit operations within the metropolitan area and shall establish a transit information program to provide transit users with accurate information on transit schedules and service.

Subd. 15. PERFORMANCE STANDARDS. The board may establish performance standards for recipients of financial assistance.

Subd. 16. REPORT. The board shall annually submit a report to the metropolitan council, the governor, and the legislature detailing its activities and finances for the previous year.

Sec. 118. [473.377] IMPLEMENTATION PLAN.

Subdivision 1. REQUIREMENT. The transit board shall adopt a transit service implementation plan describing the planning, functions, and activities to be performed by or under the direction or auspices of the board in implementing the policy plan adopted by the council pursuant to section 473.146. The plan must cover at least the five-year period commencing with the first calendar year beginning after the plan's approval, or a longer period prescribed by the council.

Except as otherwise provided in this section, the implementation plan must be prepared, submitted for review by the council, adopted, and implemented in the same manner, with the same requirements and restrictions, and to the same effect as provided for development programs in section 473.161. The board shall prepare an implementation plan meeting the requirements of this section and submit the plan to the council by August 1, 1986, and thereafter in even-numbered years at a time prescribed by the council.

Subd. 2. CONTENTS. The implementation plan of the board must contain at least the following elements:

(a) a development program meeting the requirements of section 473.161, subdivision 1;

(b) a description of the needs for services, based upon detailed surveys and analysis of service areas and markets identified in the council's policy plan;

(c) a detailed statement of service objectives, including service areas and markets, changes in existing service, deployment of new service, the distribution and coordination of services, and other similar matters;

(d) a detailed description of services and facilities planned to meet the needs and service objectives, along with a statement of priorities, timing, proposed delivery methods and providers, and performance standards;

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(e) a schedule of expected levels of public expenditure, both capital and operating, for the services and facilities planned;

(f) a schedule showing the expected sources of funds, including proceeds of bonds of the board and the transit commission, areas and levels of taxes, user charges, and state and federal subsidies; and

(g) a plan and schedule showing the distribution of funds among various services, service areas and markets, and providers.

Subd. 3. INTERIM IMPLEMENTATION PLAN. The board shall prepare an interim implementation plan, for calendar years 1985, 1986, and 1987. The board shall submit the interim plan to the council by December 1, 1984. The interim plan should be in the scope and detail that the board deems appropriate and practicable, except that the plan must contain a capital development program meeting the requirements of subdivision 2, clause (a), and schedules and plans meeting the requirements of subdivision 2, clauses (e), (f), and (g).

Sec. 119. [473.38] BUDGET; REGIONAL TRANSIT BOARD.

Subdivision 1. REQUIREMENT. The regional transit board shall prepare, submit for review, adopt, and implement budgets and conduct its financial affairs in the same manner, with the same requirements and restrictions, and to the same effect as provided in section 473.163, subdivisions 1 to 4, except as otherwise provided in this section.

Subd. 2. FINANCIAL PLAN; COUNCIL APPROVAL. Along with its annual budget, each year the board shall prepare a financial plan for the succeeding three calendar years. The financial plan must be consistent with the board's implementation plan and must contain the elements specified in section 473.377, subdivision 2, clauses (a), (e), (f), and (g). The financial plan prepared in even-numbered years must contain a proposed request for state financial assistance for the succeeding biennium. The board shall submit the financial plan to the council for review and approval or disapproval. The council may approve or disapprove in whole or in part. The council may disapprove only for inconsistency with the policy plan of the council.

Subd. 3. EXCEPTION. The capital budget and financial plan of the board prepared in 1984 need not be submitted to the council until December 1, 1984, and the council has 30 days for review.

Sec. 120. [473.382] LOCAL PLANNING AND DEVELOPMENT PROGRAM.

In preparing and amending its implementation plan pursuant to section 473.377, the transit board shall establish a program to ensure participation by representatives of local government units and the coordination of the planning and development of transit by local government units. The board shall encour-

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age the establishment of local transit planning and development boards by local governments for the purpose of:

(a) assisting and advising the transit board in preparing the implementation plan, including the identification of service needs and objectives;

(b) preparing, or advising and assisting local units of government in preparing the transit study and service plan required by section 473.384;

(c) preparing or advising the transit board in the review of applications for assistance under section 473.384.

The board may provide local boards with whatever assistance it deems necessary and appropriate.

Sec. 121. [473.384] CONTRACTS.

Subdivision 1. CONTRACTS REQUIRED. The transit board shall make contracts with eligible recipients for financial assistance to transit service within the metropolitan area. The board may not give financial assistance to a transit provider other than the commission without first having executed a contract. The provisions of this section do not apply to contracts made under sections 473.386 and 473.388.

Subd. 2. ELIGIBILITY. To be eligible to receive financial assistance by contract under this section a recipient must be:

(a) a county, statutory or home rule charter city or town or combination thereof, or public authority organized and existing pursuant to chapter 398A, providing financial assistance to or providing or operating public transit; or

(b) a private provider of public transit.

Subd. 3. APPLICATIONS. The board shall establish procedures and standards for review and approval of applications for financial assistance under this section consistent with its approved implementation plan. An applicant must provide the board with the financial and other information the board requires to carry out its duties. The board may specify procedures, including public hearing requirements, to be followed by applicants that are cities, towns, or counties or combinations thereof in conducting transit studies and formulating service plans under subdivisions 4 and 5.

Subd. 4. TRANSIT STUDY. The board shall require that prior to applying for financial assistance by contract under clause (a) of subdivision 2, the applicant must prepare and submit a transit study which includes the following elements:

(a) a determination of existing and future transit needs within the area to be served, and an assessment of the adequacy of existing service to meet the needs;

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(b) an assessment of the level and type of service required to meet unmet needs;

(c) an assessment of existing and future resources available for the financing of transit service; and

(d) the type or types of any new government arrangements or agreements needed to provide adequate service.

The transit study for any applicant may be done by the board.

Subd. 5. SERVICE PLAN. The board shall, before making a contract with an eligible recipient, require the submission of a service plan which includes the following elements:

(a) a description of the service proposed for financial assistance, including vehicles, routes, and schedules;

(b) an assessment of the extent to which the proposed service meets the needs as determined by the transit study;

(c) a description of the contract administration and review process if the operation of the proposed service is to be done by a private contractor;

(d) a description of the amount required to establish and operate the proposed service and the proposed sources of the required amount including operating revenue, other local sources, and assistance from the board and from federal sources;

(e) the fare structure of the proposed service; and

(f) projections of usage of the system.

The board may specify procedures, including public hearing requirements, to be followed by applicants that are cities, towns, or counties or combinations thereof in conducting transit studies and formulating service plans.

Subd. 6. FINANCIAL ASSISTANCE FOR CERTAIN PROVIDERS. The board shall provide financial assistance to recipients who were receiving assistance by contract with the commissioner of transportation under Minnesota Statutes 1982, section 174.24, subdivision 3 on the effective date of this section so that the percentage of total operating cost, as defined by the board, paid by the recipient from all local sources of revenue, including operating revenue, does not exceed the percentage for of transportation under his final contract with the recipient. The board may include funds received under section 473.446, subdivision 1a, as a local source of revenue. The remainder of the total operating cost will be paid by the board less all assistance received by the recipient for that purpose from any federal source.

If a recipient informs the board in writing prior to the distribution of financial assistance for any year that paying its designated percentage of total

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operating cost from local sources will cause undue hardship, the board may adjust the percentage as it deems equitable. If for any year the funds available to the board are insufficient to allow the board to pay its share of total operating cost for those recipients, the board shall reduce its share in each classification to the extent necessary.

Subd. 7. MTC IMPACT ASSESSMENT. Prior to entering into a contract for operating assistance with a recipient other than the transit commission the board shall evaluate the effect, if any, of the contract on the ridership, routes, schedules, fares, and staffing levels of the existing and proposed service provided by the commission. A copy of the assessment must be provided to the commission. The board may enter into the contract only if it determines that the service to be assisted under the contract will not impose an undue hardship on the ridership or financial condition of the commission, cause the dismissal of persons that are employed by the commission, or reduce the total level of service in the metropolitan area provided by the commission.

Subd. 8. PARATRANSIT CONTRACTS. In executing and administering contracts for paratransit projects, the board has the powers and duties given to the commissioner of transportation in section 174.255, subdivisions 1 and 2 relating to handicapped accessibility and insurance coverage. The provisions of section 174.255, subdivision 3, apply to paratransit projects which receive assistance by contract with the board.

Subd. 9. ASSUMPTION OF CONTRACTS. The board shall certify to the commissioner of transportation when it has adopted an approved interim implementation plan and is ready to assume responsibility for administering contracts made by the commissioner with recipients in the metropolitan area under section 174.24. On receiving the certification the commissioner shall transfer to the board from funds appropriated to him an amount sufficient to permit the board to pay all state financial assistance contracted for and shall make no further contracts under section 174.24, subdivision 3, with recipients in the metropolitan area. On receipt of this amount by the board the contracts so assumed become a responsibility of the board.

Sec. 122. [473.386] SPECIAL TRANSPORTATION SERVICE.

Subdivision 1. PROJECT OBJECTIVES. The transit board shall implement a project to coordinate special transportation service in the metropolitan area. The project has the following objectives:

(a) to provide greater access to transportation for the elderly, handicapped, and others with special transportation needs in the metropolitan area;

(b) to develop an integrated system of special transportation service providing transportation tailored to meet special individual needs in the most cost-efficient manner; and

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(c) to use existing public and private providers of service wherever possible, to supplement rather than replace existing service, and to increase the productivity of all special transportation vehicles available in the area.

Subd. 2. FINANCING; IMPLEMENTATION; MANAGEMENT AND ADVISORY GROUPS. The board shall contract for services necessary for the project's operation. All transportation service provided through the project must be provided under a contract between the board and the provider which specifies the service to be provided and the rates for providing it. The board shall establish a committee to set management policies for the project. The management policy committee must include the chairman of the board or his designee, representatives of persons contracting to provide services for the project, representatives of users of the service, and representatives of appropriate agencies. The meetings of the management policy committee are public and minutes of all meetings must be taken, preserved, and made available for public inspection. The board shall establish an advisory task force of individuals representing the elderly, handicapped, and other users of service provided by the project to advise the management policy committee.

Subd. 3. DUTIES OF BOARD. In implementing the project the board shall:

(a) encourage participation in the project by public and private providers of special transportation service currently receiving capital or operating assistance from a public agency;

(b) contract with public and private providers that have demonstrated their ability to effectively provide service at a reasonable cost;

(c) encourage individuals using service provided through the project to use the type of service most appropriate to their particular needs;

(d) ensure that all persons providing service through the project receive equitable treatment in the allocation of the ridership;

(e) encourage shared rides to the greatest extent practicable;

(f) encourage public agencies that provide transportation to eligible individuals as a component of human services and educational programs to coordinate with the project and to allow reimbursement for services provided through the project at rates that reflect the public cost of providing those services; and

(g) establish criteria to be used in determining individual eligibility for special transportation services.

Subd. 4. COORDINATION REQUIRED. The board may not grant any financial assistance to any recipient that proposes to use any part of the grant to provide special transportation service in the metropolitan area unless the program is coordinated with the project in the manner determined by the board.

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Subd. 5. EQUITABLE ALLOCATION AND ANNUAL REALLOCATION. The board shall distribute all available funding under this section in a manner designed to achieve an equitable allocation of special transportation services based on the proportion of the number of elderly, handicapped, disabled, or economically disadvantaged individuals with special transportation needs who actually use the special transportation service.

Subd. 6. OPERATING AND SERVICE STANDARDS. A vehicle providing special transportation service which is subject to the operating standards adopted pursuant to section 174.30 may not be allowed to provide service through the project unless a current certificate of compliance has been issued to the vehicle. A person operating or assisting the operation of a vehicle may leave the vehicle to enter premises in order to help a passenger who does not require emergency ambulance service. Operators and assistants shall provide the help necessary for door-through-door service, including help in entering and leaving the vehicle and help through the exterior entrance and over any exterior steps at either departure or destination buildings, provided that both the steps and the wheelchair are in good repair. If an operator or assistant refuses help because of the condition of the steps or the wheelchair, the operator of the service shall send letters to the board and the person denied service describing the corrective measures necessary to qualify for service.

Subd. 7. ASSUMPTION OF PROGRAM. The board shall certify to the commissioner of transportation when it has adopted an approved interim implementation plan and is ready to assume responsibility for the special transportation service project administered by the commissioner under section 174.31. On receiving the certification the commissioner shall transfer to the board the unexpended balance of the funds appropriated to him by law for operation of the special transportation service coordination project under Minnesota Statutes 1982, section 174.31, and shall take no further actions under that section. On receipt of this amount the project becomes a responsibility of the board.

Sec. 123. [473.388] REPLACEMENT SERVICE PROGRAM.

Subdivision 1. PROGRAM ESTABLISHED. A replacement service program is established to continue the metropolitan transit service demonstration program established in Minnesota Statutes 1982, section 174.265, as provided in this section.

Subd. 2. REPLACEMENT SERVICE; ELIGIBILITY. The transit board may provide assistance under the program to a statutory or home rule charter city or town or combination thereof, that:

(a) is located in the metropolitan transit taxing district;

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(b) is not served by the transit commission or is served only with transit commission bus routes which begin or end within the applying city or town or combination thereof; and

(c) has fewer than four scheduled runs of metropolitan transit commission bus service during off-peak hours defined in section 473.408, subdivision 1.

Eligible cities or towns or combinations thereof may apply on behalf of a transit operator with whom they propose to contract for service.

The board may not provide assistance under this section to a statutory or home rule charter city or town unless the city or town was receiving assistance under Minnesota Statutes 1982, section 174.265 or had submitted an application or a letter of intent to apply for assistance under that section by July 1, 1984.

Subd. 3. APPLICATION FOR ASSISTANCE. An application for assistance under this section must:

(a) describe the existing service provided to the applicant by the transit commission, including the estimated number of passengers carried and the routes, schedules, and fares;

(b) describe the transit service proposed for funding under the demonstration program, including the anticipated number of passengers and the routes, schedules, and fares; and

(c) indicate the total amount of available local transit funds, the portion of the available local transit funds proposed to be used to subsidize replacement services, and the amount of assistance requested for the replacement services.

Subd. 4. FINANCIAL ASSISTANCE. The board may grant the requested financial assistance if it determines that the proposed service is consistent with the approved implementation plan and is intended to replace the service to the applying city or town or combination thereof by the transit commission and that the proposed service will meet the needs of the applicant at least as efficiently and effectively as the existing service.

The amount of assistance which the board may provide under this section may not exceed the sum of:

(a) the portion of the available local transit funds which the applicant proposes to use to subsidize the proposed service; and

(b) an amount of financial assistance bearing an identical proportional relationship to the amount under clause (a) as the total amount of financial assistance to the transit commission bears to the total amount of taxes collected by the board under section 473.446. The board shall pay the amount to be provided to the recipient from the assistance the board would otherwise pay to the transit commission.

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For purposes of this section "available local transit funds" means 90 percent of the tax revenues which would accrue to the board from the tax it levies under section 473.446 in the applicant city or town or combination thereof.

Subd. 5. OTHER ASSISTANCE. A city or town receiving assistance under this section may also receive assistance from the board under section 473.384. In applying for assistance under that section an applicant must describe the portion of the available local transit funds which are not obligated to subsidize replacement service and which the applicant proposes to use to subsidize additional service. An applicant which has exhausted its available local transit funds may use any other local subsidy funds to complete the required local share.

Subd. 6. ASSUMPTION OF PROGRAM. The board shall certify to the commissioner of transportation when it has adopted an approved interim implementation plan and is ready to assume responsibility for the metropolitan transit service demonstration program administered by the commissioner under Minnesota Statutes 1982, section 174.265. On receipt of the certification by the commissioner he shall make no further contracts under that program and shall assign all contracts then in effect under that program to the board, and the contracts at that time become obligations of the board.

Sec. 124. [473.39] BORROWING MONEY.

Subdivision 1. GENERAL AUTHORITY. The transit board, if authorized by vote of at least two-thirds of all its members, may borrow money on terms, and in the manner it deems proper. The board may not issue obligations pursuant to this subdivision in excess of the amount specifically authorized by law. A loan made under this section and interest thereon shall be payable from collections of any funds of the board not otherwise appropriated by law and not otherwise pledged by resolution of the board. The loans may be evidenced by certificates of indebtedness, bonds, or other obligations, to which the board may pledge money received upon collection of the tax authorized by section 473.446 or received as proceeds of bonds issued under this section or any other revenue of the board. The loans may also be secured by a security interest in property acquired in whole or in part from their proceeds. The obligations are not a charge, lien, or encumbrance upon and may not be enforced against any property of the board except tax collections and bond proceeds specifically pledged by the board and security interests granted by it. In the enforcement or collection of the obligations, exercise of the taxing power of the board may not be required unless the board has specifically pledged tax levies or tax collections authorized by section 473.446 to the payment of the obligations. The obligations are not a debt of the state or any municipality or political subdivision within the meaning of any debt limitation or requirement pertaining to those entities. Neither the state nor any municipality or political subdivision except the board, nor any member or officer or employee of it is liable on the obligations.

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Subd. 2. LEGAL INVESTMENTS. Certificates of indebtedness, bonds, or other obligations issued by the board to which tax levies have been pledged pursuant to section 473.446, are proper for investment of any funds by a bank, savings bank, savings and loan association, credit union, trust company, insurance company, or public or municipal corporation, and may be pledged by any bank, savings bank, savings and loan association, credit union, or trust company as security for the deposit of public money.

Subd. 3. TEMPORARY BORROWING. After the board has adopted a budget, the board may borrow money in amounts it deems necessary, which may be used or expended by the board for any purpose, including but not limited to current expenses, capital expenditures, and the discharge of any obligation or indebtedness of the board. The indebtedness must be represented by a note or notes which may be issued from time to time in any denomination and sold at public or private sale pursuant to a resolution authorizing their issuance. The resolution must set forth the form and manner of execution of the notes and must contain other terms and conditions the board deems necessary or desirable to provide security for the holders of the notes. The note or notes are payable from committed or appropriated money from taxes, grants or loans of the state or federal government made to the board, or other revenues of the board, and the money may be pledged to the payment of the notes. To the extent the notes are not paid from the grant or loan money pledged for the payment thereof, the principal and interest of the notes must be paid from any taxes, income, and revenue received or accrued during the fiscal year in which the note or notes were issued, or other money of the board lawfully available therefor.

Sec. 125. [473.394] BOARD EXEMPT FROM TAXATION.

The properties, moneys, and other assets of the transit board, all revenues or other income of the board, are exempt from all taxation, licenses, fees, or charges of any kind imposed by the state or by any county, municipality, political subdivision, taxing district, or other public agency or body of the state.

Sec. 126. Minnesota Statutes 1982, section 473.404, is amended to read:

473.404 METROPOLITAN TRANSIT COMMISSION; CREATION AND COMPOSITION.

Subdivision 1. ESTABLISHMENT. There is hereby created a metropolitan transit commission for the metropolitan area, composed of nine members, herein called commissioners or members, which commission shall be organized, structured and administered as provided in sections 473.141 and 473.401 to 473.451.

Subd. 2. MEMBERSHIP. The transit commission consists of three members appointed by the transit board. One member must be a resident of the city of Minneapolis, one must be a resident of the city of St. Paul, and one must

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reside in the service area of the commission outside of Minneapolis and St. Paul. Appointments are not subject to the advice and consent of the senate.

Subd. 3. TERMS. The term of each member of the commission is three years and until a successor is appointed and qualified. The initial terms of members commence on the first day after August 1, 1984, that all three members have been appointed and qualified. One member must be appointed to an initial term of one year, one to an initial term of two years, and one to an initial term of three years. The terms of members of the transit commission appointed and serving on August 1, 1984, pursuant to Minnesota Statutes 1982, section 473.141, expire on the day that the terms of members appointed pursuant to this section commence.

Subd. 4. CHAIR. The commission shall annually elect a member to serve as the chair of the commission for a term of one year. The chair shall preside at all meetings of the commission, if present, and shall perform all other duties assigned to him by the commission or by law. The chair may call special meetings of the commission.

