Sec. 2. STUDY; PROTECTION FOR PURCHASERS OF AGRICULTURAL VEHICLES.

The consumer services unit of the office of the attorney general shall study the need for and applicability of consumer protection legislation for purchasers of farm trucks, farm tractors, and implements of husbandry similar to the protection afforded purchasers of new motor vehicles under Minnesota Statutes, section 325F.665. The results of the study and any recommendations must be submitted to the committee on agriculture in the house and the committee of agriculture and natural resources in the senate by November 1, 1985. The attorney general shall use existing staff and funds to complete the report.

The committees shall make recommendations to the legislature by January 1, 1986.

Sec. 3. EFFECTIVE DATE.

Section 1 is effective January 1, 1986. Section 2 is effective the day following final enactment.

Approved May 31, 1985

CHAPTER 285 — H.F.No. 786

An act relating to state departments and agencies; transferring authority to make certain appointments to various commissioners; reducing size of alcohol and drug abuse advisory council; abolishing the cable communications board and transferring certain functions to the commissioner of commerce; abolishing the telecommunications council; amending Minnesota Statutes 1984, sections 4.31, subdivision 5; 14.02, subdivision 4; 15.0591, subdivision 2; 16B.20, subdivision 2; 16B.33, subdivision 2; 115.74, subdivision 1; 116C.41, subdivision 2; 121.83; 161.1419, subdivision 2; 238.01; 238.02, subdivision 14, and by adding subdivisions; 238.03; 238.08, subdivisions 2, 3, and 4; 238.11, subdivision 2; 238.15; 238.16, subdivision 2; 238.17, subdivisions 1 and 5; 238.22, by adding subdivisions; 238.24, subdivision 10; 250.05; 254A.04; 270.41; 343.01, subdivision 3; 473.129, subdivision 6; and 611.215, subdivision 1; amending Laws 1984, chapter 654, article 2, section 151, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 238; repealing Minnesota Statutes 1984, sections 3.29, subdivisions 1 to 11; 16C.01; 238.02, subdivision 4; 238.04 to 238.06; 238.09; 238.10; 238.11, subdivision 1; 238.12, subdivision 3; 238.13; 238.14; 238.16, subdivision 1; and 238.17, subdivisions 6, 7, and 8.

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

Section 1. Minnesota Statutes 1984, section 4.31, subdivision 5, is amended to read:

Subd. 5. The governor commissioner of administration shall appoint an advisory committee of not more than 21 members, at least one member from each economic development region, to advise and make recommendations to him and the director of volunteer services. Notwithstanding this numerical limitation,

members currently serving on an advisory group to the governor's office of volunteer services shall complete their prescribed terms of office; thereafter, appointments of successors shall be made so as to be consistent with the numerical limitation contained in this section. Membership terms, compensation, removal and filling of vacancies of members and expiration of the advisory committee shall be as provided in section 15.059; provided, that members shall not be eligible for a per diem.

- Sec. 2. Minnesota Statutes 1984, section 14.02, subdivision 4, is amended to read:
- Subd. 4. RULE. "Rule" means every agency statement of general applicability and future effect, including amendments, suspensions, and repeals of rules, adopted to implement or make specific the law enforced or administered by it or to govern its organization or procedure. It does not include (a) rules concerning only the internal management of the agency or other agencies, and which do not directly affect the rights of or procedure available to the public; (b) rules of the commissioner of corrections relating to the internal management of institutions under the commissioner's control and those rules governing the inmates thereof prescribed pursuant to section 609.105; (c) rules of the division of game and fish published in accordance with section 97.53; (d) rules relating to weight limitations on the use of highways when the substance of the rules is indicated to the public by means of signs; (e) opinions of the attorney general; (f) the systems architecture plan and long range plan of the state education management information system provided by section 121.931; (g) the data element dictionary and the annual data acquisition calendar of the department of education to the extent provided by section 121,932; (h) the comprehensive statewide plan of the crime control planning board provided in section 299A.03; (i) special terms and conditions for an interim certificate of confirmation of the Minnesota cable communications board provided in section 238.09; (i) occupational safety and health standards provided in section 182.655; or (k) (j) rules of the commissioner of public safety adopted pursuant to section 169.128.
- Sec. 3. Minnesota Statutes 1984, section 15.0591, subdivision 2, is amended to read:
- 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;
 - (5) board of examiners for nursing home administrators;