Subd. 5. QUALIFICATION. Each member of the commission must have management experience. A member shall not during his term of office be a member of the metropolitan council, the regional transit board, the metropolitan waste control commission, the metropolitan airports commission, the metropolitan sports facilities commission, or any other independent regional commission, board, or agency, or hold any judicial office. Each member shall qualify by taking and subscribing to the oath of office prescribed by the Minnesota Constitution, article 5, section 5. The oath, duly certified by the official administering it, must be filed with the metropolitan council.

Subd. 6. REMOVAL; VACANCIES. Members may be removed by the council only for cause in the manner specified in chapter 351. If the office of a member becomes vacant, under the conditions specified in chapter 351, the vacancy must be filled in the same manner in which the appointment to that office was made.

Subd. 7. COMPENSATION. Each member must be compensated as provided in section 473.141, subdivision 7.

Subd. 8. ORGANIZATION. The commission shall be organized into an operations division and an administration and operations planning division. The head of each division shall report to the chief administrator.

Subd. 9. ADMINISTRATION. The commission must be administered as provided in section 473.141, subdivisions 8, 9, 10, 11, 12, 13, and 14, except as otherwise provided in sections 473.404 to 473.449.

Sec. 127. Minnesota Statutes 1982, section 473.405, is amended to read:

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473.405 OPERATION POWERS.

Subdivision 1. **LEGAL STATUS; GENERAL POWERS.** ~~The transit commission has the powers and duties prescribed by sections 473.404 to 473.449 and all powers necessary or convenient to discharge its duties.~~

Subd. 2. **LEGAL STATUS.** (a) ~~The transit area, with the commission as its governing body, shall be is a public corporation and a political subdivision of the state. All the powers vested and obligations or duties imposed upon the commission and acts of the commission by sections 473.401 to 473.451 shall be deemed to be those of the transit area wherever necessary or appropriate, and shall be exercised, performed, and discharged in behalf of the area by the commission in its name as a public corporation and with like force and effect as if done in the name of the area, and for all such purposes, the commission shall have the same status and powers as the area, all subject to the provisions of section 473.449. The chairman and secretary of the commission shall have such powers as are delegated to them by the commission.~~

Subd. 3. **PROPERTY.** The commission may acquire, own, hold, use, improve, operate, maintain, lease, exchange, transfer, sell, or otherwise dispose of property, franchises, easements, or property rights or interests of any kind. The commission may acquire by purchase, lease, gift, or condemnation proceedings pursuant to chapter 117. Except as provided in subdivision 9, the commission may take possession of any property for which condemnation proceedings have been commenced at any time after the filing of the petition describing the property in the proceedings. The commission may contract with an operator or other persons for the use by the operator or person of any property under the commission's control.

(b) Subd. 4. **TRANSIT SYSTEMS.** ~~The commission shall have the power to plan, may engineer, construct, equip, and operate transit and paratransit systems, projects, or any parts thereof, including road lanes or rights of way, terminal facilities, maintenance and garage facilities, ramps, parking areas, and any other facilities useful for or related to any public transit or paratransit system or project. The commission may acquire by purchase, lease, gift, or condemnation proceedings any real or personal property, franchises, easements, or other rights of any kind for such purposes, or which may be necessary or proper for the discharge of its powers and duties.~~

Subd. 5. **ACQUISITION OF TRANSIT SYSTEMS.** ~~The commission shall have the power to may acquire by purchase, lease, gift, or condemnation proceedings any existing public transit system or any part thereof, including all or any part of the plant, equipment, shares of stock, property, real, personal, or mixed, rights in property, reserve funds, special funds, franchises, licenses, patents, permits and papers, documents and records belonging to any operator of a public transit system within the transit metropolitan area, and may in connection therewith assume any or all liabilities of any operator of a public transit~~

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system. The commission may not acquire any existing public transit system until ~~such~~ the acquisition has been approved by a majority of the transit board and the metropolitan council. The commission may ~~hold, use, improve, operate, maintain, lease, exchange, transfer, sell, or otherwise dispose of any of its property or rights to others and may contract with any operator or other persons for the use by any such operator or person of any such property or facilities under its control.~~

The commission, if it proceeds to acquire any existing public transit system or any part thereof by condemnation, shall have the power to take control of and operate ~~such~~ a system immediately following the filing and approval of the initial petition for condemnation, if the commission, in its discretion, determines ~~such action this to be necessary.~~ This power shall include the, and may take possession of all right, title and other powers of ownership in all properties and facilities described in the petition. Such action shall ~~Control must~~ be taken by resolution which ~~shall be is~~ effective upon service of a copy thereof on the condemnee and the filing of the resolution in the condemnation action. In the determination of the fair value of the existing public transit system, there ~~shall must~~ not be included any value attributable to expenditures for improvements made by the transit commission.

The commission may continue or terminate within three months of acquisition any advertising contract in existence by and between any advertiser and a transit system that the commission has acquired. If the commission determines to terminate ~~such~~ the advertising contract, it shall acquire all of the advertiser's rights under the contract by purchase or eminent domain proceedings as provided by law.

Subd. 6. PLANNING. The commission shall prepare the operations plans and service plans required by the board for submission to the board for approval.

Subd. 7. ACTIONS. The commission may sue and be sued and may enter into contracts which may be necessary or proper.

Subd. 8. CONTRACTS. The commission may enter into contracts necessary or proper for the exercise of its powers or the accomplishment of its purposes.

Subd. 9. CONDEMNATION OF PUBLIC PROPERTY OR PROPERTY OF PUBLIC SERVICE CORPORATIONS. The fact that property is owned by or is in charge of a public agency or a public service corporation organized for a purpose specified in section 300.03, or is already devoted to a public use or to use by the corporation or was acquired therefor by condemnation may not prevent its acquisition by the commission by condemnation, but if the property is in actual public use or in actual use by the corporation for any purpose of interest or benefit to the public, the taking by the commission by

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condemnation may not be authorized unless the court finds and determines that there is greater public necessity for the proposed use by the commission than for the existing use.

Subd. 10. VOLUNTARY TRANSFER OF PUBLIC PROPERTY TO THE COMMISSION. Any state department or other agency of the state government or any county, municipality, or other public agency may sell, lease, grant, transfer, or convey to the commission, with or without consideration, any facilities or any part or parts thereof or any real or personal property or interest therein which may be useful to the commission for any authorized purpose. In any case where the construction of a facility has not been completed, the public agency concerned may also transfer, sell, assign, and set over to the commission, with or without consideration, any existing contract for the construction of the facilities.

Subd. 11. GIFTS AND GRANTS. The commission may accept gifts, grants, or loans of money or other property from the United States, the state, or any person or entity ~~for such purposes~~, may enter into any agreement required in connection therewith, may comply with any federal or state laws or regulations applicable thereto, and may hold, use, and dispose of ~~such the~~ money or property in accordance with the terms of the gift, grant, loan, or agreement relating thereto. ~~The commission may establish an executive committee, a finance committee, and such other committees of its members as it deems necessary or proper in furtherance of the provisions of sections 473.401 to 473.451, and may authorize them to exercise in the intervals between commission meetings any powers of the commission except those expressly required by law to be exercised by the commission.~~

Subd. 2 12. MANAGEMENT CONTRACTS. Notwithstanding any of the other provisions of sections 473.401 to 473.451, the commission ~~shall have powers may~~, in lieu of directly operating any public transit system, or any part thereof, ~~to enter into management contracts with any persons, firms, or corporations for the management of said system for such period or periods of time, and under such services. The contracts may provide for compensation, incentive fees, the employment of personnel, the services provided, and other terms and conditions as shall be deemed advisable and that the commission deems proper by the commission and such persons, firms, or corporations.~~

~~Such persons, firms, or corporations entering into management contracts with the commission may employ necessary personnel for the operation and maintenance of said system as well as perform consulting and supervisory services for the commission. An incentive fee may be included in any management contract that is negotiated. The commission may not permit a contract manager to supervise or manage internal audit activities. Internal audit activity must be supervised and managed directly by the commission. The commission shall advertise for bids and select contracts for management services through competi-~~

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tive bidding. The term of the contract may not be longer than two years. The contract must include clear operating objectives, stating the service policies and goals of the commission in terms of the movement of various passenger groups, and performance criteria, by means of which success in achieving the operating objectives can be measured. Employees of a contract manager may serve only in the operations division. The commission shall consider and determine the feasibility and desirability of having all its transit management services provided internally by employees of the commission.

The employees of any public transit system operated pursuant to the provisions of this subdivision shall, in case of for the purpose of resolving any dispute arising under any existing or new collective bargaining agreement relating to the terms or conditions of their employment, have the right, for the purpose of resolving such dispute, may either to engage in a concerted refusal to work or to invoke the processes of final and binding arbitration as provided by chapter 572, subject to any applicable provisions of the agreement not inconsistent with law.

Whenever the commission shall directly operate any public transit system, or any part thereof, or enter into any management contract or other arrangement for the operation thereof, the commission shall take such action as may be necessary to extend to employees of affected public transit systems in the area, in accordance with seniority, the first opportunity for reasonably comparable employment in any available non-supervisory jobs in respect to such operations for which they can qualify after a reasonable training period. Such employment shall not result in any worsening of the employee's position in his former employment nor any loss of wages, hours, working conditions, seniority, fringe benefits, and rights and privileges pertaining thereto.

The commission may enter into an agreement specifying fair and equitable arrangements to protect the interests of employees who may be affected if the commission should acquire any interest in or purchase any facilities or other property of a privately owned and operated transit system, or construct, improve, or reconstruct any such facilities or other such property acquired from any such system, or provide by contract or otherwise for the operation of transportation facilities or equipment in competition with, or supplementary to, the service provided by an existing transit system. Such agreement, specifying the terms and conditions of the protective arrangements, shall comply with any applicable requirements of sections 473.401 to 473.451, and with the requirements of any federal law or regulation if federal aid is involved. Such an agreement may provide for final and binding arbitration of any dispute.

Subd. 3. **RULES AND REGULATIONS.** The commission may prescribe and promulgate rules and regulations as it deems necessary or expedient in furtherance of the purposes of sections 473.401 to 473.451 upon like procedure and with like force and effect as provided for state agencies by sections 14.02,

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14.04 to 14.36, 14.38, 14.44 to 14.45, and 14.57 to 14.62, and acts amendatory thereof and supplementary thereto.

Subd. 13. INSURANCE. The commission may provide for self-insurance or otherwise provide for insurance relating to any of its property, rights, or revenue, workers' compensation, public liability, or any other risk or hazard arising from its activities, and may provide for insuring any of its officers or employees against the risk or hazard at the expense of the commission. If the commission provides for self-insurance, against its liability and the liability of its officers, employees, and agents for damages resulting from its torts and those of its officers, employees, and agents, including its obligation to pay basic economic loss benefits under sections 65B.41 to 65B.71, it shall be entitled to deduct from damages and basic economic loss benefits all money paid or payable to the persons seeking damages and benefits from all governmental entities providing medical, hospital, and disability benefits.

Subd. 14. ENTRY ON PREMISES FOR INVESTIGATIONS. The commission may enter in a reasonable manner upon any lands, waters, or premises for the purpose of making any reasonably necessary or proper surveys, soundings, drillings, and examinations. The entry may not be deemed a trespass, except that the commission is liable for any actual and consequential loss, injury, or damage therefrom.

Subd. 15. RELOCATION OF DISPLACED PERSONS. The commission may plan for and assist in the relocation of individuals, families, business concerns, nonprofit organizations, and others displaced by operations of the commission, and may make relocation payments in accordance with federal regulations.

Sec. 128. Minnesota Statutes 1982, section 473.409, is amended to read:

473.409 AGREEMENTS WITH COMMISSION; ENCOURAGEMENT OF TRANSIT USE.

A state department or agency, including the legislative branch, any local governmental unit, the metropolitan council, or other metropolitan commission may enter into an agreement with the transit commission and other operators for the purpose of encouraging the use of transit by its employees residing in the metropolitan area. The agreement may provide for, among other things: (a) the advance purchase of tokens, tickets or other devices from the commission or other operator for use in lieu of fares on vehicles operated by the commission or other operator; and (b) special transit service for employees to and from their place of employment, at fares to be agreed upon by the contracting parties. The tokens, tickets, or other devices or services may be made available to employees at reduced rates. Any such agreement and arrangement by a state department or agency shall be submitted to the commissioner of administration for approval before execution. Any operating deficits or subsidy resulting from such agree-

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ments shall be assumed by the contracting department, agency, governmental unit, council, or other commission, unless otherwise provided in the an agreement approved by the transit board.

Sec. 129. Minnesota Statutes 1982, section 473.411, is amended to read:

473.411 TRANSPORTATION DEVELOPMENT PROGRAM TRANSIT AND HIGHWAY SYSTEMS.

Subdivision 1. **DEVELOPMENT PROGRAM.** The commission shall prepare and submit in the manner provided in and satisfying the requirements of section 473.161, a development program, providing for the implementation of the policy plan adopted by the council. In preparing the program, the commission shall consult with counties and municipalities in the metropolitan area, the state transportation department and the commissioner of energy, planning and development, and for that purpose may create such advisory committees as may be necessary.

The program shall provide for coordination of routes and operations of all publicly and privately owned transit and paratransit facilities within the transit area to the end that combined efficient and rapid transit and paratransit may be provided for the use of the public in the entire area. The commission may designate a segment of the system planned as a pilot or demonstration transit or paratransit project using, without limitation, new technology including airborne systems, or traditional systems of evolved or modern form. The development program shall include the general alignment and profile, approximate points of access, facility classification, approximate cost, relation to other existing and planned transit and paratransit routes and facilities, and a statement of the expected general effect on present and future use of the property within the corridor. The program shall be accompanied with a statement of need for the proposed construction or improvement, a description of alternate routes which were considered, and an explanation of the advantages and disadvantages in the selection of any route considered. The development program shall also contain a description of the type of right-of-way or routes required; the type of transit service to be provided in each portion of the system; designation of transit mode; and appropriate general operating criteria. The program shall also contain an operational improvement program which shall at least describe performance objectives and standards which the commission proposes to achieve in satisfying policies, purposes, and goals established by the legislature and the council; identify performance indicators by which to monitor and assess progress in achieving the objectives and standards; and establish a route deficit limit as provided in section 174.28, subdivision 5. The program may include such other information as the council or the commission deems necessary.

Subd. 3. **COMBINATION OF PUBLIC TRANSIT AND HIGHWAY SYSTEMS; SERVICES OF DEPARTMENT OF TRANSPORTATION.** The public transit system shall be designed and operated, as far as practicable, so as to

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provide, in combination with public highways, adequate means and facilities of maximum attainable efficiency for public transportation to, from, and within the metropolitan transit area, and to relieve the congestion, traffic hazards, and other objectionable conditions aforesaid on the public highways caused by lack of adequate provisions for public transit. The transit commission may make use of engineering and other technical and professional services, including regular staff and qualified consultants, which the commissioner of transportation can furnish, upon fair and reasonable reimbursement for the cost thereof; provided, that the commission ~~shall have~~ has final authority over the employment of any services from other sources which it may deem necessary for such purposes. The commissioner of transportation may furnish all engineering, legal, and other services, if so requested by the commission and upon fair and reasonable reimbursement for the cost thereof by the commission, ~~which the commission requests~~ for the purposes stated in this subdivision, including the acquisition by purchase, condemnation, or otherwise in the name of the commission of all lands, waters, easements, or other rights or interests in lands or waters required by the commission. No purchase of service agreements may be made under this subdivision which are not included in the budget of the commission.

Subd. 4. STATE HIGHWAYS; JOINT USE FOR TRANSIT AND HIGHWAY PURPOSES. Wherever the joint construction or use of a state highway is feasible in fulfilling the purposes of sections 473.401 to 473.451, the transit commission shall enter into an agreement with the commissioner of transportation therefor, evidenced by a memorandum setting forth the terms of the agreement. Either the commission or the commissioner of transportation may acquire any additional lands, waters, easements or other rights or interests therein required for such joint use in accordance with said the agreement, or joint acquisition may be made by condemnation as provided by section 117.016 and the provisions of sections 473.401 to 473.451. Under any such the agreement each party shall pay to the other party reasonable compensation for the costs of any services performed at the request of the other party which may include any costs of engineering, design, acquisition of property, construction of the facilities, and for the use thereof so far as attributable to and necessary for said the purposes. The commission may not agree to acquisitions or expenditures under this subdivision which are not included in its budget.

Subd. 5. USE OF PUBLIC ROADWAYS AND APPURTENANCES. The transit commission ~~shall have the right to~~ may use for the purposes of sections 473.401 to 473.451 upon the conditions hereinafter stated in this subdivision any state highway or other public roadway or lane ~~thereof~~, or any bridge or tunnel or other appurtenance of such a roadway, without payment of any compensation ~~therefor~~, provided such the use does not interfere unreasonably with the public use or maintenance of the roadway or appurtenance or entail any substantial additional costs for maintenance ~~thereof~~; ~~provided further, that~~. The provisions of this subdivision ~~shall do~~ do not apply to the property of any common carrier railroad or common carrier railroads. The consent of the public agency

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in charge of such state highway or other public highway or roadway or appurtenance shall ~~is~~ not be required, but if ~~such~~ the agency objects to the proposed use or claims reimbursement from the commission for additional cost of maintenance, it may commence an action against the commission in the district court of the county wherein ~~such~~ the highway, roadway, or appurtenance, or major portion thereof, is located. The proceedings in ~~such~~ the action shall ~~must~~ conform to the rules of civil procedure applicable to the district courts. The court shall sit without jury. If the court determines that the use in question interferes unreasonably with the public use or maintenance of the roadway or appurtenance, it shall enjoin ~~such~~ the use by the commission. If the court determines that the use in question does not interfere unreasonably with the public use or maintenance of the roadway or appurtenance, but that it entails substantial additional maintenance costs, the court shall award judgment to the agency for the amount of ~~such~~ the additional costs. Otherwise the court shall award judgment to the commission. An aggrieved party may appeal from the judgment of the district court in the same manner as is provided for such appeals in other civil actions. The commission may also use land within the right of way of any state highway or other public roadway for the erection of traffic control devices, other signs, and passenger shelters upon the conditions hereinafter stated in this subdivision and subject only to the approval of the commissioner of transportation where required by statute, and subject to the express provisions of other applicable statutes and to federal requirements where necessary to qualify for federal aid.

Sec. 130. Minnesota Statutes 1982, section 473.416, is amended to read:

473.416 COMMISSION; TAKING OVER PERSONNEL AND CONTRACTS OF JOINT POWERS TRANSIT COMMISSION SYSTEMS.

Whenever the transit commission directly operates any public transit system, or any part thereof, or enters into any management contract or other arrangement for the operation of a system, the commission shall take the action necessary to extend to employees of the affected public transit systems, in accordance with seniority, the first opportunity for reasonably comparable employment in any available nonsupervisory jobs in respect to such operations for which they can qualify after a reasonable training period. The employment must not result in any worsening of the employee's position in his or her former employment nor any loss of wages, hours, working conditions, seniority, fringe benefits, and rights and privileges pertaining thereto. The commission may enter into an agreement specifying fair and equitable arrangements to protect the interests of employees who may be affected if the commission should acquire any interest in or purchase any facilities or other property of a privately owned and operated transit system, or construct, improve, or reconstruct any facilities or other property acquired from any system, or provide by contract or otherwise for the operation of transportation facilities or equipment in competition with, or supplementary to, the service provided by an existing transit system. The

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agreement, specifying the terms and conditions of the protective arrangements, must comply with any applicable requirements of sections 473.401 to 473.451, and with the requirements of any federal law or regulation if federal aid is involved. The agreement may provide for final and binding arbitration of any dispute.

The commission, upon commencing operations under sections 473.401 to 473.451, shall, so far as deemed practicable and advisable in the discretion of the commission and subject to the provisions hereof, take over and employ in corresponding positions or other suitable positions the professional, technical, and other personnel employed by the existing metropolitan transit commission, hereinafter called the joint powers transit commission, created by the joint and cooperative agreement heretofore made between certain governmental units of the transit area pursuant to section 471.59. The transit commission created by sections 473.401 to 473.451 shall upon like conditions take over any contracts made by the joint powers transit commission and in force on July 1, 1967 for professional or technical services, rental of office space or other facilities, or other contracts relating to any matter within the purposes of sections 473.401 to 473.451. The joint powers transit commission shall execute all instruments which may be necessary to effectuate the provisions of this section.

Sec. 131. Minnesota Statutes 1982, section 473.435, is amended to read:

473.435 **BUDGET PREPARATION; SUBMISSION FINANCE.**

Subdivision 1. BUDGET. In furtherance of and in conformance with the implementation plan of the transit board, the transit commission shall prepare, submit and adopt a budget in the manner provided in, and otherwise comply with, the provisions of sections 174.03 and 473.163 each year shall prepare an annual budget, at the time, in the form, and containing the information prescribed by the board, and, after holding a public hearing on the budget, shall submit the budget to the board for review and approval or disapproval. The board may approve or disapprove the budget in whole or in part. The board may attach conditions to its approval. The board shall approve elements that the board determines are in conformance with the board's implementation plan and budget and shall disapprove elements that the board determines are not in conformance with the board's implementation plan and budget. The board shall return the budget to the commission, with comments indicating the reasons for any disapproval. If necessary, the commission shall make any appropriate amendments and resubmit the budget to the board for approval or disapproval.

Subd. 2. AUDIT. The transit commission shall employ a certified public accountant or firm to make an annual audit of the commission's financial accounts and affairs for the last fiscal year on or before November 30 of each year, and copies of the report thereof shall be filed and kept open to public inspection in the offices of the secretary of the commission, the board, and the

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secretary of state. The information in the audit shall be contained in the annual report and distributed in accordance with section 473.445.

Sec. 132. Minnesota Statutes 1983 Supplement, section 473.436, subdivision 6, is amended to read:

Subd. 6. **TEMPORARY BORROWING.** On or after the first day of any fiscal year, the commission may borrow money which may be used or expended by the commission for any purpose, including but not limited to current expenses, capital expenditures and the discharge of any obligation or indebtedness of the commission. The indebtedness ~~shall~~ must be represented by a note or notes which may be issued from time to time in any denomination and sold at public or private sale pursuant to a resolution authorizing the issuance ~~thereof, which.~~ The resolution shall must set forth the form and manner of execution of the notes and shall contain other terms and conditions the commission deems necessary or desirable to provide security for the holders of the notes. The note or notes ~~shall be~~ are payable from committed or appropriated money ~~of from~~ taxes, grants or loans of the state or federal government made to the commission, or other revenues of the commission, and the money may be pledged to the payment of the notes. To the extent the notes are not paid from the grant or loan money pledged for the payment thereof, the principal and interest of the notes shall must be paid ~~with the interest thereon~~ from any taxes, income and revenue received or accrued during the fiscal year in which the note or notes were issued, or other money of the commission lawfully available therefor.

Sec. 133. Minnesota Statutes 1982, section 473.436, is amended by adding a subdivision to read:

Subd. 7. **APPROVAL BY BOARD.** Commencing on the day that the transit board has adopted an approved interim implementation plan and financial plan, pursuant to sections 473.377 and 473.38, the transit commission may not issue debt under this section without the approval of the board.

Sec. 134. Minnesota Statutes 1982, section 473.445, is amended to read:

473.445 COMMISSION; ANNUAL REPORTS.

Subdivision 1. The transit commission on or before November 30 of each year shall prepare a report for the preceding fiscal year, also, so far as practicable, for the further time up to the preparation of the report, containing, in addition to such other matters as the commission may deem proper, the following:

(a) the activities of the commission during the period covered by the report;

(b) the financial condition of public transit systems under the control of the commission; and

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(c) a complete financial accounting of the financial accounts and affairs of the commission during the fiscal year;

(d) ~~recommendations for improvements of or additions to the transit and paratransit facilities of the area to provide adequate, speedy, and efficient means of transporting people therein;~~

(e) ~~recommendations for any needed legislation in furtherance of the aforesaid purposes.~~

Subd. 3. Each report ~~shall~~ must be filed with the secretary of the commission and a copy ~~shall~~ must be filed with the board, the council, and the secretary of state. Copies ~~shall~~ must also be submitted to the legislature by November 15 of each even numbered year and ~~shall~~ be distributed annually to the governor ~~and~~, to each member of the legislature, ~~to each county commission, and to each~~ elected chief executive of each municipality in the transit metropolitan area.

Sec. 135. Minnesota Statutes 1982, section 473.446, subdivision 2a, is amended to read:

Subd. 2a. **PROTECTION OF RIGHTS OF HOLDERS OF OUTSTANDING INDEBTEDNESS.** The provisions of subdivisions 1 and 2 or any other law changing the boundaries of the metropolitan transit taxing district or reducing the levy otherwise required to be levied within the district shall not be deemed to impair the rights of holders of outstanding indebtedness of the commission to require the levy certification to the transit board of property taxes, if necessary to provide for any deficiency in accordance with the conditions of such indebtedness, on all property within the limits of the metropolitan transit taxing district as such limits were in effect at the date of issuance of such indebtedness.

Sec. 136. Minnesota Statutes 1982, section 473.446, is amended by adding a subdivision to read:

Subd. 6. TRANSFER OF AUTHORITY. The authority and responsibility to levy taxes provided under this section is transferred from the transit commission to the transit board, beginning for taxes levied in 1984, payable in 1985, and for each succeeding year. In addition to the taxing authority under subdivision 1, the transit board may levy an additional amount necessary to provide full and timely payment of obligations of the board issued under section 473.39. The board is subject to the requirements and obligations imposed by this section on the commission.

Sec. 137. Minnesota Statutes 1982, section 473.446, is amended by adding a subdivision to read:

Subd. 7. PROTECTION OF RIGHTS OF HOLDERS OF OUTSTANDING INDEBTEDNESS. Beginning for taxes levied in 1984, payable in

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1985, and for each succeeding year, the transit commission shall certify to the transit board before October 1 of each year the amounts necessary to provide full and timely payment of certificates of indebtedness, bonds, and other obligations of the commission, until all debt of the commission is fully discharged. As part of its levy made pursuant to subdivisions 1 and 6, the board shall levy the amounts certified by the commission and transfer the proceeds to the commission for payment of its obligations. The taxes must be levied, certified, and collected in accordance with the terms and conditions of the indebtedness. Nothing in this act may impair the rights of holders of valid obligations of the commission to require a levy of property taxes. The transit board shall take the actions necessary to comply with the terms and conditions of the obligations, including if necessary the levy of property taxes to provide for a deficiency.

Sec. 138. Minnesota Statutes 1982, section 473.449, is amended to read:
473.449 **ACT EXCLUSIVE.**

The exercise by the commission of the powers provided in sections 473.401 to 473.451 shall not be subject to regulation by or the jurisdiction or control of any other public body or agency, either state, county, or municipal, except as specifically provided in sections 473.401 to 473.451, and Laws 1974, Chapter 422, Article 1 chapter 473.

Sec. 139. Minnesota Statutes 1983 Supplement, section 609.855, subdivision 1, is amended to read:

Subdivision 1. **UNLAWFULLY OBTAINING SERVICES.** Whoever intentionally obtains or attempts to obtain service from a provider of regular route transit as defined in section 174.22, subdivision 8, without making the required fare deposit or otherwise obtaining the consent of the transit operator or other authorized transit representative is guilty of unlawfully obtaining services and may be sentenced as provided in subdivision 4.

Sec. 140. Minnesota Statutes 1983 Supplement, section 609.855, subdivision 2, is amended to read:

Subd. 2. **UNLAWFUL INTERFERENCE WITH TRANSIT OPERATOR.** Whoever intentionally commits an act that unreasonably interferes with the transit operator or representative while the operator or representative is engaged in the performance of official duties or obstructs the operation of a transit vehicle is guilty of unlawful interference and may be sentenced as provided in subdivision 4.

Sec. 141. Laws 1983, chapter 293, section 1, is amended to read:

Section 1. **TRANSPORTATION AND OTHER AGENCIES; APPROPRIATIONS.** The sums set forth in the columns designated "APPROPRIATIONS" are appropriated from the general fund, or any other fund designated, to the agencies and for the purposes specified in the following sections of this act,

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1983, chapter 17, section 12, both as amended by this act.

The commissioner of transportation shall notify the chairman of the senate finance committee and chairman of the house appropriations committee promptly of any events that should cause these estimates to change.

This appropriation is for the actual construction, reconstruction, and improvement of trunk highways. This includes the cost of actual payment to land owners for lands acquired for highway right of way, payment to lessees, interest subsidies, and relocation expenses.

County State Aids

\$154,900,000 \$163,400,000

This appropriation is from the county state-aid highway fund and is available until expended.

Municipal State Aids

\$ 51,500,000 \$ 54,100,000

This appropriation is from the municipal state-aid street fund and is available until expended.

Of the above appropriation, \$155,000 the first year and \$163,500 the second year shall be allocated to those communities where the population fell below 5,000 according to the 1980 federal census.

If an appropriation for either county state aids or municipal state aids is insufficient to exhaust the balance in the fund from which it is made in the year for which it is made, the commissioner of finance, upon request of the commissioner of transportation, shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount of the remainder and shall then add that amount to the appropriation. The amount added is appropriated for the purposes of county state aids or municipal state aids, as appropriate.

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\$1,400,000 the first year and \$1,400,000 the second year is for airport maintenance grants.

If the appropriation for either year for navigational aids, airport construction grants, or airport maintenance grants is insufficient, the appropriation for the other year is available for it. These appropriations shall be expended only for grant-in-aid programs for airports that are not state owned.

These appropriations are to be expended in accordance with Minnesota Statutes, section 360.305, subdivision 4, clauses (1), (2), (4), and (5).

The commissioner of transportation may transfer unencumbered balances among these appropriations with the approval of the governor after consultation with the legislative advisory commission.

\$16,900 the first year and \$7,500 the second year is for maintenance of the Pine Creek Airport.

Air Transportation Services

\$	330,300	\$	142,500
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Any unexpended balance of the appropriation for air transportation services for purposes of repair and replacement of aircraft parts remaining in the first year shall not cancel but is available for the second year of the biennium.

The commissioner of transportation shall expend no money for pilot uniforms.

During the biennium ending June 30, 1985, the commissioner of transportation shall establish the position of state air dispatcher.

Sec. 144. Laws 1983, chapter 293, section 2, subdivision 9, is amended to read:

Subd. 9. Transfers

The commissioner of transportation with the approval of the commissioner of finance may transfer unencumbered balances among the appropriations ~~from the trunk highway~~

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fund made in this section from the trunk highway fund, or from the general fund or state airports fund other than for grants. No transfer shall be made from the appropriation for trunk highway development. No transfer shall be made from the appropriations for debt service to any other appropriation. No transfer shall be made between funds. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 145. Laws 1983, chapter 293, section 4, subdivision 1, is amended to read:

Sec. 4. PUBLIC SAFETY

Subdivision 1. General Operations and Management

	<u>68,134,000</u>	<u>68,181,700</u>
	<u>67,990,600</u>	<u>68,325,500</u>
	1984	1985
Approved Complement -	1,631.9	1,630.8
General -	385.0	385.0
Special -	.5	.5
Trunk Highway -	1,039.3	1,039.3
Highway User -	174.6	174.6
Federal -	32.5	31.4

The above approved complement includes 511 for state funded unclassified patrol officers and supervisors of the highway patrol.

Nothing in this provision is intended to limit the authority of the commissioner of public safety to transfer personnel, with the approval of the commissioner of finance, among the various units and divisions within this section provided that the above complement shall be reduced accordingly.

No new highway patrol supervisory positions shall be established, with the exception of special duty assigned ranks for the length of assignment only.

The commissioner of public safety, in cooperation with the departments of revenue and transportation, shall submit a report to the legislature outlining the costs and benefits of establishing ports of entry on Minnesota

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trunk highways. The study shall include, but is not necessarily limited to, an evaluation of the financial requirements for establishing ports of entry, the feasibility of ports of entry, the optimum location of ports of entry, and the impact ports of entry might have on the revenues collected for road and street purposes in Minnesota. The report shall be submitted to the chairman of the house appropriations committee and the chairman of the senate finance committee by November 1, 1983.

Of this appropriation, \$17,274,400 the first year and \$17,281,200 the second year is from the general fund; \$45,000 the first year and \$45,000 the second year is from the state airports fund; \$43,446,900 for the first year and \$43,627,800 the second year is from the trunk highway fund; and ~~\$7,368,100~~ \$7,224,300 the first year and ~~\$7,227,700~~ \$7,371,500 the second year is from the highway user tax distribution fund.

The amounts that may be expended from this appropriation for each program are specified in the following subdivisions of this section.

Sec. 146. Laws 1983, chapter 293, section 4, subdivision 3, is amended to read:

Subd. 3. Emergency Services

\$ 878,800 \$ 784,900

\$264,400 the first year and \$267,300 the second year is for nuclear plant preparedness, and any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

Sec. 147. Laws 1983, chapter 293, section 5, is amended to read:

Sec. 5. AGRICULTURE

General Operations and Management	14,760,600	13,734,700
Approved Complement - 453.8		
General - 222.3		
Special/Revolving - 216.5		
Federal - 15		

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Of this appropriation, \$14,610,400 the first year and \$13,556,000 the second year is from the general fund; and \$150,200 the first year and \$178,700 the second year is from the special revenue fund.

The amounts that may be expended from this appropriation for each program are as follows:

Agricultural Protection Service

\$ 3,441,200 \$ 3,461,300

Notwithstanding Laws 1981, chapter 356, section 23, the commissioner of agriculture need transfer from the grain inspection account to the general fund by June 30, 1983 only the amount of the unobligated balance in the account not needed to provide working capital during the fiscal year ending June 30, 1984, as determined by the commissioner of finance. Any amounts due under Laws 1981, chapter 356, section 23 and not transferred to the general fund by June 30, 1983 shall be transferred to the general fund by June 30, 1984. It is estimated that this delay will reduce general fund transfers from other funds by \$250,000 for fiscal year 1983.

Pursuant to Minnesota Statutes, section 17A.10, the commissioner of agriculture shall not initiate any new weigh stations until the recommendations of a select committee on livestock weighing have been received by the legislature. ~~The committee shall be made up of three members of the house agriculture committee appointed by the speaker and three members of the senate agriculture and natural resources committee appointed by the subcommittee on committees of the committee on rules and administration. The committee shall report no later than January 30, 1984 promptly appoint weighers to weigh livestock at each public stockyard, packing plant, slaughtering house, buying station, or livestock marketing agency where weighers are required by law.~~

There is appropriated to the Department of Agriculture \$10,000 for fiscal year 1983 for

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the purpose of implementing a gypsy moth control program. These funds are available until expended.

Agricultural Promotion Service

\$ 5,771,600 \$ 4,632,000

\$150,200 the first year and \$178,700 the second year is from the commodities research and promotion account in the special revenue fund.

\$500,000 the first year and \$500,000 the second year is for the agriculture development grant program to be expended in accordance with Minnesota Statutes, section 17.101. The commissioner shall submit a work program and semi-annual progress reports to the chairman of the senate finance committee and the chairman of the house appropriations committee.

For the biennium ending June 30, 1985, the commissioner of agriculture may provide money to assist in the implementation of research and promotional orders pursuant to Minnesota Statutes, sections 17.51 to 17.69 from the appropriations provided for agriculture development grants. This money shall be provided in accordance with Minnesota Statutes, section 17.101.

No more than \$15,000 may be spent for implementing a barley research and promotion order.

No more than \$30,000 may be spent for implementing a corn research and promotion order.

\$1,500,000 the first year is for transfer to the special family farm security program account created by Minnesota Statutes, section 41.61, subdivision 1, for the purpose of paying lenders for defaulted loans.

\$2,846,200 the first year and \$3,164,600 the second year is for family farm security interest payment adjustments. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Administration and Financial Aids Service

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

\$ 2,512,400 \$ 2,553,200

The appropriation for administration and financial aids service includes the following amounts for grants to agricultural societies and associations:

(a) For aid to the northeastern Minnesota junior livestock show association

\$ 1,200 \$ 1,200

(b) For aid to Minnesota livestock breeders association

\$ 14,200 \$ 14,200

(c) For aid to northern sheep growers associations

\$ 1,000 \$ 1,000

(d) For aid to southern sheep growers associations

\$ 400 \$ 400

(e) For Red River valley livestock associations

\$ 6,000 \$ 6,000

The amount appropriated by clause (e) shall be disbursed pursuant to provisions of Minnesota Statutes, section 38.02.

(f) For the Red River Valley Dairymen's Association, Inc., for the purpose of promoting better dairying

\$ 1,200 \$ 1,200

Clauses (b), (c), (d), (e), and (f) shall be expended under provisions of Minnesota Statutes, section 17.07.

(g) Aid to county and district agricultural societies

\$ 260,200 \$ 257,600

Of this amount, \$2,600 in fiscal year 1984 is for reimbursing Morrison County for costs incurred in fiscal year 1982;

Of the amount appropriated by clause (g) \$3,800 each year is for livestock premiums

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

to county fair associations for carrying on boys' and girls' club work. The amount appropriated by clause (g) shall be disbursed according to Minnesota Statutes, section 38.02.

Of the amounts appropriated by clause (g), \$900 each year shall be available for agricultural aid to the Red Lake Band of Chippewa Indians, to be expended as may be directed by the Indian council for the purpose of encouraging activities and arts that will advance the economic and social interest of their people and particularly to promote a program of agricultural development that will utilize to the greatest possible extent the lands and forest owned by them. This appropriation may be used to help maintain an agricultural extension service, to promote 4-H club work, or for premiums for the competitive display of exhibits at any fair or exposition that may be arranged under the direction of the council.

(h) For aid in payment of premiums at exhibitions of poultry for the poultry associations

\$	2,800	\$	2,800
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Out of the amounts appropriated by clause (h) the amount of \$827 shall be allotted each fiscal year to aid the Minnesota state poultry association in the payment of premiums and other necessary expenses, exclusive of salaries or wages of any kind, at its annual exhibition.

\$8,800 the first year and \$9,200 the second year is for payment of claims relating to livestock damaged by endangered animal species.

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

The commissioner of agriculture shall submit a report to the chairman of the house appropriations committee and the chairman of the senate finance committee by January 15, 1984 outlining the costs and benefits of

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continuing the building lease beyond October 30, 1984.

Soil and Water Conservation Board

\$ 3,035,400 \$ 3,088,200

\$420,700 the first year and \$420,700 the second year is for general purpose grants in aid to soil and water conservation districts.

\$99,200 the first year and \$152,300 the second year is for grants to districts for technical assistance, education, and demonstrations of conservation tillage.

\$198,500 the first year and \$198,500 the second year is for grants to watershed districts and other local units of government in the southern Minnesota river basin study area 2 for flood plain management.

\$1,541,400 the first year and \$1,541,400 the second year is for grants to soil and water conservation districts for cost-sharing contracts for erosion control and water quality management.

\$158,700 the first year and \$158,700 the second year is for grants in aid to soil and water conservation districts and local units of government to assist them in solving sediment and erosion control problems. Grants shall not exceed 50 percent of total project costs or 50 percent of the local share if federal money is used. Priority shall be given to projects designed to solve lake-shore, stream bank, and roadside erosion and to projects eligible for federal matching money.

\$12,400 the first year and \$12,400 the second year is for grants to soil and water conservation districts for review and comment on water permits.

The commissioner of agriculture with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose among the above programs. Transfers shall be reported forthwith to the committee on finance of

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the senate and the committee on appropriations of the house of representatives.

Sec. 148. Laws 1983, chapter 293, section 6, is amended to read:

Sec. 6. BOARD OF ANIMAL HEALTH

General Operations and Management	1,237,600	1,198,000
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Approved Complement - 35

This appropriation includes ~~\$40,000~~ \$32,600 the first year and ~~\$40,000~~ \$18,000 the second year for payment of indemnities. If the appropriation for indemnities for either year is insufficient, the appropriation for the other year is available for it. Indemnities of less than \$1 shall not be paid.

For the biennium ending June 30, 1985, the board of animal health may request additional funding from the legislative advisory commission for the purpose of implementing the provisions of a bill known as H.F. 512, tentatively coded as Minnesota Statutes, section 35.255.

Sec. 149. JOINT COMMITTEE.

The senate agriculture and natural resources committee and the house agriculture committee may form a joint committee to oversee agricultural land preservation and soil and water conservation activities in the state.

Sec. 150. APPROPRIATIONS; REDUCTIONS AND TRANSFERS.

Subdivision 1. The general fund appropriation in Laws 1983, chapter 293, section 2, subdivision 5(e) for fiscal year 1985 for state operating assistance grants is reduced by \$1,084,800 and reappropriated to the commissioner of transportation for transfer to the regional transit board.