- (6) board on aging;
- (7) cable communications board;
- (8) chiropractic examiners board;
- (9) (8) consumer advisory council on vocational rehabilitation;
- (10) (9) council for the handicapped;
- (11) (10) council on affairs of Spanish-speaking people;
- (12) (11) council on black Minnesotans;
- (13) (12) dentistry board;
- (14) (13) department of economic security advisory council;
- (15) (14) higher education coordinating board;
- (16) (15) housing finance agency;
- (17) (16) Indian advisory council on chemical dependency;
- (18) (17) medical examiners board;
- (19) (18) medical policy directional task force on mental health;
- (20) (19) metropolitan transit commission or its successor;
- (21) (20) Minnesota emergency employment development task force;
- (22) (21) Minnesota office of volunteer services advisory committee;
- (23) (22) Minnesota state arts board;
- (24) (23) mortuary sciences advisory council;
- (25) (24) nursing board;
- (26) (25) optometry board;
- (27) (26) pharmacy board;
- (28) (27) physical therapists council;
- (29) (28) podiatry board;
- (30) (29) psychology board;
- (31) (30) veterans advisory committee.
- Sec. 4. Minnesota Statutes 1984, section 16B.20, subdivision 2, is amended to read:
- Subd. 2. ADVISORY COUNCIL. A small business procurement advisory council is created. The council consists of 13 members appointed by the

governor commissioner of administration. A chairperson of the advisory council shall be elected from among the members. The appointments are subject to the appointments program provided by section 15.0597. The terms and removal of members are as provided in section 15.059, but members do not receive per diem or expenses.

- Sec. 5. Minnesota Statutes 1984, section 16B.33, subdivision 2, is amended to read:
- Subd. 2. ORGANIZATION OF BOARD. (a) MEMBERSHIP. The state designer selection board consists of five individuals, the majority of whom must be Minnesota residents. Each of the following three organizations shall nominate one individual whose name and qualifications shall be submitted to the governor commissioner of administration for consideration: the consulting engineers council of Minnesota after consultation with other professional engineering societies in the state; the Minnesota society of architects; and the Minnesota board of the arts. The governor commissioner may appoint the three named individuals to the board with the advice and consent of the senate, but the governor may reject a nominated individual and request another nomination. The remaining two members shall also be appointed by the governor with the advice and consent of the senate commissioner.
- (b) NONVOTING MEMBERS. In addition to the five members of the board, two nonvoting members shall participate in the interviewing and selection of designers pursuant to this section. One shall be a representative of the commissioner and shall participate in the interviewing and selection of designers for all projects. The other shall be a representative of the user agency, who shall participate in the interviewing and selection of the designers for the project being undertaken by the user agency. The commissioner shall appoint the representative of the user agency in consultation with the user agency.
- (c) TERMS; COMPENSATION; REMOVAL; VACANCIES. The membership terms, compensation, removal of members, and filling of vacancies on the board are as provided in section 15.0575. No individual may serve for more than two consecutive terms.
- (d) OFFICERS, RULES. At its first meeting, the board shall elect a voting member of the board as chairman. The board shall also elect other officers necessary for the conduct of its affairs. The board shall adopt rules governing its operations and the conduct of its meetings. The rules shall provide for the terms of the chairman and other officers.
- (e) MEETINGS. The board shall meet as often as is necessary, not less than twice annually, in order to act expeditiously on requests submitted to it for selection of primary designers.
- (f) OFFICE, STAFF, RECORDS. The department of administration shall provide the board with suitable quarters to maintain an office, hold meetings, and

keep records. The commissioner shall designate an employee of the department of administration to serve as executive secretary to the board and shall furnish a secretarial staff to the board as necessary for the expeditious conduct of the board's duties and responsibilities.

Sec. 6. Minnesota Statutes 1984, section 115.74, subdivision 1, is amended to read:

Subdivision 1. The water and wastewater treatment operators certification council shall be composed of six members. The governor commissioner of health shall appoint four two members as follows: A currently employed water supply system operator holding a valid certificate issued by the commissioner; and a representative of the league of Minnesota cities. The director of the pollution control agency shall apoint two members as follows: a currently employed wastewater treatment facility operator holding a valid certificate issued by the director; and a university or college faculty member whose major field is related to water supply or wastewater collection and treatment; and a representative of the league of Minnesota municipalities. The remainder of the council shall be composed of the following persons: A representative of the state department of health who is either the director of the division of environmental health or a qualified member of his staff; the director of the Minnesota pollution control agency or a qualified member of his staff. In the case of the first council, the appointments of a water supply system operator and a wastewater treatment facility operator shall be made from currently employed operators holding valid certificates under the voluntary certification program administered by the state department of health and the Minnesota pollution control agency.