Subd. 2. The general fund appropriation in Laws 1983, chapter 293, section 2, subdivision 6 for fiscal year 1985 for transit administration is reduced by \$14,700 and reappropriated to the commissioner of transportation for transfer to the regional transit board. The approved general complement of the department of transportation is reduced by one full-time position effective June 30, 1985.

Subd. 3. Notwithstanding any other law to the contrary, the metropolitan transit commission shall reduce its support staff by 21 full-time positions effective June 30, 1985. For purposes of this subdivision, support staff includes all staff other than drivers, mechanics, and security personnel.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 4. For the biennium ending June 30, 1985, the approved complement of the regional transit board may not exceed 19 full-time positions. The chairman of the regional transit board may, on approval of the board, appoint no more than three persons in the unclassified service, not to exceed any other statutory complement limitations.

The chairman of the regional transit board shall present a complete budget and staffing plan to the committees on finance in the senate and appropriations in the house by December 1, 1984.

Subd. 5. The commissioner of finance shall supervise the transfer of funds to the regional transit board under subdivisions 1 and 2. If an increase is required in the amount appropriated for the operating expenses of the regional transit board, the commissioner of finance shall determine the appropriate amount and, subject to the provisions of section 3.30, transfer the required amount from funds made available by Laws 1983, chapter 293, section 2, subdivision 5(e). Questions respecting the transfer of programs from the metropolitan transit commission or the department of transportation shall be resolved by the commissioner of administration in consultation with the commissioner of finance.

Sec. 151. STUDIES; REPORTS.

The regional transit board shall study and report to the legislature by February 1, 1985, on the following issues:

(1) changes needed in the replacement service and contract programs in order to provide greater incentives for cities and counties and combinations thereof to design and implement service that meets their needs efficiently and effectively; and

(2) changes needed in its authority to contract indebtedness and to levy property taxes to retire debt.

Sec. 152. PROGRESS REPORTS.

The regional transit board shall report to the legislature by February 1, 1985, on its progress to date in:

(1) developing and implementing programs to improve service in areas that are not adequately served at present; and

(2) preparing and implementing the implementation plan and financial plan required by law.

Sec. 153. REPEALER.

Subdivision 1. METROPOLITAN TRANSIT COMMISSION. Minnesota Statutes 1982, sections 174.03, subdivision 5a; 473.401; 473.402; 473.403; 473.411, subdivision 1; 473.413 as amended by Laws 1983, chapter 247, section

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160; 473.451, are repealed effective August 1, 1984. Minnesota Statutes 1982, sections 174.24, subdivisions 3a and 4; 174.265; and 174.31 are repealed July 1, 1985.

Subd. 2. OTHER. Minnesota Statutes 1982, sections 167.31; 167.32; 167.33; 167.34; 167.35; 167.36; 167.37; 167.38; 167.39; 167.42; 167.43; 167.44; 167.521; and 168.27, subdivision 5, are repealed.

Sec. 154. EFFECTIVE DATE.

Except as otherwise provided in this section this act is effective the day following final enactment. Sections 101; 102; 103; 104; 105; 106; 107; 108; 109; 110; 111; 112; 113; 114; 115; 116, subdivisions 1, 2, 4, 5, 6, 7, and 8; 117; 118; 119; 120; 121; 122; 123; 124; and 125, are effective July 1, 1984, in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington. Sections 126; 127; 128; 129; 130; 131; 132; 133; 134; 135; 136; 137; and 138, are effective August 1, 1984, in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington. Sections 63; 64; 65; 66; 67; 68; 69; 70; 71; and 72, are effective July 1, 1985. Section 79 is effective July 1, 1985, and section 81 is effective January 1, 1986. Sections 139 and 140 are effective August 1, 1984 and apply to violations committed on or after that date.

ARTICLE 4 EDUCATION

Section 1. DEPARTMENT OF EDUCATION

(a) School Management Services

1,600,000

This appropriation is for regional computing centers.

It is added to the appropriation for that purpose in Laws 1983, chapter 258, section 2, subdivision 7(b), which is reappropriated to the department.

As part of the fiscal year 1986-1987 biennial budget process, the commissioner shall, with the assistance of the ESV Computer Council, prepare a plan for modification of the statutory requirement for school district affiliation with a regional center. This plan shall include recommendations for any statutory amendments required to implement this change in policy.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Notwithstanding Laws 1977, chapter 449, section 3, subdivision 2, reimbursement of the \$50,000 appropriation for establishing the Minnesota Occupational Information System Revolving Fund is not required.

(b) Special services

The \$75,000 appropriated to the department of education for fiscal year 1984 for a computer project for personnel licensing and placement activities may be carried over to fiscal year 1985.

(c) Auxiliary and General Support Services

The commissioner of education shall maintain no more than seven total state complement in the categories of commissioner, deputy commissioner, assistant commissioner, assistant to the commissioner, executive assistant, or executive aide.

(d) State Board Expenses

57,000

This appropriation is for state board of education expenses, services, contracts, and other needs determined by it. The commissioner of education shall provide accounting, financial, and other services without charge to the board. Expenditure of this appropriation is subject to the approval of the chair of the state board of education rather than the commissioner of education. This appropriation is added to the appropriation for the state board of education in Laws 1983, chapter 258, section 2, subdivision 8.

(e) Non-AVTI Adult Vocational Programs

181,000

There is appropriated from the general fund to the department of education, for fiscal year 1984, the sum of \$50,000 and, for fiscal year 1985, the sum of \$131,000 for the operation of non-AVTI adult vocational programs. This appropriation shall be added to the sums appropriated for fiscal years 1984 and 1985 for this purpose in Laws 1983, chapter 314, article 5, section 18, subdivision 7.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 2. STATE BOARD OF VOCATIONAL-TECHNICAL EDUCATION

100,000

This appropriation is added to the appropriation in Laws 1983, chapter 258, section 2, subdivision 4, for the implementation of Laws 1983, chapter 258, sections 56, 57, 58, 59, 60, 61, 63, and 64.

The state board of vocational-technical education may carry over any unencumbered balance from its appropriation from the first year of the biennium to the second year of the biennium and up to a maximum of two percent of its unallocated biennial appropriation into the following biennium.

Sec. 3. HIGHER EDUCATION COORDINATING BOARD

(a) State Scholarship, Nurses Scholarship, and State Grant-In-Aid

5,000,000

This appropriation is added to the appropriation for the same purpose in Laws 1983, chapter 258, section 3, subdivision 3.

Of the above appropriation, an amount not to exceed \$75,000 is for osteopathy contracts for osteopathy students who began their first year of study in the fall of 1982. Those students are to be eligible for participation in the contract program for their third and fourth years of study.

(b) The Higher Education Coordinating Board shall adopt temporary rules pursuant to Minnesota Statutes, sections 14.29 to 14.36 to implement Minnesota Statutes 1983 Supplement, section 136A.1701, for the 1984-1985 academic year. Notwithstanding Minnesota Statutes, section 14.35, the temporary rules may be effective until permanent rules are adopted or June 30, 1985, whichever is earlier.

(c) Reciprocity

A resident of a state which borders Minnesota and which did not require non-resident tuition for vocational technical programs in the 1983-84 school year, may attend an

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AVTI in Minnesota at Minnesota resident tuition rates for the 1984-1985 school year. The non-resident must qualify under Minnesota law to attend the AVTI as if the non-resident were a Minnesota resident.

The Higher Education Coordinating Board shall negotiate an interstate tuition reciprocity agreement with all bordering states that includes the area vocational technical institutes. If agreement cannot be reached on reciprocity for the area vocational technical institutes, the Board shall re-evaluate the entire post-secondary reciprocity agreement with that state.

Sec. 4. STATE UNIVERSITY SYSTEM

In order to assure conformance with legislative intent and cost-effective construction, the State University Board shall submit the building program, schematic plans, and cost estimates authorized by the 1984 Omnibus Capital Improvement Bill styled as H.F. 2314 to the Department of Finance for comment and recommendations.

Sec. 5. UNIVERSITY OF MINNESOTA

(a) Supercomputer Institute 1,600,000

This appropriation is for access to different types of supercomputers.

(b) Bio-Technology Center 200,000

This appropriation is added to the appropriation for the same purpose in Laws 1983, chapter 258, section 6, subdivision 3(z). This appropriation is available upon submission of required documentation that each dollar of state money has been matched by two dollars of contributions from nonstate sources.

(c) Faculty Retirement 960,000

This appropriation is added to the appropriation for operations and maintenance for the University of Minnesota in Laws 1983, chapter 258, section 6, subdivision 2. This

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appropriation restores part of the reduction in the appropriation to the university which occurred in Laws 1982, third special session chapter 1, article 2, section 2, subdivision 3(e). That reduction was intended to be a proportionate reduction in compensation for academic employees as part of the state's overall temporary reduction in employer contributions for public employee pensions.

(d) Agricultural Research

265,000

\$125,000 of this appropriation is for research concerning growing and processing grapes in Minnesota. These funds are to be used to create, expand, and facilitate grape research programs deemed valuable and appropriate to Minnesota-grown wine grapes, table grapes, grape juice products, and other grape products.

The Minnesota Grape Growers Association shall form a grape research council to advise the University of Minnesota about the research to be conducted. The grape research council shall be made up of seven members of the Minnesota Grape Growers Association. Four members, designated as grower members, must be active grape growers. Two members, designated as winery members, must be actively engaged in the production of Minnesota-regional commercial wines. One member, designated as the research member, must be actively engaged in either institutional or private grape culture research.

This appropriation is added to the appropriation in Laws 1983, chapter 258, section 6, subdivision 3(b).

(e) China Center

75,000

(f) Talented Youth Mathematics Program

75,000

(g) Underground Space Center

200,000

(h) Environmental Pathology Laboratory

100,000

(i) The University of Minnesota is requested to prepare detailed plans and specifications for the Institute of Contemporary Retailing.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Such plans and specifications may be included in the University's 1985 budget request.

Sec. 6. TEACHING ASSISTANTS

It is the intent of the legislature that the University of Minnesota and the state university board address the problem of teaching assistants for whom English is a second language. The University of Minnesota and the state university board shall develop plans for ensuring that teaching assistants are proficient in speaking, reading, and writing the English language as it is spoken in the United States. The plans shall be presented to the legislature by February 1, 1985.

The legislature encourages the University of Minnesota and the state university system to be sensitive to this problem as it may relate to faculty members and consult with their faculty on methods of addressing it.

Sec. 7. INTERNATIONAL SCHOOLS OF BUSINESS.

The University of Minnesota and the state university system are requested to prepare coordinated, detailed plans and specifications for international school of business endeavors; such plans and specifications shall be included in the systems 1985 budget requests.

Sec. 8. [15.0591] REPRESENTATIVE OF OLDER POPULATION.

Subdivision 1. ADDITION OF MEMBERS. The membership of state boards, commissions, advisory councils, task forces, or committees listed in subdivision 2 shall include at least one member, 60 years of age or over. At least one of the members over 60 shall not be actively engaged in or retired from an occupation, profession, or industry, if any, to be regulated.

Subd. 2. BODIES AFFECTED. A member meeting the qualifications in subdivision 1 shall be appointed to the following boards, commissions, advisory councils, task forces, or committees:

- (1) advisory council on battered women;
- (2) advisory task force on the use of state facilities;
- (3) alcohol and other drug abuse advisory council;
- (4) board for community colleges;

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

- (5) board of examiners for nursing home administrators;
- (6) board on aging;
- (7) cable communications board;
- (8) chiropractic examiners board;
- (9) consumer advisory council on vocational rehabilitation;
- (10) council for the handicapped;
- (11) council on affairs of Spanish-speaking people;
- (12) council on black Minnesotans;
- (13) dentistry board;
- (14) department of economic security advisory council;
- (15) higher education coordinating board;
- (16) housing finance agency;
- (17) Indian advisory council on chemical dependency;
- (18) medical examiners board;
- (19) medical policy directional task force on mental health;
- (20) metropolitan transit commission or its successor;
- (21) Minnesota emergency employment development task force;
- (22) Minnesota office of volunteer services advisory committee;
- (23) Minnesota state arts board;
- (24) mortuary sciences advisory council;
- (25) nursing board;
- (26) optometry board;
- (27) pharmacy board;
- (28) physical therapists council;
- (29) podiatry board;
- (30) psychology board;
- (31) veterans advisory committee.

Sec. 9. **TEMPORARY.**

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

If a group listed in section 8, subdivision 2, does not have a member who meets the qualifications in section 8, subdivision 1, on July 1, 1985, such a member shall be appointed when a vacancy occurs on or after July 1, 1985. Section 8 does not require the immediate displacement of current members of the groups listed in subdivision 2.

Sec. 10. Minnesota Statutes 1982, section 125.031, is amended to read:

125.031 LICENSURE, AREA VOCATIONAL-TECHNICAL SCHOOL INSTRUCTORS TEACHING LESS THAN SIX 61 HOURS A QUARTER FISCAL YEAR.

Notwithstanding section 125.03, subdivision 1, a person who teaches in an adult extension vocational-technical education program not more than six 61 hours per quarter fiscal year is exempt from a license requirement.

Sec. 11. Minnesota Statutes 1983 Supplement, section 135A.03, subdivision 1, is amended to read:

Subdivision 1. **DETERMINATION OF APPROPRIATION.** The appropriation to each board for instructional services shall equal the total cost of instruction minus the estimated tuition revenue. For the 1985-1987 biennium the estimated tuition revenue should be approximately 33 percent of instructional cost for the University of Minnesota, the state university system and the community college system, and 25 percent for the area vocational-technical institutes.

Sec. 12. Minnesota Statutes 1983 Supplement, section 135A.03, subdivision 3, is amended to read:

Subd. 3. **DETERMINATION OF STUDENT ENROLLMENT.** Student enrollment shall be the full-year equivalent or average daily membership enrollment in each instructional category in the fiscal year two years before the fiscal year for which the appropriations are being made. Student enrollment for the purpose of calculating appropriations for the second year of the biennium may be estimated on the basis of the fall enrollment latest enrollment data available. Student enrollment shall

exclude include students enrolled during a summer session, except when the instructional program is provided during the entire calendar year in courses that award credit or otherwise satisfy any of the requirements of an academic or vocational program.

Sec. 13. Minnesota Statutes 1983 Supplement, section 135A.03, subdivision 4, is amended to read:

Subd. 4. **DETERMINATION OF AVERAGE COST OF INSTRUCTION.** (a) The average cost of instruction shall include direct instructional costs and other costs necessary to provide instruction, such as fees, facilities, adminis-

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

tration, and support. The average cost of instruction shall not include summer session costs, except when the instructional program is provided during the entire calendar year only those costs attributable to academic or vocational programs.

(b) Every biennium each board shall submit by December 1, 1983, its the average cost of instruction for each instructional category for the 1984 fiscal year. Annually thereafter by December 1, each board shall submit the average cost of instruction for each instructional category as necessary to determine appropriations. The information shall be submitted to the commissioner of finance as part of their biennial budget request.

Sec. 14. Minnesota Statutes 1982, section 136.11, subdivision 2, is amended to read:

Subd. 2. **FEES CHARGEABLE.** ~~In addition thereto student activity fees shall be charged at the state universities not to exceed \$15 per quarter, and in the model schools, not to exceed \$5 per quarter.~~ The state university board may also prescribe fees to be charged students for student unions, university activities, functions, and purposes. All fees received are appropriated to the board for the purposes for which they are charged.

Sec. 15. Minnesota Statutes 1982, section 136.11, subdivision 7, is amended to read:

Subd. 7. **STUDENT HEALTH SERVICE.** The state university board shall establish a offer health service services for students at each state university ~~for its students and.~~ The health services may be offered either on campus or in the community nearby. The Board may charge each student a health service fee in an amount not exceeding \$75 per year. The proceeds of the fee shall be used to maintain the health service and equip and construct facilities for it. Proceeds of the fee may be used to contract for health, medical and hospitalization insurance for the students. The proceeds of the fees shall be deposited in the university activity fund and are annually appropriated to the state university board for the purposes of this subdivision.

Sec. 16. Minnesota Statutes 1983 Supplement, section 136.144, is amended to read:

136.144 PROMOTION OF UNIVERSITY; ACCEPTANCE OF GIFTS.

The board may receive and accept on behalf of the state and for the state universities any gift, bequest, devise, endowment, or grant in the form of cash which any person, firm, corporation, association, or governmental agency may make to the board by will, deed, gift, or otherwise to carry out the purposes of section 136.143. Unless otherwise so expressed in the terms of the gift, bequest, devise, endowment, or grant, moneys so received are not subject to the laws requiring budgeting, allotment, and encumbrance as provided in chapter 16A, or

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

otherwise. These moneys shall be deposited in the state treasury and are appropriated to the board for use according to this section. These moneys shall not be taken into account in determining appropriations or allocations.

Sec. 17. [136.26] STATE UNIVERSITY VENDING CONTRACTS.

Notwithstanding any other law to the contrary, the state university system will award contracts for vending machine services to the vendor who offers the highest commission rate to a state university, all other factors being substantially equal.

Sec. 18. Minnesota Statutes 1982, section 136.506, is amended to read:

136.506 FUNDS, TREASURER'S DUTIES AUTHORITY OF BOARD.

The state ~~treasurer~~ university board is appointed custodian of all funds received from the federal government under sections 136.501 to 136.507 and is charged with the duty and responsibility of receiving and providing for the proper custody and proper disbursement of money paid to the state and the appropriations made for such purpose.

Sec. 19. Minnesota Statutes 1982, section 136.55, subdivision 2, is amended to read:

Subd. 2. All amounts so allocated shall be deposited in an annuity account which is ~~hereby established in the state treasury by the state university board.~~ There is annually appropriated from the annuity account in the state treasury to the state university board all moneys deposited therein for the Payment of annuity premiums shall be made when due or for other application in accordance with the salary agreement entered into between the employee and the state university board. The moneys in the annuity account ~~in the state treasury~~ are not subject to the budget, allotment, and incumbrance system provided for in chapter 16A, and any act amendatory thereof.

Sec. 20. Minnesota Statutes 1982, section 136A.02, subdivision 1a, is amended to read:

Subd. 1a. The term of each board member shall be six years. The ~~membership~~ terms of membership, compensation, removal of members, and filling of vacancies on the board shall be as provided in section 15.0575.

Sec. 21. Minnesota Statutes 1983 Supplement, section 136A.121, subdivision 2, is amended to read:

Subd. 2. **ELIGIBILITY FOR GRANTS-IN-AID.** An applicant shall be eligible to be considered for a grant-in-aid, regardless of the applicant's sex, creed, race, color, national origin, or ancestry, under the provisions of sections 136A.09 to 136A.131 if the board finds that applicant:

- (1) is a resident of the state of Minnesota;

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(2) is a graduate of a secondary school or its equivalent, or is 17 years of age or over, and has met all requirements for admission as a full-time student to an eligible college or vocational school of his choice as defined in sections 136A.09 to 136A.131 ~~or has completed at least one academic year of study at a two-year institution and seeks transfer to a four-year eligible institution;~~

(3) has met such criteria pertaining to financial need as the board shall make by regulation.

Sec. 22. Minnesota Statutes 1983 Supplement, section 136A.26, is amended to read:

136A.26 MEMBERSHIPS; OFFICERS; COMPENSATION; REMOVAL.

Subdivision 1. **MEMBERSHIP.** The Minnesota higher education facilities authority shall consist of ~~six~~ eight members appointed by the governor with the advice and consent of the senate, and the executive director of the Minnesota higher education coordinating board. The executive director of the coordinating board may designate a member of the director's staff to sit in the director's place as a member of the authority.

All members to be appointed by the governor shall be residents of the state. At least two members must reside outside the metropolitan area as defined in section 473.121, subdivision 2. At least one of the members shall be a person having a favorable reputation for skill, knowledge, and experience in the field of state and municipal finance; and at least one shall be a person having a favorable reputation for skill, knowledge, and experience in the building construction field; and at least one of the members shall be a trustee, director, officer, or employee of an institution of higher education.

Subd. 1a. PRIVATE COLLEGE COUNCIL MEMBER. The chief executive officer of the Minnesota private college council shall serve, without compensation, as an advisory, nonvoting member of the authority.

Subd. 2. **TERM; COMPENSATION; REMOVAL.** The membership terms, compensation, removal of members, and filling of vacancies for authority members other than the executive director of the higher education coordinating board or the director's designee, and the chief executive officer of the private college council, shall be as provided in section 15.0575.

Sec. 23. Minnesota Statutes 1982, section 136A.32, subdivision 7, is amended to read:

Subd. 7. The authority may invest any bond proceeds, sinking funds or reserves in any ~~general obligation of the United States, the state of Minnesota or any of its municipalities and in securities issued by the following agencies of the United States: Federal Home Loan Banks, Federal Intermediate Credit Banks, Federal Land Banks, Federal National Mortgage Association, Government Na-~~

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tional Mortgage Association, and Banks for Cooperatives securities authorized for investment of debt service funds of municipalities pursuant to section 475.66, subdivision 3, including securities described in section 475.67, subdivision 8. In addition, such bond proceeds, sinking funds and reserves may be

(1) deposited in time deposits of any state or national bank subject to the limitations and requirements of chapter 118, or

(2) invested in repurchase agreements with, providing for the repurchase of securities described in the preceding sentence by, a bank qualified as a depository of money of the authority, a national or state bank in the United States that is a member of the federal reserve system and whose combined capital and surplus equals or exceeds \$10,000,000, or a reporting dealer to the federal reserve bank of New York. Power to make any such investment or deposit is subject to the provisions of any applicable covenant or restriction in a resolution or trust agreement of the authority.

Sec. 24. Minnesota Statutes 1982, section 136A.81, subdivision 1, is amended to read:

Subdivision 1. **FEES AND TUITION.** Except for an administration fee of \$6 a credit hour, to be collected only when a course is taken for credit, a senior citizen who is a legal resident of Minnesota is entitled without payment of tuition or activity fees to attend courses offered for credit, audit any courses offered for credit, or enroll in any noncredit adult vocational education courses in any state supported institution of higher education in Minnesota when space is available after all tuition-paying students have been accommodated. For the purposes of sections 136A.80 and 136A.81, the term "noncredit adult vocational education courses" shall not include those adult vocational education courses designed and offered specifically and exclusively for senior citizens.

The provisions of section 136A.80 and 136A.81 do not apply to noncredit courses designed and offered by the University of Minnesota, the state university system, the community college system, and the area vocational-technical institutes specifically and exclusively for senior citizens. Senior citizens enrolled under the provisions of sections 136A.80 and 136A.81 shall not be included by such institutions in their computation of full time equivalent students when requesting staff or appropriations. The enrollee shall pay laboratory or material fees.

Sec. 25. Minnesota Statutes 1982, section 169.966, subdivision 1a, is amended to read:

Subd. 1a. The state university board may establish rents, charges or fees ~~in an amount not to exceed \$1 per vehicle per day~~ for the use of parking facilities owned, leased, occupied, or operated by the state university board. The money collected by the board as rents, charges or fees in accordance with this subdivision shall be deposited in the university activity fund and is annually appropriat-

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ed to the state university board for state university purposes and to maintain and operate parking lots and parking facilities.

Sec. 26. Minnesota Statutes 1982, section 169.966, is amended by adding a subdivision to read:

Subd. 8. DELEGATION. The state university board may delegate its responsibilities under this section to a state university president. Actions of the president shall be presumed to be those of the board. The university president shall file with the board president the results of any public hearings and the subsequent adoption of any proposed rule, regulation, or ordinance enacted pursuant thereto.

Sec. 27. FUND TRANSFER AUTHORIZATION.

Subdivision 1. INDEPENDENT SCHOOL DISTRICT NO. 573. Notwithstanding any law to the contrary, by June 30, 1984, Independent School District No. 573, Hinckley, may permanently transfer up to \$900,000 from its general fund to its capital expenditure fund to provide partial funding for energy conservation, computer and other technological expansion, for facilities for a computer networking system, and to remodel and construct an addition to the elementary school.

Subd. 2. LOCAL APPROVAL. Subdivision 1 is effective the day after compliance by the school board of Independent School District No. 573 with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 28. FUND TRANSFER AUTHORIZATION.

Subdivision 1. INDEPENDENT SCHOOL DISTRICT NO. 4. Notwithstanding any law to the contrary, for the school year 1984-1985 Independent School District No. 4, McGregor, may permanently transfer an amount not to exceed \$800,000 from the general fund to the capital expenditure fund for the purpose of fire safety and energy conservation expenditures and school building betterment.

Subd. 2. NO LOCAL APPROVAL. Pursuant to section 645.023, subdivision 1, clause (a), subdivision 1 is effective without local approval the day following final enactment.

Sec. 29. EFFECTIVE DATE; APPLICATION.

This article is effective the day following final enactment. Section 20 applies to members of the higher education coordinating board appointed following enactment of this act.

Sec. 30. REPEALER.

Minnesota Statutes 1982, sections 136.11, subdivision 6; and 136A.133, are repealed.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

ARTICLE 5

HEALTH AND HUMAN SERVICES

Section 1. COMMISSIONER OF
PUBLIC WELFARE

The commissioner of public welfare shall phase in a change in departmental designation from "welfare" to "human services." To the extent possible, the commissioner shall exhaust existing forms and supplies and otherwise minimize the cost and disruption of the change.

The state share of money received under the state and local fiscal assistance act, known as the general revenue sharing program, shall be deposited in the medical assistance account and the state appropriation shall be reduced by a like amount.

(a) Implementation of Changes to the Long-Term Care Reimbursement System 64,000

(b) Nursing Home Audits 70,000

The appropriations listed in (a) and (b) are added to the appropriation in Laws 1983, chapter 312, article 1, section 2, subdivisions 1 and 3.

(c) Title XX correction 1,666,000

For the purpose of distribution to counties named in this clause as their final portion of title XX money for federal fiscal years 1980, 1981, and 1982. Notwithstanding the provisions of section 256E.07, these moneys shall be allocated by the commissioner as follows:

Aitkin	\$ 24,297
Carlton	13,048
Carver	15,378
Clearwater	17,026
Cook	3,989
Hennepin	859,760
Kanabec	6,936
Kittson	2,484
Koochiching	12,880
Lake	916
LeSueur	703
Mahnomen	1,726

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Pine	25,647
Pope	2,213
Ramsey	374,137
Red Lake	1,993
St. Louis	300,775
Wright	2,345

Acceptance by a county of the amount specified in this clause constitutes an agreement that, for federal fiscal years 1980, 1981, and 1982, full and final payment of title XX money has been received of the state.

(d) Child Day Care Sliding Fee	1,500,000
(e) Hearing Impaired Telecommunications	50,000

The appropriations listed in (c), (d), and (e) are added to the appropriation in Laws 1983, chapter 312, article 1, section 2, subdivisions 1 and 4.

(f) Medical Assistance Demonstration Projects	589,000
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\$49,000 of this sum shall be used to fund two staff positions, only one of which is to be classified, and the related administrative support costs to administer the Medicaid Prepayment Demonstration Project and the Social HMO Project, authorized by Minnesota Statutes, sections 256B.69 and 256B.71.

Notwithstanding Minnesota Statutes 1983 Supplement, section 256B.69, subdivision 3, the demonstration project geographic areas may include one urban, one suburban, and at least one rural county or some combination of suburban and rural counties.

\$270,000 of this sum shall be used to make grants to counties for administrative expenses incurred by counties participating in the demonstration projects.

\$270,000 of this sum is available only with the approval of the governor after consultation with the legislative advisory commission contingent on a finding by the commissioner of public welfare that the additional administrative costs are in fact being incurred by the participating counties.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(g) The temporary rules required to implement section 256B.501, subdivision 3, shall not be deemed invalid because of the commissioner's failure to promulgate them by October 1, 1983.

(h) General Assistance 7,741,000

(i) Fiscal Analysis Services 97,000

(j) Implementation of Health Care Policies 70,000

This appropriation shall be reduced if federal administrative reimbursement received is less than \$35,000.

Any unexpended balance remaining in the appropriation authorized by Laws 1983, chapter 199, section 20, does not cancel but is available for the second year of the biennium.

(k) Chronically Ill Children Waiver 35,000

(l) Community-based Services for Disabled Persons under Age 65 18,000

The appropriations in (f), (h), (i), (j), (k), and (l) are added to the appropriation in Laws 1983, chapter 312, article 1, section 2, subdivisions 1 and 5.

(m) American Indian Chemical Dependency Services 200,000

(n) Lakeside Chemical Dependency Center 250,000

Notwithstanding Laws 1983, chapter 312, article 1, section 2, subdivision 6, or any other law to the contrary, the commissioner of welfare shall augment the program with federal money and any additional money provided through shared service agreements, pursuant to Minnesota Statutes, section 246.57, after the amount of the state appropriation has been recovered and deposited in the general fund. General fund expenditures shall not exceed the amount of service charges recovered. Program expenditures in excess of recoveries shall be funded with money received under the federal alcohol, drug abuse, and mental health block grant.

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The commissioner shall maintain records of the operations of this project, evaluate the efficiency and effectiveness of the treatment program, and report back to the legislature during the 1985 session on the amount deposited to the general fund from the shared service agreements and the necessity and viability of operating this project in the future.

(o) Mash-Ka-Wisen Treatment Facility	200,000
(p) Facilities for Adult Mentally Ill	2,217,000

This appropriation is for grants to counties to upgrade residential facilities serving adult mentally ill persons as authorized by Minnesota Statutes, section 245.73.

(q) Study of Services for Mentally Ill Persons	56,700
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By January 1985 the commissioner of public welfare shall report to the legislature on each county's available services for the mentally ill. This report shall include a description of each service, the number of clients served, the cost of services, and whether purchased or provided directly by the county.

Additionally, this report shall include these provisions, developed in consultation with counties, mental health service providers, mental health advocacy groups, and other appropriate professionals as follows:

- (1) a description and definition of services for mentally ill persons which comprise a comprehensive array of preventive, supportive and rehabilitative services, including residential arrangements;
- (2) recommendations specifying a minimum capability which should be made available by counties for mentally ill persons; and
- (3) specific recommendations designed to improve the quality of and access to services provided by the counties for mentally ill persons, including the administrative and program costs of each recommendation.

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These recommendations shall be developed within the framework of Minnesota Statutes, chapter 256E.

The appropriations in (m), (n), (o), (p), and (q) are added to the appropriation in Laws 1983, chapter 312, article 1, section 2, subdivisions 1 and 6.

(r) The commissioner of welfare may add: eight positions to the support services complement for rulemaking purposes and for long-term care rates determination; one position to the social services complement for adult services; and one position to the income maintenance complement for administering community-based waived services for chronically ill children. The commissioner may also transfer the necessary funds from supplies and expense and other nonsalary resources to finance these positions.

(s) Any federal money received in excess of the estimates shown in the 1983 department of public welfare budget document shall, unless otherwise prohibited by federal law, be used to directly reduce state appropriations for the same or similar purposes, unless otherwise directed by the governor, after he has consulted with the legislative advisory commission.

(t) Intermediate Care Facility Bed Reduction Study

45,000

The commissioner of public welfare shall study alternatives for the development of a statewide facility bed reduction plan for intermediate care facilities for the mentally retarded.

In this study, the commissioner shall consider mechanisms for encouraging facilities to voluntarily decertify beds and for enabling facilities to provide alternative or waived services for residents affected by the reduction.

In addition, the commissioner shall:

(a) propose relocation plans for affected residents;

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(b) analyze the effect on facility per diem rates that may result from any bed reductions;

(c) examine financing alternatives designed to facilitate reductions in bed capacity or conversions to waived services.

This study shall be presented to the legislature by January 1, 1985.

Sec. 2. COMMISSIONER OF ECONOMIC SECURITY

(a) Jobs Program 30,000,000

Any unexpended balance remaining in the first year does not cancel and shall be available for the second year.

This appropriation is added to the appropriation in Laws 1983, chapter 312, article 1, section 3, subdivisions 1 and 2.

None of this appropriation may be encumbered after May 31, 1985.

Any unexpended and unencumbered balance cancels December 31, 1985. To the extent permissible under federal and state law, the commissioner shall use money from the federal government and the private sector to fund the program.

(b) Minnesota Emergency Employment Development - Special Allowances 4,394,000 15,436,000

This appropriation is added to the appropriation in Laws 1983, chapter 312, article 1, section 3, subdivisions 1 and 3.

If the appropriation for either year is insufficient, the appropriation for the other year is available.

(c) Vocational Rehabilitation Services For Injured Workers 128,600

This appropriation is to provide funding for three positions. The commissioner of economic security may add six additional positions for vocational rehabilitation services and transfer the necessary funding for these positions from the basic client services activity to the workers' compensation activity.

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This appropriation is added to the appropriation in Laws 1983, chapter 312, article 1, section 3, subdivisions 1 and 5.

(d) Temporary Housing Demonstration Program 250,000

Sec. 3. COMMISSIONER OF CORRECTIONS

(a) County Probation Services 137,700

This appropriation is added to the appropriation in Laws 1983, chapter 312, article 1, section 4, subdivisions 1 and 4.

(b) Crime Victim Centers 15,000

This appropriation is added to the appropriation in Laws 1983, chapter 312, article 1, section 4, subdivision 4.

(c) \$20,000 of the appropriation for Victims of Sexual Assault, Laws 1983, chapter 312, article I, section 4, subdivision 4, for fiscal year 1984, does not cancel but is available until June 30, 1985.

Sec. 4. COMMISSIONER OF HEALTH

(a) Epidemiologic Feasibility Study 93,000

This appropriation is added to the appropriation in Laws 1983, chapter 312, article 1, section 7, subdivisions 1 and 2, to determine the feasibility of full scale epidemiologic studies related to health effects of contaminated drinking water in New Brighton and St. Louis Park. To the extent possible, the commissioner of health shall contract for services with the University of Minnesota when performing the feasibility study. 2.2 positions are authorized as temporary personnel.

(b) Health Manpower Credentialing 100,000

This appropriation is added to the appropriation in Laws 1983, chapter 312, article 1, section 7, subdivisions 1 and 3.

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Sec. 5. STATE PLANNING
AGENCY

State Hospital Plan	50,000	200,000
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The director of the state planning agency may increase the approved complement by two positions. Any unexpended balance remaining the first year does not cancel and shall be available for the second year.

Sec. 6. CONTINGENT FOR STATE INSTITUTIONS

Cancellation of Contingent Account	(500,000)
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The appropriation in Laws 1983, chapter 312, article 1, section 9 is cancelled.

Sec. 7. Minnesota Statutes 1983 Supplement, section 116J.70, subdivision 2a, is amended to read:

Subd. 2a. **LICENSE; EXCEPTIONS.** "Business license" or "license" does not include the following:

(1) Any occupational license issued by a licensing board listed in section 214.01 or any occupational registration issued by the commissioner of health pursuant to section 214.13;

(2) Any license issued by a county, home rule charter city, statutory city, township or other political subdivision;

(3) Any license required to practice the following occupation regulated by the following sections:

- (a) Abstracters regulated pursuant to chapter 386;
- (b) Accountants regulated pursuant to chapter 326;
- (c) Adjusters regulated pursuant to chapter 72B;
- (d) Architects regulated pursuant to chapter 326;
- (e) Assessors regulated pursuant to chapter 270;
- (f) Attorneys regulated pursuant to chapter 481;
- (g) Auctioneers regulated pursuant to chapter 330;
- (h) Barbers regulated pursuant to chapter 154;
- (i) Beauticians regulated pursuant to chapter 155;
- (j) Boiler operators regulated pursuant to chapter 183;
- (k) Chiropractors regulated pursuant to chapter 148;
- (l) Collection agencies regulated pursuant to chapter 332;

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- (m) Cosmetologists regulated pursuant to chapter 155;
- (n) Dentists and dental hygienists regulated pursuant to chapter 150A;
- (o) Detectives regulated pursuant to chapter 326;
- (p) Electricians regulated pursuant to chapter 326;
- (q) Embalmers regulated pursuant to chapter 149;
- (r) Engineers regulated pursuant to chapter 326;
- (s) Insurance brokers and salespersons regulated pursuant to chapter 60A;
- (t) Midwives regulated pursuant to chapter 148;
- (u) Morticians regulated pursuant to chapter 149;
- (v) Nursing home administrators regulated pursuant to chapter 144A;
- (w) Optometrists regulated pursuant to chapter 148;
- (x) Osteopathic physicians regulated pursuant to chapter 147;
- (y) Pharmacists regulated pursuant to chapter 151;
- (z) Physical therapists regulated pursuant to chapter 148;
- (aa) Physicians and surgeons regulated pursuant to chapter 147;
- (bb) Plumbers regulated pursuant to chapter 326;
- (cc) Podiatrists regulated pursuant to chapter 153;
- (dd) Practical nurses regulated pursuant to chapter 148;
- (ee) Professional fundraisers regulated pursuant to chapter 309;
- (ff) Psychologists regulated pursuant to chapter 148;
- (gg) Real estate brokers, salespersons and others regulated pursuant to chapters 82 and 83;
- (hh) Registered nurses regulated pursuant to chapter 148;
- (ii) Securities brokers, dealers, agents and investment advisers regulated pursuant to chapter 80A;
- (jj) Steamfitters regulated pursuant to chapter 326;
- (kk) Teachers and supervisory and support personnel regulated pursuant to chapter 125;
- (ll) Veterinarians regulated pursuant to chapter 156;
- (mm) Watchmakers regulated pursuant to chapter 326;

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(nn) Water conditioning contractors and installers regulated pursuant to chapter 326;

(oo) Water well contractors regulated pursuant to chapter 156A;

(pp) Water and waste treatment operators regulated pursuant to chapter 115;

(qq) Motor carriers regulated pursuant to chapter 221;

(4) Any driver's license required pursuant to chapter 171;

(5) Any aircraft license required pursuant to chapter 360;

(6) Any watercraft license required pursuant to chapter 361;

(7) Any license, permit, registration, certification, or other approval pertaining to a regulatory or management program related to the protection, conservation, or use of or interference with the resources of land, air or water, which is required to be obtained from a state agency or instrumentality; and

(8) Any pollution control rule or standard established by the pollution control agency or any health rule or standard established by the commissioner of health or any licensing rule or standard established by the commissioner of public welfare.

Sec. 8. Minnesota Statutes 1983 Supplement, section 144.651, subdivision 9, is amended to read:

Subd. 9. **INFORMATION ABOUT TREATMENT.** Patients and residents shall be given by their physicians complete and current information concerning their diagnosis, treatment, alternatives, risks, and prognosis as required by the physician's legal duty to disclose. This information shall be in terms and language the patients or residents can reasonably be expected to understand. Patients and residents may be accompanied by a family member or other chosen representative. This information shall include the likely medical or major psychological results of the treatment and its alternatives. In cases where it is medically inadvisable, as documented by the attending physician in a patient's or resident's medical record, the information shall be given to the patient's or resident's guardian or other person designated by the patient or resident as his or her representative. Individuals have the right to refuse this information.

Every patient or resident suffering from any form of breast cancer shall be fully informed, prior to or at the time of admission and during her stay, of all alternative effective methods of treatment of which the treating physician is knowledgeable, including surgical, radiological, or chemotherapeutic treatments or combinations of treatments and the risks associated with each of those methods.

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Sec. 9. Minnesota Statutes 1982, section 214.001, subdivision 2, is amended to read:

Subd. 2. **CRITERIA FOR REGULATION.** The legislature declares that no regulation shall ~~hereafter~~ be imposed upon any occupation unless required for the safety and well being of the citizens of the state. In evaluating whether an occupation shall ~~hereafter~~ be regulated, the following factors shall be considered:

(a) Whether the unregulated practice of an occupation may harm or endanger the health, safety and welfare of citizens of the state and whether the potential for harm is recognizable and not remote;

(b) Whether the practice of an occupation requires specialized skill or training and whether the public needs and will benefit by assurances of initial and continuing occupational ability; ~~and~~

(c) Whether the citizens of this state are or may be effectively protected by other means; and

(d) Whether the overall cost effectiveness and economic impact would be positive for citizens of the state.

Sec. 10. Minnesota Statutes 1983 Supplement, section 214.06, subdivision 1, is amended to read:

Subdivision 1. Notwithstanding any law to the contrary, the commissioner of health as authorized by section 214.13, all health related licensing boards and all nonhealth related licensing boards shall by rule, with the approval of the commissioner of finance, adjust any fee which the commissioner of health or the board is empowered to assess a sufficient amount so that the total fees collected by each board will as closely as possible equal anticipated expenditures during the fiscal biennium, as provided in section 16A.128.