- Sec. 7. Minnesota Statutes 1984, section 116C.41, subdivision 2, is amended to read:
- Subd. 2. SOUTHERN MINNESOTA RIVERS BASIN. The board shall guide the creation and implementation of a comprehensive environmental conservation and development plan for the southern Minnesota rivers basin. The board shall coordinate state and local interests with respect to the study in southwestern Minnesota under Public Law Number 87-639. The board shall appoint an advisory council to advise the board concerning its responsibilities under this subdivision. The council shall consist of 11 members who are residents of the basin and appointed by the governor chair of the environmental quality board with the board's concurrence. The council is subject to the provisions of section 15.059, except that the council shall expire June 30, 1987. The council shall make recommendations to the board by June 30, 1985, concerning the establishment of a statewide advisory council to advise the board on water resources planning, regulation, and management.
 - Sec. 8. Minnesota Statutes 1984, section 121.83, is amended to read:

121.83 MINNESOTA EDUCATION COUNCIL.

There is hereby established the Minnesota education council composed of the members of the education commission of the states representing this state, and 16 two other persons, two from each congressional district of which one shall be a legislator, appointed by the governor for. Four representatives shall be appointed by the speaker of the house and four senators shall be appointed by the committee on committees. Legislative members shall serve terms coinciding with the term their respective terms of the appointing governor office. Persons other than legislators shall be selected so as to be broadly representative of The commissioner of education shall appoint one member from each congressional district, for terms coinciding with the term of the commissioner, who broadly represent professional and lay interests within this state having the responsibilities for, knowledge with respect to, and interest in educational matters. chairman shall be designated by the governor commissioner shall designate a chairman from among its the council members. The council shall meet on the call of the governor commissioner, but in any event the council shall meet not less than twice in each year. The council may consider any and all matters relating to recommendations of the education commission of the states and the activities of the members representing this state thereon, shall serve as a forum for major education policies, and shall serve to exchange information about important education activities of interest to all parties. Members of the council shall serve without salary, but shall be reimbursed for actual expenses incurred in attendance at meetings of the council.

- Sec. 9. Minnesota Statutes 1984, section 161.1419, subdivision 2, is amended to read:
- Subd. 2. The commission shall be composed of ten members of which three one shall be appointed by the governor commissioner of transportation, one shall be appointed by the commissioner of natural resources, one shall be appointed by the commissioner of energy and economic development, three shall be members of the senate to be appointed by the committee on committees, and three shall be members of the house of representatives to be appointed by the speaker. The tenth member shall be the secretary appointed pursuant to subdivision 3. The members of the commission shall be selected immediately after final enactment of this act and shall serve for a term expiring at the close of the next regular session of the legislature and until their successors are appointed. Successor members shall be appointed at the close of each regular session of the legislature by the same appointing authorities. Members may be reappointed. Any vacancy shall be filled by the appointing authority. The commissioner of transportation, the commissioner of natural resources, and the director of the Minnesota historical society shall be ex officio members, and shall be in addition to the ten members heretofore provided for. Immediately upon making the appointments to the commission the appointing authorities shall so notify the

Mississippi River parkway commission, hereinafter called the national commission, giving the names and addresses of the members so appointed.

Sec. 10. Minnesota Statutes 1984, section 238.01, is amended to read:

238.01 DECLARATION OF LEGISLATIVE FINDINGS AND INTENT.

Upon investigation of the public interest associated with cable communications, the legislature of the state of Minnesota has determined that while cable communications serve in part as an extension of interstate broadcasting, that their operations also involve public rights-of-way, municipal franchising, and vital business and community service, which are of state concern; that while said operations must be subject to state oversight, they also must be protected from undue restraint and regulation so as to assure development of cable systems with optimum technology and maximum penetration in this state as rapidly as economically and technically feasible; that the municipalities and the state would benefit from valuable educational and public services through cable communications systems; that the cable communications industry must provide the opportunity for minority participation and benefit which its diversity promises; that the public and the business community would benefit if served by cable channels sufficient to meet the needs of producers and distributors of program and other communication content services; that the cable communications industry is in a period of rapid growth and corporate consolidation and should proceed in accord with regional and statewide service objectives; that these objectives should encourage area-wide service where consistent with the public interest and discourage concentration of control and ownership when not in the public interest; and that many municipalities lack the necessary resources and expertise to plan for and secure these benefits and to protect subscribers and other parties to the public interest in franchise negotiations.

There is, therefore, a need for a state agency to develop a state cable communications policy; to promote the rapid development of the cable communications industry responsive to community and public interest and consonant with policies, regulations and statutes of the federal government; to assure that cable communications companies provide adequate, economical and efficient service to their subscribers, the municipalities within which they are franchised and other parties to the public interest; to encourage the endeavors of public and private institutions, municipalities, associations and organizations in developing programming for public interest; and to provide minorities with the fullest opportunity to make effective use of the medium.

It is the intent of the legislature in sections 238.01 to 238.17 this chapter to vest authority in a board to oversee development of the cable communications industry in Minnesota in accordance with the statewide service plan; to review the suitability to practices for franchising cable communications companies to protect the public interest; to set standards for cable communications systems

and franchise practices; to assure channel availability for municipal services, educational television, program diversity, local expression and other program and communications content services; to assure that municipal franchising results in communication across metropolitan areas and in neighborhood communities in larger municipalities; to provide consultant services guidance to community organizations and municipalities in franchise negotiations; and, to stimulate the development of diverse instructional, educational, community interest and public affairs programming with full access thereto by cable communications companies, educational broadcasters and public and private institutions operating closed circuit television systems and instructional television fixed services.

- Sec. 11. Minnesota Statutes 1984, section 238.02, subdivision 14, is amended to read:
- Subd. 14. "Core service unit" shall mean the municipality, or, in the case of a joint powers agreement, municipalities, in which a cable communications system first provides service under a lawful franchise and from which the cable communications system extends service into additional areas which are included in the boundaries of a cable service territory approved by the board.
- Sec. 12. Minnesota Statutes 1984, section 238.02, is amended by adding a subdivision to read:
- <u>Subd. 17. CLASS A CABLE SYSTEMS. "Class A cable systems" means systems that are located outside of the metropolitan area, are located in a franchise area having a population of 4,000 or fewer persons, and are serving fewer than 1,000 subscribers.</u>
- Sec. 13. Minnesota Statutes 1984, section 238.02, is amended by adding a subdivision to read:
- Subd. 18. CLASS B CABLE SYSTEMS. "Class B cable systems" means all systems, except those systems meeting the criteria of the class A system, that are located outside of the metropolitan area, are located in a franchise area having a population of fewer than 15,000 persons, and are serving fewer than 3,500 subscribers.
- Sec. 14. Minnesota Statutes 1984, section 238.02, is amended by adding a subdivision to read:
- <u>Means systems that are located in the metropolitan area, or are located in a franchise area having a population of 15,000 or more persons or serving 3,500 or more subscribers.</u>
- Sec. 15. Minnesota Statutes 1984, section 238.02, is amended by adding a subdivision to read:

- Subd. 20. METROPOLITAN AREA. "Metropolitan area" is that area defined under section 473.121, subdivision 2.
 - Sec. 16. Minnesota Statutes 1984, section 238.03, is amended to read:

238.03 APPLICATION.

Sections 238.01 to 238.17 apply This chapter applies to every cable communications system and every cable communications company as defined in section 238.02, operating within the state, including a cable communications company which constructs, operates and maintains a cable communications system in whole or in part through the facilities of a person franchised to offer common or contract carrier services. Persons possessing franchises for any of the purposes of sections 238.01 to 238.17 this chapter although no property has been acquired, business transacted or franchises exercised.

- Sec. 17. Minnesota Statutes 1984, section 238.08, subdivision 2, is amended to read:
- Subd. 2. Nothing in this chapter shall be construed to prevent franchise requirements in excess of those prescribed by the board, unless such requirement is inconsistent with this chapter or any regulation of the board.
- Sec. 18. Minnesota Statutes 1984, section 238.08, subdivision 3, is amended to read:
- Subd. 3. Nothing in this chapter shall be construed to limit any municipality from the right to construct, purchase, and operate a cable communications system. Any municipal system shall be subject to the laws, rules and regulations of the board this chapter to the same extent as would any nonpublic cable communications system.
- Sec. 19. Minnesota Statutes 1984, section 238.08, subdivision 4, is amended to read:
- Subd. 4. Nothing in sections 238.01 to 238.17 this chapter shall be construed to limit the power of any municipality to impose upon any cable communications company a fee, tax or charge.
 - Sec. 20. [238.081] FRANCHISE PROCEDURE.