For members of an occupation registered after July 1, 1984 by the commissioner of health under the provisions of section 214.13, the fee established must include an amount necessary to recover, over a five year period, the commissioner's direct expenditures for adoption of the rules providing for registration of members of the occupation. All fees received shall be deposited with the state treasurer and credited to the general fund.

Sec. 11. Minnesota Statutes 1982, section 214.13, subdivision 1, is amended to read:

Subdivision 1. **APPLICATION FOR CREDENTIAL.** The commissioner of health shall promote the recognition of human services occupations useful in the effective delivery of human services. The commissioner shall coordinate the development of a credentials policy among the health related licensing boards consistent with section 214.001. The commissioner shall, consistent with section

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214.001, establish procedures for the identification of human services occupations not now credentialed by the state, recommend appropriate regulatory modes, and promulgate by rule standards and procedures relating to the credentialing of persons practicing in the affected occupations. At the time of submission of a letter of intent to enter the credentialing process, an occupational applicant group shall pay a fee of \$1,000 to the commissioner. The fee is nonrefundable and must be deposited with the state treasurer and credited to the general fund. The commissioner may require an occupational applicant group to submit information relating to, and to recommend and justify regulatory modes and standards consistent with, the provisions of section 214.001. If the commissioner determines that credentialing of an occupation is appropriate, the commissioner is empowered only to register the occupation. Before promulgating any rules resulting in registration for an occupation the commissioner shall consult with state boards or agencies charged with regulating similar occupations in order to define the scope and range of practice for the registered occupation and the degree of supervision required. As used in this section and section 214.14, registration shall be is defined as in section 214.001, subdivision 3, clause (c).

Sec. 12. Minnesota Statutes 1982, section 214.13, subdivision 2, is amended to read:

Subd. 2. **OTHER AGENCY'S COMMENT.** Before promulgating any rules regulating a specific occupation under this section, the commissioner shall determine whether a substantial number of persons in that occupation will be employed by an employer who is regulated by or funded through another state agency. If the commissioner so determines, then he must submit the proposed rules to the head or governing board of that agency for review and approval comment. The agency shall review the rules to insure compliance with laws which are administered or enforced by that agency. The rules must have received the approval of that agency before promulgation. Agency comment shall be forwarded to the commissioner within 90 days of receiving the proposed rules. After receipt of agency comment, the commissioner may proceed to promulgate the rules.

Sec. 13. Minnesota Statutes 1982, section 214.13, subdivision 3, is amended to read:

Subd. 3. **RULES; EFFECT; REPORT.** Rules promulgated by the commissioner pursuant to subdivision 1 may include procedures and standards relating to the registration requirement, the scope of authorized practice, fees, supervision required, continuing education, career progression and disciplinary matters. These rules shall not be in conflict with provisions of chapter 214 and Laws 1976, Chapter 222, Sections 1 to 7. Notwithstanding any law to the contrary, persons registered under the authority of the rules promulgated by the commissioner shall not, for a period of four years after the effective date of the rules, be subject to any action by a health related licensing board for violation of

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the board's laws or rules provided the person's practice or conduct is recognized by the rules promulgated by the commissioner. Three years after the effective date of the commissioner's rules, the commissioner shall make a report to the legislature on the usefulness of the new occupational group, any problems encountered in administering the regulation of the group, and any necessary statutory changes recommended to continue, discontinue, or modify the regulation of the group.

Sec. 14. Minnesota Statutes 1983 Supplement, section 214.13, subdivision 4, is amended to read:

Subd. 4. The commissioner of health shall wherever possible delegate the administration of regulation activities to a health related licensing board with the concurrence of that board. If the commissioner of health delegates this function, the licensing board ~~shall~~ may regularly bill the commissioner of health for the cost of performing this function the licensing board may directly set and charge fees in accordance with the provisions of section 214.06. The commissioner of health may establish an advisory ~~task force~~ council to advise him or the appropriate health related licensing board on matters relating to the registration and regulation of an occupation. A ~~task force~~ council shall have seven members appointed by the commissioner of which five are members of the registered occupation or related registered or licensed occupations, and two are public members. A ~~task force~~ council shall expire, and the terms, compensation and removal of members shall be as provided in section 15.059.

Sec. 15. Minnesota Statutes 1982, section 214.13, subdivision 5, is amended to read:

Subd. 5. **RECOMMENDATION ON REGULATION; APPLICATION RENEWAL.** The commissioner of health shall exercise care to prevent the proliferation of unessential registered human services occupations. If in evaluating a currently unregistered occupation the commissioner determines that registration of the occupation is not appropriate, but that implementation of another mode as set forth in section 214.001, subdivision 3, is appropriate the commissioner shall promptly so report to the legislature. For a period of two years after a determination by the commissioner as to the appropriate regulatory mode, if any, for an occupational applicant group, the same or substantially equivalent group may not submit a letter of intent to enter the credentialing process, unless invited to do so by the commissioner.

Sec. 16. **[214.141] ADVISORY COUNCIL; MEMBERSHIP.**

There is established a human services occupations advisory council to assist the commissioner of health in formulating policies and rules pursuant to section 214.13. The commissioner shall determine the council's duties and shall establish procedures for its proper functioning, including, but not limited to, methods for selecting temporary members and methods of communicating recom-

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mentations and advice to the commissioner for his consideration. The council shall consist of no more than 15 members. Thirteen members shall be appointed by the commissioner, one of whom the commissioner shall designate as chairman. The members shall be selected as follows: four members shall represent currently licensed or registered human services occupations; two members shall represent human services occupations which are not currently registered; two members shall represent licensed health care facilities, which can include a health maintenance organization as defined in section 62D.02; one member shall represent the higher education coordinating board; one member shall represent the state planning agency; one member shall represent a third party payor to health care costs; and two members shall be public members as defined by section 214.02.

In cases in which the council has been charged by the commissioner to evaluate an application submitted under the provisions of section 214.13, the commissioner may appoint to the council as temporary voting members, for the purpose of evaluating that application alone, one or two representatives from among the appropriate licensed or registered human services occupations or from among the state agencies that have been identified under section 214.13, subdivision 2. In determining whether a temporary voting member or members should be appointed and which human services occupations or state agencies should be represented by temporary voting members, the commissioner shall attempt to systematically involve those who would be most directly affected by a decision to credential a particular applicant group and who are not already represented on the council. The terms of temporary voting members shall not exceed 12 months. The terms of the other council members, and the compensation and removal of all members, shall be as provided in section 15.059.

Sec. 17. Minnesota Statutes 1982, section 241.66, subdivision 2, is amended to read:

Subd. 2. **MANDATORY DATA COLLECTION.** Every hospital licensed pursuant to sections 144.50 to 144.58, every physician licensed to practice in this state, every public health nurse, every social services agency, every community health agency, and Every local law enforcement agency shall collect data related to battered women in the form required by rule of the commissioner. The data shall be collected and transmitted to the commissioner at such times as he shall, by rule, require.

Sec. 18. Minnesota Statutes 1982, section 245.811, is amended to read:

245.811 FEES.

Subdivision 1. COMMISSIONER'S AUTHORITY. The commissioner may charge a reasonable fee for the issuance or renewal of a license except that no fee may be charged to a day care or residential facility for the mentally retarded for a family foster care or family day care home license. In no event

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shall the fee exceed \$150. Fees may be waived at the discretion of the commissioner.

Subd. 2. RULES. The commissioner may adopt reasonable rules and regulations pursuant to chapter 14 as may be necessary to carry into effect the provisions of subdivision 1.

Sec. 19. [246.023] INTERAGENCY BOARD.

Subdivision 1. LEGISLATIVE POLICY. It is recognized that closure and consolidation of state hospitals have negative economic effects upon public employees and communities. It is the policy of the state that deinstitutionalization policies shall be carried out in a manner that ensures fair and equitable arrangements to protect the interests of employees and communities affected by deinstitutionalization of state hospitals.

Subd. 2. INTERAGENCY BOARD. There is established an interagency board to be known as the institutional care and economic impact planning board. The board shall consist of the following members: the commissioners of public welfare, administration, employee relations, economic security, energy and economic development; the director of the state planning agency; and other appropriate agency heads. The board shall be directed by the director of the state planning agency with assistance from the commissioner of public welfare in consultation with the other agency heads.

Subd. 3. STUDY. A comprehensive study shall be conducted by the interagency board to provide information on topics to include, but not be limited to, the following:

(1) projected displacement of state hospital employees because of deinstitutionalization by number, location, and job classification;

(2) the extent to which displacement can be mitigated through attrition, retirement, retraining, and transfer;

(3) the development of cooperative arrangements between the state and local units of government in the carrying out of these goals;

(4) the necessary changes in the biennial budget to effect any fiscal and policy recommendations of the plan;

(5) the necessary interagency agreements among and between appropriate departments and agencies as needed to effect the recommendations contained in the plan; and

(6) the energy efficiency of all state hospital buildings.

Notwithstanding the provisions of sections 13.43 and 13.46, the state planning agency shall, for purposes of the study required by this subdivision, have

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access to private personnel data and private client data as necessary to carry out the mandates of this act until June 30, 1985.

Subd. 4. PLAN. The board shall develop a plan. The plan shall include proposals which protect the general interests of employees and communities affected by the deinstitutionalization of state hospitals, including proposals that attempt to preserve employment rights and benefits, provide training and retraining of employees and, to the extent possible, promote the employment of these employees. In addition, the plan shall propose specific methods for assuring minimal impact on the economic life of communities affected by the deinstitutionalization of state hospitals. The plan shall provide specific direction with respect to the following:

(1) retention of collective bargaining agreements including seniority, vacation, health insurance and other contractual benefits, and pension rights;

(2) maximum utilization of state hospital employees in the provision of noninstitutional services to the mentally retarded;

(3) negotiated agreements with exclusive representatives addressing job security issues, where deinstitutionalization causes displacement of employees;

(4) development of noninstitutional, state-operated or nonstate-operated services for the mentally retarded, including community-based intermediate care facilities for the mentally retarded, supported living arrangements, semi-independent living arrangements, day activity services, and other services;

(5) methods for ensuring that staff displaced by termination of programs at state hospitals are utilized to provide needed services within the continuum of care for individuals;

(6) alternative use of state hospital facilities made available by program closures;

(7) community retraining options for displaced personnel;

(8) methods for involving the following groups in the planning process: parents and guardians of hospital residents, community business and economic leaders, advocates, community providers, units of local government, and affected exclusive representatives; and

(9) preparation of an economic impact statement and alternative economic development strategies for each state hospital region likely to be affected by program reductions in the regional state facility.

Subd. 5. REPORT; IMPLEMENTATION. The interagency board shall complete both the study required under subdivision 3 and the plan required under subdivision 4, on or before January 31, 1985, and shall present them to the legislative commission on long-term health care before February 1, 1985. Board

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members shall, to the extent possible, propose legislation for program implementation based upon the plan including, if appropriate, pilot demonstration projects.

Sec. 20. **LEGISLATIVE COMMISSION ON LONG-TERM CARE.**

The legislative commission on long-term health care authorized by Laws 1983, chapter 199, section 17, shall:

(1) monitor the deinstitutionalization of state hospitals in accord with the plan developed pursuant to section 19;

(2) study the impact of state hospital deinstitutionalization on affected communities;

(3) ensure that displaced state hospital employees are provided opportunities for reemployment or retraining; and

(4) evaluate the comparative costs to the state of institutional and noninstitutional care for mentally retarded persons.

Sec. 21. Minnesota Statutes 1983 Supplement, section 256.01, subdivision 2, is amended to read:

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

(1) Administer and supervise all forms of public assistance provided for by state law and other welfare activities or services as are vested in the commissioner.

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

(3) Administer and supervise all noninstitutional service to handicapped persons. The commissioner may provide and contract for the care and treatment of qualified indigent children in facilities other than those located and available at state hospitals when it is not feasible to provide the service in state hospitals.

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

(5) Act as the agent of and cooperate with the federal government in matters of mutual concern relative to and in conformity with the provisions of Laws 1939, chapter 431, including the administration of any federal funds

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granted to the state to aid in the performance of any functions of the commissioner as specified in Laws 1939, chapter 431, and including the promulgation of rules making uniformly available medical care benefits to all recipients of public assistance, at such times as the federal government increases its participation in assistance expenditures for medical care to recipients of public assistance, the cost thereof to be borne in the same proportion as are grants of aid to said recipients.

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

(7) Administer and supervise any additional welfare activities and services as are vested by law in the department.

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

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

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

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

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

(a) The proposed comprehensive plan including estimated project costs and the proposed order establishing the waiver shall be filed with the secretary of

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the senate and chief clerk of the house of representatives at least 60 days prior to its effective date.

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

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

(13) In accordance with federal requirements establish procedures to be followed by local welfare boards in creating citizen advisory committees, including procedures for selection of committee members.

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

(a) One-half of the total amount of the disallowance shall be borne by the county boards responsible for administering the programs and shall be shared by each county board in the same proportion as that county's expenditures for the sanctioned program are to the total of all counties' expenditures for that program. Each county shall pay its share of the disallowance to the state of Minnesota. When a county fails to pay the amount due hereunder, the commissioner may deduct the amount from reimbursement otherwise due the county, or the attorney general, upon the request of the commissioner, may institute civil action to recover the amount due.

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

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

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Sec. 22. Minnesota Statutes 1983 Supplement, section 256.737, is amended to read:

256.737 COMMUNITY WORK EXPERIENCE PROGRAM.

In order that persons receiving aid under this chapter may be assisted in achieving self-sufficiency by enhancing their employability through meaningful work experience and training and the development of job search skills, the commissioner of public welfare may establish continue the pilot community work experience demonstration programs that were approved by January 1, 1984. No new pilot community work experience demonstration programs may be established. The commissioner shall: (a) assist counties in the design, implementation, and evaluation of these demonstration programs; (b) promulgate, in accordance with chapter 14, temporary rules necessary for the implementation of this section, except that the time restrictions of section 14.35 shall not apply and the rules may be in effect until the termination of the demonstration programs; and (c) seek any federal waivers necessary for proper implementation of this section in accordance with federal law. The commissioner shall prohibit use of participants in the programs to do work that was part or all of the duties or responsibilities of an authorized public employee position established as of January 1, 1983. The exclusive bargaining representative shall be notified no less than 14 days in advance of any placement by the community work experience program. Concurrence with respect to job duties of persons placed under the community work experience program shall be obtained from the appropriate exclusive bargaining representative. The appropriate oversight committee shall be given monthly lists of all job placements under a community work experience program.

Projects shall end no later than June 30, ~~1984~~ 1985, and a preliminary report shall be made to the legislature by February 15, ~~1984~~ 1985, on the feasibility of permanent implementation and on the cost effectiveness of each of the demonstration programs.

Sec. 23. Minnesota Statutes 1982, section 256.851, is amended to read:

256.851 RULES.

The commissioner of public welfare shall promulgate temporary and permanent rules necessary to implement Laws 1981, Third Special Session Chapter 3, Sections 1 to 19, and sections 256.72 to 256.871.

Sec. 24. [256B.49] CHRONICALLY ILL CHILDREN; HOME AND COMMUNITY-BASED WAIVER STUDY AND APPLICATION.

Subdivision 1. STUDY; WAIVER APPLICATION. The commissioner shall authorize a study to assess the need for home and community-based waivers for chronically ill children who have been and will continue to be hospitalized without a waiver, and for disabled individuals under the age of 65 who are likely to reside in an acute care or nursing home facility in the absence of a waiver. If

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a need for these waivers can be demonstrated, the commissioner shall apply for federal waivers necessary to secure, to the extent allowed by law, federal participation under United States Code, title 42, sections 1396-1396p, as amended through December 31, 1982, for the provision of home and community-based services to chronically ill children who, in the absence of such a waiver, would remain in an acute care setting, and to disabled individuals under the age of 65 who, in the absence of a waiver, would reside in an acute care or nursing home setting. If the need is demonstrated, the commissioner shall request a waiver under United States Code, title 42, sections 1396-1396p, to allow medicaid eligibility for blind or disabled children with ineligible parents where income deemed from the parents would cause the applicant to be ineligible for supplemental security income if the family shared a household and to furnish necessary services in the home or community to disabled individuals under the age of 65 who would be eligible for medicaid if institutionalized in an acute care or nursing home setting. These waivers are requested to furnish necessary services in the home and community setting to children or disabled adults under age 65 who are medicaid eligible when institutionalized in an acute care or nursing home setting. The commissioner shall assure that the cost of home and community-based care will not be more than the cost of care if the eligible child or disabled adult under age 65 were to remain institutionalized.

Subd. 2. RULES. The commissioner of public welfare may adopt temporary and permanent rules as necessary to implement subdivision 1.

Sec. 25. Minnesota Statutes 1983 Supplement, section 256B.501, subdivision 10, is amended to read:

Subd. 10. **RULES.** To implement this section, the commissioner shall promulgate temporary and permanent rules in accordance with chapter 14. To implement subdivision 3, the commissioner shall promulgate temporary rules by October 4, 1983, and permanent rules in accordance with sections 14.01 to 14.38. Notwithstanding the provisions of section 14.35, the temporary rule promulgated to implement subdivision 3 shall be effective for up to 720 days.

Sec. 26. Minnesota Statutes 1983 Supplement, section 256D.01, subdivision 1, is amended to read:

Subdivision 1. **POLICY; STANDARDS OF ASSISTANCE.** The objectives of sections 256D.01 to 256D.21 are to provide a sound administrative structure for public assistance programs; to maximize the use of federal money for public assistance purposes; and to provide an integrated public assistance program for all persons in the state without adequate income or resources to maintain a subsistence reasonably compatible with decency and health.

It is declared to be the policy of this state that persons unable to provide for themselves and not otherwise provided for by law and who meet the eligibility requirements of sections 256D.01 to 256D.21 are entitled to receive grants of

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general assistance necessary to maintain a subsistence reasonably compatible with decency and health. Providing this assistance is a matter of public concern and a necessity in promoting the public health and welfare.

Subd. 1a. STANDARDS. A principal objective in providing general assistance is to provide for persons ineligible for federal programs who are unable to provide for themselves. To achieve these aims, the commissioner shall establish minimum standards of assistance for general assistance. The minimum standard of assistance determines the total amount of the general assistance grant without separate standards for shelter, utilities, or other needs and shall not be less than the combined total of the minimum standards of assistance for shelter and basic needs in effect on February 1, 1983. The standards of assistance shall not be lower for a recipient sharing a residence with another person unless that person is a responsible relative of the recipient who is also eligible for general assistance. The standards shall be lowered for recipients who share a residence with a responsible relative who also receives general assistance or who receives AFDC. If the responsible relative is receiving AFDC, then the amount payable to the general assistance recipient must not exceed the amount that would be attributable to him if he were included in the AFDC grant. For recipients who are not exempt from registration with the department of economic security pursuant to section 256D.111, subdivision 2, clauses (a), (f), (g), and (h), and who share a residence with a responsible relative who is not eligible for general assistance, the standards shall be lowered, subject to these limitations:

(a) The general assistance grant shall be in an amount such that total household income is equal to the AFDC standard for a household of like size and composition, except that the grant shall not exceed that paid to a general assistance recipient living independently.

(b) Benefits received by a responsible relative under the supplemental security income program, the social security disability program, a workers' compensation program, the Minnesota supplemental aid program, or on the basis of the relative's disability, must not be included in the household income calculation.

Subd. 1b. RULES. The commissioner shall adopt temporary and permanent rules to set standards of assistance and methods of calculating payment to conform with subdivision 1a. The minimum standards of assistance shall authorize the payment of rates negotiated by local agencies for recipients living in a room and board arrangement. In order to maximize the use of federal funds, the commissioner shall adopt rules, to the extent permitted by federal law for eligibility for the emergency assistance program under aid to families with dependent children, and under the terms of sections 256D.01 to 256D.21 for general assistance, to require use of the emergency program under aid to families with dependent children as the primary financial resource when available. The commissioner shall provide by rule for eligibility for general assistance of persons

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with seasonal income, and may attribute seasonal income to other periods not in excess of one year from receipt by an applicant or recipient.

Sec. 27. Minnesota Statutes 1982, section 256D.02, subdivision 6, is amended to read:

Subd. 6. "Child" means an adult or minor child of an individual who is under the age of 18.

Sec. 28. Minnesota Statutes 1982, section 256D.02, subdivision 8, is amended to read:

Subd. 8. "Income" means any form of income, including remuneration for services performed as an employee and net earnings from self-employment, reduced by the amount attributable to employment expenses as defined by the commissioner. The amount attributable to employment expenses shall include amounts paid or withheld for federal and state personal income taxes and federal social security taxes.

"Income" includes any payments received as an annuity, retirement, or disability benefit, including veteran's or workers' compensation; old age, survivors, and disability insurance; railroad retirement benefits; unemployment benefits; and benefits under any federally aided categorical assistance program, supplementary security income, or other assistance program; rents, dividends, interest and royalties; and support and maintenance payments ~~except that~~. Such payments may not be considered as available to meet the needs of any person other than the person for whose benefit they are received, unless that person is under a legal duty to support another family member and the income is not excluded under section 256D.01, subdivision 1a. Goods and services provided in lieu of cash payment shall be excluded from the definition of income, except that payments made for room, board, tuition or fees by a parent, on behalf of a child enrolled as a full-time student in a post-secondary institution, must be included as income.

Sec. 29. Minnesota Statutes 1982, section 256D.02, is amended by adding a subdivision to read:

Subd. 15. "Full-time student" means a student at a post-secondary institution who attends training for a minimum of 25 hours per week if the training does not involve shop practice and for a minimum of 30 hours per week if the training involves shop practice, or who registers for and attends a minimum of 12 semester hours per semester or 12 quarter hours per quarter.

Sec. 30. Minnesota Statutes 1983 Supplement, section 256D.03, subdivision 4, is amended to read:

Subd. 4. **GENERAL ASSISTANCE MEDICAL CARE; SERVICES.**
(a) Reimbursement under the general assistance medical care program shall be limited to the following categories of service: inpatient hospital care, outpatient

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hospital care, services provided by medicare certified rehabilitation agencies, prescription drugs, equipment necessary to administer insulin and diagnostic supplies and equipment for diabetics to monitor blood sugar level, eyeglasses and eye examinations provided by a physician or optometrist, hearing aids, prosthetic devices, laboratory and x-ray services, physician's services, medical transportation, and dental care. In addition, payments of state aid shall be made for day treatment services provided by a mental health center established under sections 245.61 to 245.69, subdivision 1, and funded through chapter 256E and for prescribed medications for persons who have been diagnosed as mentally ill as necessary to prevent more restrictive institutionalization.

(b) In order to contain costs, the county board shall, with the approval of the commissioner of public welfare, select vendors of medical care who can provide the most economical care consistent with high medical standards and may contract with organizations on a prepaid capitation basis to provide these services. The commissioner shall encourage county boards to submit proposals for demonstration projects designed to provide services in an economical manner or to control utilization, with safeguards to ensure that necessary services are provided. Payment for services provided pursuant to this subdivision shall be as provided to medical assistance vendors of these services under section 256B.02, subdivision 8, except that where counties enter into prepaid capitation agreements, payments shall be as provided in section 256.966, subdivision 2.

(c) The commissioner of public welfare may reduce payments provided under sections 256D.01 to 256D.21 and 261.23 in order to remain within the amount appropriated for general assistance medical care, within the following restrictions. For the period July 1, 1983 to June 30, 1984, reductions below the cost per service unit allowable under section 256.966, are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 45 percent; payments for all other inpatient hospital care may be reduced no more than 35 percent. Reductions below the payments allowable under section 256.967 for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than 25 percent. For the period July 1, 1984 to June 30, 1985, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 30 percent; payments for all other inpatient hospital care may be reduced no more than 20 percent. Reductions below the payments allowable under section 256.967 for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than ten percent. There shall be no copayment required of any recipient of benefits for any services provided under this subdivision. A hospital receiving a reduced payment as a result of this section may apply the unpaid balance toward satisfaction of the hospital's bad debts.

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

Sec. 31. Minnesota Statutes 1982, section 256D.06, subdivision 3, is amended to read:

Subd. 3. When a general assistance grant is used to pay a negotiated rate for a recipient living in a room and board arrangement or congregate living care, or when a recipient is living in a state hospital or nursing home, the recipient shall receive an allowance for clothing and personal needs and the allowance shall not be less than that authorized for a medical assistance recipient pursuant to section 256B.35.

Sec. 32. Minnesota Statutes 1983 Supplement, section 256D.111, subdivision 1, is amended to read:

256D.111 REGISTRATION FOR WORK; DISQUALIFICATION.

Subdivision 1. **REGISTRATION REQUIREMENT.** Unless exempt in accordance with the provisions of subdivision 2, an adult who is a recipient of general assistance and who is not employed is required to register for employment services with the department of economic security, be available for work and comply with reasonable reporting and job search requirements as established by the commissioner of economic security in permanent or temporary rule, and accept any offer of suitable employment. The department of economic security shall promptly verify the names of persons registered under this subdivision for the local agencies.

Sec. 33. Minnesota Statutes 1983 Supplement, section 256D.111, is amended by adding a subdivision to read:

Subd. 1a. REFERRAL TO THE MINNESOTA EMERGENCY DEVELOPMENT PROGRAM. Until December 31, 1985, the commissioner of economic security shall refer for services, under the Minnesota emergency employment development program, all persons required to register for work under this section.

Sec. 34. Minnesota Statutes 1983 Supplement, section 256D.111, subdivision 2, is amended to read:

Subd. 2. **EXEMPTIONS.** A recipient is not required to register ~~for employment services~~ with the department of economic security and comply with the other requirements of subdivision 1 if he is:

(a) a person who is suffering from a permanent or temporary illness, injury, or incapacity which is medically certified and which prevents the person from obtaining or retaining employment;

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(b) a person whose presence in the home on a substantially continuous basis is required because of the certified illness, injury, incapacity, or the age of another member of the household;

(c) a person who has been placed in a licensed or certified facility for purposes of physical or mental health or rehabilitation, or in an approved chemical dependency domiciliary facility, if the placement is based on illness or incapacity and is pursuant to a plan developed or approved by the local agency through its director or designated representative;

(d) a person who resides in a shelter facility described in section 256D.05, subdivision 3;

(e) a person who is or may be eligible for displaced homemaker services, programs, or assistance under section 4.40, but only if that person is enrolled as a full-time student;

(f) a person not described in clause (a) or (c) who is diagnosed by a licensed physician or licensed consulting psychologist as mentally retarded or mentally ill, and that condition prevents the person from obtaining or retaining employment;

(g) a person who has an application pending for the social security disability program or the program of supplemental security income for the aged, blind and disabled, or who has been terminated from either program and has an appeal from that termination pending;

(h) a person who is unable to obtain or retain employment because his advanced age significantly affects his ability to seek or engage in substantial work;

(i) a person completing a secondary education program or one who has been referred to, has applied for, or is in a work training, work experience, vocational rehabilitation, or other employment related educational vocational or technical training program; but however, the period of time that the person is exempted pursuant to under this clause, while awaiting waiting for acceptance into the program, shall not exceed be more than two months;

(j) an adult member of a household with children in which another adult is employed full time or has registered for employment services with the department of economic security or been accepted in a work training program;
or

(k) a person ~~who has been certified as unemployable by the commissioner of economic security~~ who has substantial barriers to employment, including but not limited to factors relating to work or training history, as determined by the local agency in accordance with permanent or temporary rules adopted by the commissioner after consultation with the commissioner of economic security; or

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(l) a person who is certified by the commissioner of economic security as lacking work skills or training or as being unable to obtain work skills or training necessary to secure employment, as defined in a permanent or temporary rule adopted by the commissioner of economic security in consultation with the commissioner.

The exemption of a person described in clause (k) or (l) shall be reassessed annually.

Sec. 35. Minnesota Statutes 1983 Supplement, section 256D.111, subdivision 5, is amended to read:

Subd. 5. **RULEMAKING.** The commissioner shall adopt rules and is authorized to adopt temporary rules:

(a) providing for a reasonable period of disqualification from the receipt of general assistance for a recipient who is not exempt pursuant to subdivision 2 and who has been finally determined pursuant to the procedure prescribed in subdivision 4 to have failed to comply with the requirements of subdivision 1, provided that the period of disqualification for the first failure to comply shall not exceed one month, unless a recipient is disqualified as unavailable for work due to full-time student status as defined in section 256D.02, subdivision 15;

(b) providing for the use of vouchers or vendor payments with respect to the family of a recipient described in clause (a); and

(c) providing that at the time of the approval of an application for general assistance, the local agency gives to the recipient a written notice in plain and easily understood language describing the recipient's job registration, search, and acceptance obligations under this section, and the period of disqualification that will be imposed for a failure to comply with those obligations.

Sec. 36. Minnesota Statutes 1983 Supplement, section 256D.112, is amended to read:

256D.112 TEMPORARY AUTHORITY TO REFER CERTAIN RECIPIENTS TO COMMISSIONER OF ECONOMIC SECURITY.

Until September 30, 1984, the local agency shall refer a recipient to the commissioner of economic security for services under the Minnesota Emergency Employment Development Act jobs program upon the payment to the recipient of a one-month grant. A referral shall be in writing; shall describe the jobs program for which the referral is being made; shall state the address of the office to which the recipient is being referred; and shall state that if the recipient is not accepted for participation in the jobs program, the recipient should return to the local agency. Notwithstanding the provisions of section 256D.111, subdivision 3, and section 256D.10, assistance to a general assistance recipient referred to the commissioner of economic security pursuant to this section shall be suspended at the time of the referral for a period of 30 days following the period for which a

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grant has been issued. If the recipient does not return to the local agency within the 30-day period, assistance shall be terminated. This section does not apply:

(1) to persons that the commissioner of economic security has determined, pursuant to section 268.80, are not eligible for the Minnesota Emergency Employment Development jobs program; are not likely to secure a job through the jobs program; or are not able to successfully perform a job available through the jobs program;

(2) to persons who are recipients of general assistance on October 1, 1983; and

(3) to persons whom the local agency has substantial reason to believe are covered by section 256D.111, subdivision 2.

Nothing in this section shall be construed as prohibiting any recipient who has not been referred by the local agency from applying to the commissioner of economic security for services under the Minnesota emergency employment development jobs program. The local agency shall provide to all recipients a written description of the Minnesota emergency employment development jobs program.

Upon receipt of notice from the commissioner of public welfare that the Minnesota emergency employment development jobs program is terminated After September 30, 1984, this section is ineffective and the local agency shall not refer any recipient to the commissioner of economic security under this section.

Sec. 37. Minnesota Statutes 1982, section 256D.15, is amended to read:

256D.15 RELATIVE'S RESPONSIBILITY.

The financial responsibility of a relative for an applicant for or recipient of general assistance shall not extend beyond the relationship of a spouse, or a parent of an ~~applicant or recipient~~ who is a child adult child who resides with the parent, or the parent of a minor child regardless of where the minor child resides.

Sec. 38. Minnesota Statutes 1982, section 256E.03, subdivision 2, is amended to read:

Subd. 2. "Community social services" means services provided or arranged for by county boards to fulfill the responsibilities prescribed in section 256E.08, subdivision 1 to the following groups of persons:

(a) Families with children under age 18, who are experiencing child dependency, neglect or abuse, and also pregnant adolescents, adolescent parents under the age of 18, and their children;

(b) Persons who are under the guardianship of the commissioner of public welfare as dependent and neglected wards;

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(c) Adults who are in need of protection and vulnerable as defined in section 626.557;

(d) Persons age 60 and over who are experiencing difficulty living independently and are unable to provide for their own needs;

(e) Emotionally disturbed children and adolescents, chronically and acutely mentally ill persons who are unable to provide for their own needs or to independently engage in ordinary community activities;

(f) Mentally retarded persons as defined in section 252A.02, subdivision 2 who are unable to provide for their own needs or to independently engage in ordinary community activities;

(g) Drug dependent and intoxicated persons as defined in section 254A.02, subdivisions 5 and 7, and persons at risk of harm to self or others due to the ingestion of alcohol or other drugs; and

(h) Parents whose income is at or below 70 percent of the state median income and who are in need of child care services in order to secure or retain employment or to obtain the training or education necessary to secure employment; and

(i) Other groups of persons who, in the judgment of the county board, are in need of social services.

Community social services do not include public assistance programs known as aid to families with dependent children, Minnesota supplemental aid, medical assistance, general assistance, general assistance medical care, or community health services authorized by sections 145.911 to 145.922.

Sec. 39. Minnesota Statutes 1982, section 256E.07, subdivision 1, is amended to read:

Subdivision 1. **FORMULA.** In federal fiscal year ~~1980~~ 1985 and subsequent years, money for social services that is received from the federal government to reimburse counties for social service expenditures pursuant to title XX of the social security act shall be allocated to each county according to the following formula:

(a) Two-thirds shall be allocated on the basis of the annual average number of unduplicated active monthly caseloads in each county in the following programs: aid to families with dependent children, medical assistance, general assistance, supplementary security income, and Minnesota supplemental aid.

(b) One-third shall be allocated on the basis of the number of persons residing in the county as determined by the most recent data estimate of the state demographer.

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(c) The commissioner shall allocate to the counties pursuant to this section the total money received from the federal government for social services pursuant to title XX of the social security act, except that portion of the state's allocation which the legislature authorizes for administrative purposes and for migrant day care.

(d) In federal fiscal year 1980 and in subsequent years the minimum title XX share of a county shall be the sum of:

(1) The title XX earnings of that county in calendar year 1978, except that in the counties of Hennepin, Ramsey and St. Louis the greater of 99 percent of their title XX earnings in calendar year 1978 or 99 percent of their allocation in federal fiscal year 1979; and

(2) One-half of the amount that the county would be entitled to by applying the allocation formula described in paragraphs (a), (b), and (c) to the amount of title XX money received by the state which is in excess of the state's 1979 federal fiscal year allocation.

If the amount allocated to any county pursuant to paragraphs (a), (b), and (c) is less than the minimum title XX share of that county, its allocation shall be raised to its minimum title XX share through a percent reduction applied to the amounts that allocations to other counties exceed their minimum title XX shares. If in any year the amount of title XX funds to the state is reduced below the level it received in federal fiscal year 1979, the guarantee provided in this paragraph shall be reduced by a percentage reduction equal to the percentage reduction in title XX money to the state as a whole. The commissioner of public welfare shall annually review the use of title XX money by each county and reallocate unused money among the other counties, except Hennepin, Ramsey and St. Louis Counties, so as to raise them to their earnings in federal fiscal year 1979. Any federal title XX money unused after this reallocation shall be reallocated by the commissioner according to the formula in paragraphs (a), (b), and (c) so that all available federal money is used within the federal fiscal year.

Sec. 40. Minnesota Statutes 1982, section 256E.07, is amended by adding a subdivision to read:

Subd. 1a. PHASE-IN Notwithstanding the provisions of subdivision 1, the allocation formula for federal fiscal years 1985 through 1993 is as follows:

(a) Whenever the amount of federal title XX funds available for allocation to counties is the same as the amount available in the previous fiscal year:

(1) Each county's current year formula share shall be determined pursuant to subdivision 1;

(2) For all counties whose previous year allocation exceeds its current year formula share, the difference shall be divided by the number of years remaining

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until federal fiscal year 1994; the resulting amount shall be subtracted from the previous year allocation to obtain the final allocation;

(3) For all counties whose current year formula share equals or exceeds its previous year allocation, any difference shall be divided by the number of years remaining until federal fiscal year 1994. The resulting amount shall be added to the previous year allocation to obtain the final allocation.

(b) Whenever the amount of federal title XX funds available for allocation to counties is less than the amount available in the previous year, the procedure described in clause (a) shall be followed, except that each county's previous year allocation shall mean its actual previous year allocation reduced in proportion to the reduction in federal fund availability.

(c) Whenever the amount of federal title XX funds available for allocation to counties is greater than the amount available in the previous year, the procedure described in clause (a) shall be followed, except that each county's previous year allocation shall mean:

(1) the actual previous year allocation; plus

(2) the amount to which the county would be entitled by apportioning 40 percent of the excess federal funds available according to the distribution formula contained in subdivision 1; plus

(3) for all counties whose current year formula share exceeds the amount prescribed by items (1) and (2) of this paragraph, the amount to which the county would be entitled by apportioning the remaining 60 percent of the excess federal funds available among the remaining counties according to the distribution formula contained in subdivision 1.

For the purposes of the federal fiscal year 1985 allocation, the federal fiscal year 1982 corrected allocation shall be considered the previous year allocation.

Sec. 41. Minnesota Statutes 1982, section 256E.07, is amended by adding a subdivision to read:

Subd. 1b. UNUTILIZED FUNDS. The commissioner of public welfare shall annually review the use of title XX allocations by county and, pursuant to the formula found in subdivision 1, reallocate unused money among those counties who have expended their full portion.

Sec. 42. **[268.38] TEMPORARY HOUSING DEMONSTRATION PROGRAM.**

Subdivision 1. DEFINITIONS. For the purpose of this section the following terms have the meanings given:

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(a) "Temporary housing" means housing provided for a limited duration not exceeding six months and available for occupancy on a 24-hour continuous basis.

(b) "Support services" means an assessment service that identifies the needs of individuals for independent living and arranges or provides for the appropriate educational, social, legal, advocacy, child care, employment, financial, or information and referral services to meet these needs.

(c) "Commissioner" means the commissioner of economic security.

Subd. 2. ESTABLISHMENT AND ADMINISTRATION. A temporary housing demonstration program is established to be administered by the commissioner. The commissioner may make grants to eligible recipients or enter into agreements with community action agencies or other public or private nonprofit agencies to make grants to eligible recipients to initiate, maintain, or expand programs to provide temporary housing and support services for persons in need of temporary housing. The commissioner shall ensure that money appropriated to implement this section is distributed as soon as practicable. The commissioner may make grants directly to eligible recipients.

The program shall terminate on June 30, 1985.

Subd. 3. ELIGIBLE RECIPIENTS. A housing and redevelopment authority established under section 462.425 or a community action agency recognized under section 268.53 is eligible for assistance under the program. In addition, a partnership, joint venture, corporation, or association that meets the following requirements is also eligible:

(1) it is established for a purpose not involving pecuniary gain to its members, partners, or shareholders;

(2) it does not pay dividends or other pecuniary remuneration, directly or indirectly, to its members, partners, or shareholders; and

(3) in the case of a private, nonprofit corporation, it is established under and in compliance with chapter 317.

Subd. 4. APPLICATIONS. An eligible recipient may apply to the commissioner, or to a nonprofit agency designated by the commissioner, for a grant to initiate, maintain, or expand a program providing temporary housing and support services for persons in need of temporary housing. The application must include:

(1) a proposal for the provision of temporary housing and support services, including program objectives, availability of adequate funding, appropriateness of the proposed program for the population to be served, and how the program will help individuals to move into permanent housing;

(2) a proposed budget;

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(3) a plan for collection of required data and the method to be used for program evaluation; and

(4) evidence of the participation in the development of the application of any agency or governmental body that will provide essential services or assistance to the program.

Subd. 5. CRITERIA FOR GRANT AWARDS. Criteria for the award of grants must include:

(1) evidence that the application meets all program requirements;

(2) evidence of the need of the applicant for state assistance and of the need for the particular program;

(3) indication of long-range plans for future funding if the need continues to exist for the service; and

(4) assurance that grants are awarded to as wide a variety of programs as possible, with emphasis on programs that concentrate on long-term solutions to individual housing problems.

Subd. 6. PROGRAMS DESIGNATED. At least two programs funded must be located in the seven-county metropolitan area and at least one program must be located outside of the metropolitan area. At least one program must be designed primarily to serve families with children, at least one program must be designed primarily to serve single persons, and at least one program must be designed primarily to serve persons leaving a shelter for family abuse.

Subd. 7. FUNDING COORDINATION. To the extent practicable, grant recipients shall combine funds awarded under this section with other funds from public and private sources. Programs receiving funds under this section are also eligible for assistance under section 462A.05, subdivision 20.

Subd. 8. PROGRAM INFORMATION. In order to collect uniform data to better measure the nature and extent of the need for temporary housing, grant recipients shall collect and make available to the commissioner the following information:

(1) number of requests received for temporary housing, including the number of persons requiring assistance;

(2) number of persons for whom services are provided, including differentiation between adults and minor children;

(3) reasons for seeking assistance;

(4) length of stay;

(5) reasons for leaving the housing program;

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- (6) demand for support services;
- (7) follow-up information on status of persons assisted, if possible; and
- (8) source of income, race, and sex of persons assisted.