Subdivision 1. PUBLICATION. The franchising authority shall have published once each week for two successive weeks in a newspaper of general circulation in each municipality within the cable service territory, a notice of intent to franchise, requesting applications for the franchise.

- Subd. 2. REQUIRED INFORMATION. The notice must include at least the following information:
 - (1) the name of the municipality making the request;

- (2) the closing date for submission of applications;
- (3) a statement of the application fee, if any, and the method for its submission;
- (4) a statement by the franchising authority of the desired system design and services to be offered;
- (5) a statement by the franchising authority of criteria and priorities against which the applicants for the franchise must be evaluated;
- (6) a statement that applications for the franchise must contain at least the information required by subdivision 4;
- (7) the date, time, and place for the public hearing, to hear proposals from franchise applicants;
- (8) the name, address, and telephone number of the individuals who may be contacted for further information.
- Subd. 3. OTHER RECIPIENTS OF NOTICE. In addition to the published notice, the franchising authority shall mail copies of the notice of intent to franchise to any person it has identified as being a potential candidate for the franchise.
- Subd. 4. CONTENTS OF FRANCHISING PROPOSAL. The franchising authority shall require that proposals for a cable communications franchise be notarized and contain, but not necessarily be limited to, the following information:
- (1) plans for channel capacity, including both the total number of channels capable of being energized in the system and the number of channels to be energized immediately;
- (2) <u>a statement of the television and radio broadcast signals for which permission to carry will be requested from the Federal Communications Commission;</u>
- (3) a description of the proposed system design and planned operation, including at least the following items:
 - (i) the general area for location of antennae and the head end, if known;
 - (ii) the schedule for activating two-way capacity;
 - (iii) the type of automated services to be provided;
- <u>(iv) the number of channels and services to be made available for access cable broadcasting; and</u>

- (4) the terms and conditions under which particular service is to be provided to governmental and educational entities;
- and a proposed policy regarding unusual or difficult connection of services;
- (6) a time schedule for construction of the entire system with the time sequence for wiring the various parts of the area requested to be served in the request for proposals;
- (7) <u>a statement indicating the applicant's qualifications and experience in</u> the cable communications field, if any;
- (8) an identification of the municipalities in which the applicant either owns or operates a cable communications system, directly or indirectly, or has outstanding franchises for which no system has been built;
- (9) plans for financing the proposed system, which must indicate every significant anticipated source of capital and significant limitations or conditions with respect to the availability of the indicated sources of capital;
- (10) a statement of ownership detailing the corporate organization of the applicant, if any, including the names and addresses of officers and directors and the number of shares held by each officer or director, and intracompany relationship including a parent, subsidiary or affiliated company; and
- (11) a notation and explanation of omissions or other variations with respect to the requirements of the proposal.

Substantive amendments may not be made in a proposal after a proposal has been submitted to the franchising authority and before award of a franchise.

- Subd. 5. TIME LIMITS TO SUBMIT APPLICATIONS. The franchising authority shall allow at least 20 days from the first date of published notice to the closing date for submitting applications.
- Subd. 6. PUBLIC HEARING ON FRANCHISE. A public hearing before the franchising authority affording reasonable notice and a reasonable opportunity to be heard with respect to all applications for the franchise must be completed at least seven days before the introduction of the franchise ordinance in the proceedings of the franchising authority.
- Subd. 8. COSTS OF AWARDING FRANCHISE. Nothing in this section prohibits a franchising authority from recovering from a successful applicant the reasonable and necessary costs of the entire process of awarding the cable communications franchise.

- Subd. 9. FRANCHISING NONPROFIT OR MUNICIPALLY-OWNED SYSTEM. Nothing contained in this section prohibits a franchising authority from franchising a nonprofit or municipally-owned system. The municipality or nonprofit entity is considered an applicant for purposes of this section.
- Subd. 10. FRANCHISE; JOINT POWERS. In the cases of municipalities acting in concert, the municipalities may delegate to another entity such duties, responsibilities, privileges, or activities described in this section, if such delegation is proper according to state and local law.
 - Sec. 21. [238,082] FRANCHISE AMENDMENTS.