Subd. 9. PRIVATE DATA. Personal history information and other information collected, used, or maintained by a grant recipient from which the identity of any individual receiving services may be determined is private data on individuals, as defined in section 13.02, subdivision 12, and the grant recipient shall maintain the data in accordance with the provisions of chapter 13.

Subd. 10. RULES. The commissioner may adopt temporary rules, in accordance with chapter 14, as necessary to implement this section. Notwithstanding section 14.35, temporary rules adopted under this section shall remain in effect until June 30, 1985.

Subd. 11. REPORT TO THE LEGISLATURE. The commissioner of economic security shall report to the legislature by March 15, 1985. The report must include:

- (1) the number of programs funded;
- (2) the results of evaluations of those programs;
- (3) an evaluation of the data collected on the programs funded and additional data available to the commissioner to further identify the need for temporary housing and available resources; and
- (4) recommendations for future action by the legislature.

Subd. 12. LICENSING REQUIREMENTS NOT APPLICABLE. The requirements of sections 245.781 to 245.812 do not apply to temporary housing and support services funded under this section unless the commissioner of public welfare determines that the program is primarily a residential facility within the meaning of section 245.782, subdivision 6.

Sec. 43. Minnesota Statutes 1983 Supplement, section 268.672, subdivision 6, is amended to read:

Subd. 6. ELIGIBLE JOB APPLICANT. "Eligible job applicant" means a person who: (1) has been a resident of this state for at least one month, (2) is unemployed, (3) is not receiving and is not qualified to receive unemployment compensation or workers' compensation, and (4) is determined by the employment administrator to be likely to be available for employment by an eligible employer for the duration of the job.

In addition, a farmer who resides in a county qualified under Federal Disaster Relief and who can demonstrate severe financial need may be considered unemployed under this subdivision.

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Sec. 44. Minnesota Statutes 1983 Supplement, section 268.673, subdivision 5, is amended to read:

Subd. 5. **REPORT TO GOVERNOR AND LEGISLATURE.** The coordinator shall report to the legislative advisory commission, the chairpersons of the house and senate governmental operations committees, the chairperson of the health, welfare, and corrections division of the house appropriations committee, the chairperson of the health and human services subcommittee of the senate finance committee, and the governor on a quarterly basis: (1) the number of persons employed; (2) the number and type of employers under the program; (3) the amount of money spent in each service delivery area for wages for each type of employment and each type of other expense; (4) the number of persons who have completed participation in the program and their current employment, educational, or training status; (5) the specific allocation of discretionary funds; and (5) (6) any other information requested by the commission or the governor or deemed pertinent by the coordinator. Each report must include cumulative information, as well as information for each quarter.

Sec. 45. Minnesota Statutes 1983 Supplement, section 268.675, is amended to read:

268.675 ALLOCATION OF FUNDS AMONG SERVICE DELIVERY AREAS.

(a) Ninety Subdivision 1. SERVICE DELIVERY AREA PORTION. Eighty percent of the funds available for allocation to employment administrators for the program must be allocated among service delivery areas as follows: (1) each service delivery area shall be eligible to receive that proportion of the funds available which equals the number of unemployed persons in the service delivery area divided by the total number of unemployed persons in the state for the 12-month period ending the most recent March 31; (2) however, 15 percent of the amount which would be allocated under paragraph (1) to each service delivery area in which the unemployment rate, for the 12-month period ending the most recent March 31, is less than the statewide unemployment rate on that date shall not be allocated according to paragraph (1). This amount shall be pooled and distributed at the discretion of the coordinator only to employment administrators in these service delivery areas with lower than average unemployment rates who have demonstrated outstanding performance from May 1, 1984, to August 1, 1984, in placement of persons who would otherwise be eligible to receive general assistance, as shown by:

(i) the proportion of general assistance-eligible applicants who have been placed in private sector jobs under the program, relative to the total number of general assistance-eligible applicants placed under the program; or

(ii) the proportion of general assistance-eligible applicants placed in all jobs under the program, relative to total job placements under the program.

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(b) Ten percent of the funds available for allocation to employment administrators under the program must be allocated at the discretion of the coordinator to employment administrators:

(1) who will maximize the use of the funds through coordination with other programs and state, local, and federal agencies, through the use of matching funds or through the involvement of low-income constituent groups;

(2) who have demonstrated need beyond the allocation available under clause (1); or

(3) who have demonstrated outstanding performance in job creation; or

(4) who have demonstrated that the unemployed persons in the service delivery area incur unusual costs related to employment under sections 268.671 to 268.686.

Subd. 3. HIGH UNEMPLOYMENT REGIONS. Ten percent of the funds available for allocation to employment administrators under the program must be allocated by the coordinator to employment administrators for use in regions that have unemployment rates for the 12-month period ending the most recent March 31 which meet or exceed 140 percent of the statewide unemployment rate. Funds must be allocated to regions in proportion to the number of unemployed persons within the region.

Sec. 46. Minnesota Statutes 1983 Supplement, section 268.676, subdivision 1, is amended to read:

Subdivision 1. **AMONG JOB APPLICANTS.** Allocation of funds among eligible job applicants within a service delivery area shall be determined by the employment administrator in each service delivery area. The employment administrator shall give priority to:

(1) applicants living in households with no other income source; and

(2) applicants who would otherwise be eligible to receive general assistance under Minnesota Statutes 1980, section 256D.05.

In service delivery areas where the unemployment rate for the 12-month period ending the most recent March 31 is below the statewide unemployment rate at that time, the employment administrator shall give higher priority to applicants described in clause (2) than to those described in clause (1).

Sec. 47. Minnesota Statutes 1983 Supplement, section 268.676, subdivision 2, is amended to read:

Subd. 2. **AMONG EMPLOYERS.** Allocation of funds among eligible employers within a service area shall be determined by the employment administrator within each service delivery area according to the priorities in sections 268.68 and 268.681. The employment administrator shall give priority to

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funding private sector jobs to the extent that eligible businesses apply for funds. If possible, no more than 60 40 percent of the funds may be allocated for jobs with eligible government and nonprofit agencies during the biennium.

Sec. 48. Minnesota Statutes 1983 Supplement, section 268.677, is amended to read:

268.677 USE OF FUNDS.

Funds appropriated for the purposes of sections 268.671 to 268.686 may be used as follows:

(a) To provide a state contribution for wages and fringe benefits for eligible job applicants for a maximum of 1,040 hours over a maximum period of 26 weeks per job applicant. For eligible job applicants participating in a job training program, the state contribution for wages may be used for a maximum period of 52 weeks per job applicant. The state contribution for wages shall be up to \$4 per hour for each eligible job applicant employed. The state contribution for fringe benefits may be up to \$1 per hour for each eligible job applicant employed. However, the employer may use funds from other sources to provide increased wages to the applicants it employs. At least 75 percent of the funds appropriated for the program must be used to pay wages for eligible job applicants;

(b) To reimburse the commissioner of economic security in an amount not to exceed one percent of the funds appropriated for the actual cost of administering sections 268.671 to 268.686, and to reimburse the employment administrators in an amount not to exceed 4-1/2 percent of the funds appropriated for their actual cost of administering sections 268.671 to 268.686. The commissioner of economic security and the employment administrators shall reallocate funds from other sources to cover the administrative costs of this program whenever possible;

(c) To provide child care services or subsidies to applicants employed under sections 268.671 to 268.686;

(d) To provide workers' compensation coverage to applicants employed by government or nonprofit agencies under sections 268.671 to 268.686;

(e) To provide job search assistance, labor market orientation, job seeking skills, and referral for other services;

(f) To purchase supplies and materials for projects creating permanent improvements to public property in an amount not to exceed one percent of the funds appropriated.

The employment administrator of each service delivery area shall submit to the coordinator a spending plan establishing that funds allocated to the service delivery area will be used by ~~October 1, 1984~~, in the manner required by sections 268.671 to 268.686. Any funds allocated to the service delivery area for which

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there is no spending plan approved by the coordinator shall cancel back to the Minnesota emergency employment development account and may be reallocated by the coordinator to other employment administrators.

Sec. 49. Minnesota Statutes 1983 Supplement, section 268.685, is amended to read:

268.685 TERMINATION; NOTIFICATION.

The commissioner of economic security shall immediately terminate the Minnesota emergency employment development program if and when none of the money appropriated under Laws 1983, chapter 312, article 1, section 3 or under this act remains. The commissioner of economic security shall immediately notify the commissioner of public welfare of the program's termination. The commissioner of public welfare shall immediately notify each local agency referring recipients under section 256D.112 of the program's termination and require the local agency to cease transferring recipients.

On the date the program is terminated, any balance remaining in the Minnesota emergency employment development account established under section 268.681, subdivision 4 shall cancel to the general fund. Any payments received under section 268.681, subdivisions 3 and 4 on or after that date shall be deposited in the general fund.

Sec. 50. Minnesota Statutes 1983 Supplement, section 268.686, is amended to read:

268.686 SUNSET.

Laws 1983, chapter 312, article 7, sections 1 to 18 are repealed ~~June 30, 1985~~ January 1, 1986.

Sec. 51. Minnesota Statutes 1983 Supplement, section 268.80, is amended to read:

268.80 APPLICATION PROCESS; DETERMINATIONS.

Any person may apply to the commissioner for services under the Minnesota emergency employment development jobs program. Upon receiving an application, the commissioner shall promptly determine the person's eligibility for services under the program; the person's ability to successfully perform a job available through the program; and, within three business days, the person's eligibility for an allowance pursuant to section 268.81. The commissioner shall not accept applications for the allowance after September 30, 1984. In determining the eligibility of a person for the allowance, the commissioner shall apply the eligibility standards set forth in sections 256D.01 to 256D.21. A person referred by a local agency pursuant to the provisions of section 256D.112 prior to October 1, 1984 shall be deemed to be eligible for the allowance. If the commissioner finds at any time that a person is not eligible for services under the jobs program,

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or if the commissioner determines after a three-month period that the person is unlikely to secure a job through the jobs program, then the commissioner shall issue a written determination stating the findings and provide the person with a written referral to the appropriate local agency. However, once a person has been referred to the local agency because of a determination that the person is unlikely to secure a job through the emergency employment development jobs program, the person may not be referred back to the commissioner for the payment of the allowance under section 268.81. If the person is receiving an allowance, the allowance will be terminated upon provision of a notice of termination of the allowance which must coincide with issuance of the allowance and must include a written referral to the local agency. Upon sending a notice of termination, the commissioner shall forward copies of applications, verifications, and other documents related to the person's eligibility for and payments of general assistance to the local agency. If the person applies to the local agency for general assistance before or on the last date of the period covered by the allowance, the person is eligible for general assistance, and the local agency shall issue a general assistance payment to cover the calendar month immediately following the calendar month covered by the last allowance. The local agency shall use verifications obtained in its determination of eligibility pursuant to section 256D.112 and those provided by the commissioner and may only require the applicant to supply verification of factors that the local agency has reason to believe have changed. If the commissioner finds at any time, pursuant to standards established by the commissioner by rule or temporary rule, that a person is not able to successfully perform a job available through the jobs program, the commissioner shall issue a written determination stating the findings and explaining the person's right to appeal pursuant to section 268.82, and shall provide the person with a written referral to the appropriate local agency. If the commissioner finds that a person is not eligible for an allowance pursuant to section 268.81, the commissioner shall advise the person in writing that the person may make an application for general assistance with the appropriate local agency.

Sec. 52. Minnesota Statutes 1983 Supplement, section 268.81, is amended to read:

268.81 PAYMENT OF ALLOWANCE.

A person accepted pursuant to section 268.80 for participation in the Minnesota emergency employment development jobs program and determined by the commissioner to satisfy the eligibility standards set forth in sections 256D.01 to 256D.21, shall be paid a cash allowance by the commissioner in an amount which is not less than the amount of the general assistance grant that the person would otherwise receive pursuant to sections 256D.01 to 256D.21. The commissioner shall adopt a permanent or temporary rule establishing the amounts of allowances to be paid pursuant to this section. The initial allowance shall be paid to the person as soon as administratively feasible. A person referred by a

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local agency pursuant to section 256D.112 shall be paid the initial allowance upon the expiration of the period covered by the one-month grant received from the local agency. Thereafter, the allowance shall be paid at intervals as the commissioner shall prescribe by rule or temporary rule. Until June 30, 1985, a person receiving an allowance when the Minnesota emergency employment development jobs program is terminated under section 268.685, shall continue to be paid an allowance under this section if he continues to meet the eligibility standards set forth in sections 256D.01 to 256D.21. After December 31, 1984, the department of economic security shall make no allowance payments. All persons who receive an allowance during December 1984 shall be provided a notice of termination of the allowance which must coincide with issuance of the allowance and must include a written referral to the local agency. Upon sending a notice of termination, the commissioner shall forward copies of applications, verifications, and other documents related to the person's eligibility for and payments of general assistance to the local agency. If the person applies to the local agency for general assistance before or on the final day of the period covered by the allowance, the person is eligible for general assistance, and the local agency shall issue a general assistance payment to cover the calendar month immediately following the calendar month covered by the last allowance. The local agency shall use verifications obtained in its determination of eligibility pursuant to section 256D.112 and those provided by the commissioner and may only require the applicant to supply verification of factors that the local agency has reason to believe have changed.

Sec. 53. Minnesota Statutes 1983 Supplement, section 357.021, subdivision 2a, is amended to read:

Subd. 2a. **CERTAIN FEE PURPOSES.** Of the marriage dissolution fee collected pursuant to subdivision 1, the clerk shall pay \$35 to the state treasurer to be deposited in the general special revenue fund to be used as follows: \$15 for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 241.61 to 241.66 and for administering displaced homemaker programs established under section 4.40; and \$20 is appropriated to the commissioner of corrections for the purpose of funding emergency shelter services and support services to battered women, on a matching basis with local money for 20 percent of the costs and state money for 80 percent. Of the \$15 for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 241.61 to 241.66 and for administering displaced homemaker programs established under section 4.40, \$6.75 is appropriated to the commissioner of corrections and \$8.25 is appropriated to the commissioner of economic security. The commissioner of economic security may use money appropriated in this subdivision for the administration of a displaced homemaker program regardless of the date on which the program was established.

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The state treasurer shall identify and report to the commissioner of finance all amounts deposited in the general fund under this section.

Sec. 54. Minnesota Statutes 1983 Supplement, section 517.08, subdivision 1c, is amended to read:

Subd. 1c. **DISPOSITION OF LICENSE FEE.** Of the marriage license fee collected pursuant to subdivision 1b, the clerk shall pay \$25 to the state treasurer to be deposited in the ~~general~~ special revenue fund to be used as follows: \$15 for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 241.61 to 241.66 and for administering displaced homemaker programs established by July 1, 1983, under section 4.40; and \$10 is appropriated to the commissioner of economic security for the purpose of funding displaced homemaker programs established after July 1, 1983, under section 4.40 in areas of the state where those programs previously did not exist or adjunct programs that extend access to current programs in northeastern Minnesota, on a matching basis with local funds providing 20 percent of the costs and state funds providing 80 percent. Of the \$15 for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 241.61 to 241.66 and for administering displaced homemaker programs established by July 1, 1983, under section 4.40, \$6.75 is appropriated to the commissioner of corrections and \$8.25 is appropriated to the commissioner of economic security. The commissioner of economic security may transfer money to and from the appropriation designated in this subdivision for the administration of displaced homemaker programs established by July 1, 1983, and the appropriation designated for programs established after July 1, 1983, if necessary to continue the administration of programs established by July 1, 1983, while developing and administering programs established after that date as required in this subdivision.

~~The state treasurer shall identify and report to the commissioner of finance all amounts deposited in the general fund and appropriated under this section.~~

Sec. 55. Laws 1983, chapter 199, section 17, subdivision 2, is amended to read:

Subd. 2. The commission shall consist of ~~six~~ seven members of the house of representatives appointed by the speaker and ~~six~~ seven members of the senate appointed by the subcommittee on committees.

Sec. 56. **LABORATORY FEES.**

Notwithstanding Laws 1983, chapter 312, article 1, section 7, subdivision 2, the commissioner of health shall charge a fee of not less than \$5 for medical laboratory services for which fees are charged under section 144.123.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 57. MORATORIUM ON HOSPITAL CAPACITY EXPANSION.

Subdivision 1. RESTRICTED CONSTRUCTION OR MODIFICATION. Until June 30, 1987, the following construction or modification may not be commenced:

(1) any erection, building, alteration, reconstruction, modernization, improvement, extension, lease, or other acquisition by or on behalf of a hospital that increases the bed capacity of a hospital, relocates hospital beds from one physical facility, complex, or site to another, or otherwise results in an increase or redistribution of hospital beds within the state; and

(2) the establishment of a new hospital.

This section does not apply to:

(1) a hospital, clinic, or other health care facility that is a national referral center engaged in substantial programs of patient care, medical research, and medical education meeting state and national needs that receives more than 40 percent of its patients from outside the state of Minnesota;

(2) a project for construction or modification for which a health care facility held an approved certificate of need on May 1, 1984, regardless of the date of expiration of the certificate;

(3) a project for which a certificate of need was denied prior to the date of enactment of this act if a timely appeal results in an order reversing the denial; or

(4) a project exempted from certificate of need requirements by Laws 1981, chapter 200, section 2.

Nothing in this section prohibits the relocation or redistribution of hospital beds within a hospital building or identifiable complex of buildings provided the relocation or redistribution does not result in: (1) an increase in the overall bed capacity at that site; (2) relocation of hospital beds from one physical site or complex to another; or (3) redistribution of hospital beds within the state or a region of the state.

Subd. 2. EMERGENCY WAIVER. The commissioner shall grant an emergency waiver from the provisions of this section if the need for the project is a result of fire, tornado, flood, storm damage or other similar disaster, if adequate health care facilities are not available for the people who previously used the applicant facility and if the request for an emergency waiver is limited in nature and scope only to those repairs necessitated by the natural disaster.

Subd. 3. ENFORCEMENT. The district court in Ramsey County has jurisdiction to enjoin an alleged violation of subdivision 1. At the request of the commissioner of health, the attorney general may bring an action to enjoin an alleged violation. The commissioner of health shall not issue a license for any portion of a hospital in violation of subdivision 1. No hospital in violation of

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subdivision 1 may apply for or receive public funds under chapters 245 to 256B, or from any other source.

Subd. 4. DEFINITIONS. Except as indicated in this subdivision, the terms used in this section have the meanings given them under Minnesota Statutes 1982, sections 145.832 to 145.845 and the rules adopted thereunder.

The term "hospital" has the meaning given it in section 144.696, subdivision 3.

Sec. 58. INSTRUCTION TO REVISOR.

The revisor of statutes shall change the references to the commissioner or department of "public welfare" wherever they appear in the Minnesota Statutes to refer to the commissioner or department of "human services" in Minnesota Statutes 1984.

Sec. 59. REPEALER.

Minnesota Statutes 1982, section 256E.07, subdivision 3, and Laws 1983, chapter 289, section 102, are repealed.

Sec. 60. APPLICATION.

The changes mandated by section 45 of this article are effective only for money appropriated in section 2, clause (a). Funds appropriated prior to the effective date of this act shall continue to be allocated as provided in Laws 1983, chapter 312, article 7, section 5.

Sec. 61. EFFECTIVE DATES.

Sections 7, 17 to 21, 23, 24, 39 to 49, 53 to 56, 59, and 60 are effective the day following final enactment. Sections 26 to 29, 32, 35, 37, and section 34, subdivision 2, clause (i) are effective June 1, 1984. Section 34, subdivision 2, clauses (k) and (l) are effective October 1, 1984.

Approved May 2, 1984

CHAPTER 655 — H.F.No. 2207

An act relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted, and obsolete references and text; eliminating certain redundant, conflicting, and superseded provisions; reenacting certain laws; correcting 1984 session legislation; amending Minnesota Statutes 1982, sections 14.40; 15.18, as amended; 52.03, subdivision 2, as added; 60B.01, subdivision 1, as amended; 83.26, subdivision 2, as amended; 97.433, subdivision 3; 116C.73; 116D.06, subdivision 1; 123.78, subdivision 1; 156A.04; 161.16, subdivision 4; 169.45; 256C.02; 290.08, subdivision 26, as added; 298.24, subdivision 1, as amended;

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