The franchising authority shall act pursuant to local law pertaining to ordinance amendment procedures.

- Sec. 22. [238.083] SALE OR TRANSFER OF FRANCHISE.
- Subdivision 1. FUNDAMENTAL CORPORATE CHANGE DE-FINED. For purposes of this section, "fundamental corporate change" means the sale or transfer of a majority of a corporation's assets; merger, including a parent and its subsidiary corporation; consolidation; or creation of a subsidiary corporation.
- Subd. 2. WRITTEN APPROVAL OF FRANCHISING AUTHORITY. A sale or transfer of a franchise, including a sale or transfer by means of a fundamental corporate change, requires the written approval of the franchising authority. The parties to the sale or transfer of a franchise shall make a written request to the franchising authority for its approval of the sale or transfer. The franchising authority shall reply in writing within 30 days of the request and shall indicate its approval of the request or its determination that a public hearing is necessary if it determines that a sale or transfer of a franchise may adversely affect the company's subscribers. The franchising authority shall conduct a public hearing on the request within 30 days of that determination.
- Subd. 3. NOTICE OF HEARING. Unless otherwise already provided for by local law, notice of the hearing must be given 14 days before the hearing by publishing notice of it once in a newspaper of general circulation in the area being served by the franchise. The notice must contain the date, time, and place of the hearing and must briefly state the substance of the action to be considered by the franchising authority.
- Subd. 4. APPROVAL OR DENIAL OF SALE OR TRANSFER RE-QUEST. Within 30 days after the public hearing, the franchising authority shall approve or deny in writing the sale or transfer request. The approval must not be unreasonably withheld.
- Subd. 5. SALE OR TRANSFER OF FRANCHISE WITHOUT SYSTEM. The parties to the sale or transfer of a franchise only, without the inclusion

of a cable communications system in which at least substantial construction has commenced, shall establish that the sale or transfer of only the franchise will be in the public interest.

Subd. 6. SALE OR TRANSFER OF STOCK. Sale or transfer of stock in a corporation so as to create a new controlling interest in a cable communication system is subject to the requirements of this section.

The term "controlling interest" as used herein is not limited to majority stock ownership, but includes actual working control in whatever manner exercised.

Sec. 23. [238,084] REQUIRED CONTENTS OF FRANCHISE ORDINANCE.

Subdivision 1. ALL SYSTEMS. The following requirements apply to all classes A, B, and C systems unless provided otherwise:

- (a) a provision that the franchise complies with the Minnesota franchise standards contained in this section;
- (b) a provision requiring the franchisee and the franchising authority to conform to state laws and rules regarding cable communications not later than one year after they become effective, unless otherwise stated, and to conform to federal laws and regulations regarding cable as they become effective;
- - (d) a provision specifying that the franchise is nonexclusive;
- (e) a provision prohibiting sale or transfer of the franchise or sale or transfer of stock so as to create a new controlling interest under section 22, except at the approval of the franchising authority, which approval must not be unreasonably withheld, and that the sale or transfer is completed pursuant to section 22;
- (f) a provision granting the franchising authority collecting a franchise fee the authority to audit the franchisee's accounting and financial records upon reasonable notice, and requiring that the franchisee file with the franchising authority annually reports of gross subscriber revenues and other information as the franchising authority deems appropriate;
 - (g) provisions specifying:
- (1) <u>current subscriber charges or that the current charges are available for public inspection in the municipality;</u>
- (2) the length and terms of residential subscriber contracts, if they exist, or that the current length and terms of residential subscriber contracts are available for public inspection in the municipality; and

- (3) the procedure by which subscriber charges are established, unless such a provision is contrary to state or federal law;
- (h) a provision indicating by title the office or officer of the franchising authority that is responsible for the continuing administration of the franchise;
- (i) a provision requiring the franchisee to indemnify and hold harmless the franchising authority during the term of the franchise, and to maintain throughout the term of the franchise, liability insurance in an amount as the franchising authority may require insuring both the franchising authority and the franchisee with regard to damages and penalties which they may legally be required to pay as a result of the exercise of the franchise;
- (j) a provision that at the time the franchise becomes effective and thereafter until the franchisee has liquidated all of its obligation with the franchising authority, the franchisee shall furnish a performance bond, certificate of deposit, or other type of instrument approved by the franchising authority in an amount as the franchising authority deems to be adequate compensation for damages resulting from the franchisee's nonperformance. The franchising authority may, from year to year and in its sole discretion, reduce the amount of the performance bond or instrument;
- (k) a provision that nothing contained in the franchise relieves a person from liability arising out of the failure to exercise reasonable care to avoid injuring the franchisee's facilities while performing work connected with grading, regrading, or changing the line of a street or public place or with the construction or reconstruction of a sewer or water system;
- (1) a provision that the franchisee's technical ability, financial condition, and legal qualification were considered and approved by the franchising authority in a full public proceeding that afforded reasonable notice and a reasonable opportunity to be heard;
- (m) a provision requiring the construction of a cable system with a channel capacity available for immediate or potential use, equal to a minimum of 72 MHz of bandwidth, the equivalent of 12 television broadcast channels. For purposes of this section, a cable system with a channel capacity, available for immediate or potential use, equal to a minimum of 72 MHz of bandwidth means: the provision of a distribution system designed and constructed so that a minimum of 72 MHz of bandwidth, the equivalent of 12 television broadcast channels, can be put into use with only the addition of the appropriate headend equipment;
- (n) a provision in initial franchises that there be a full description of the system proposed for construction and a schedule showing:
- <u>(1) that for franchise areas which will be served by a system proposed to have fewer than 100 plant miles of cable:</u>

- (i) that within 90 days of the granting of the franchise, the franchisee shall apply for the necessary governmental permits, licenses, certificates, and authorizations;
- (ii) that energized trunk cable must be extended substantially throughout the authorized area within one year after receipt of the necessary governmental permits, licenses, certificates, and authorizations and that persons along the route of the energized cable will have individual "drops" as desired during the same period of time; and
- (iii) that the requirement of this section may be waived by the franchising authority only upon occurrence of unforeseen events or acts of God; or
- (2) that for franchise areas which will be served by a system proposed to have 100 plant miles of cable or more, a provision:
- (i) that within 90 days of the granting of the franchise, the franchisee shall apply for the necessary governmental permits, licenses, certificates, and authorizations;
- (ii) that engineering and design must be completed within one year after the granting of the franchise and that a significant amount of construction must be completed within one year after the franchisee's receipt of the necessary governmental permits, licenses, certificates, and authorizations;
- (iii) that energized trunk cable must be extended substantially throughout the authorized area within five years after commencement of construction and that persons along the route of the energized cable will have individual "drops" within the same period of time, if desired; and
- <u>(iv) that the requirement of this section be waived by the franchising authority only upon occurrence of unforeseen events or acts of God;</u>
- (o) unless otherwise already provided for by local law, a provision that the franchisee shall obtain a permit from the proper municipal authority before commencing construction of a cable communications system, including the opening or disturbance of a street, sidewalk, driveway, or public place. The provision must specify remedies available to the franchising authority in cases where the franchisee fails to meet the conditions of the permit;
- (p) unless otherwise already provided for by local law, a provision that wires, conduits, cable, and other property and facilities of the franchisee be located, constructed, installed, and maintained in compliance with applicable codes. The provision must also specify that the franchisee keep and maintain its property so as not to unnecessarily interfere with the usual and customary trade, traffic, or travel upon the streets and public places of the franchise area or endanger the life or property of any person;

- (q) unless otherwise already provided for by local law, a provision that the franchising authority and the franchisee shall establish a procedure in the franchise for the relocation or removal of the franchisee's wires, conduits, cables, and other property located in the street, right-of-way, or public place whenever the franchising authority undertakes public improvements which affect the cable equipment;
- (r) a provision incorporating by reference as a minimum the technical standards promulgated by the Federal Communications Commission relating to cable communications systems contained in subpart K of part 76 of the Federal Communications Commission's rules and regulations relating to cable communications systems and found in Code of Federal Regulations, title 47, sections 76.601 to 76.617. The results of tests required by the Federal Communications Commission must be filed within ten days of the conduct of the tests with the franchising authority;
- (s) a provision establishing how the franchising authority and the cable communications company shall determine who is to bear the costs of required special testing;
- (t) a provision pertaining to the franchisee's construction and maintenance of a cable communications system having the technical capacity for nonvoice return communications which, for purposes of this section, means the provision of appropriate system design techniques with the installation of cable and amplifiers suitable for the subsequent insertion of necessary nonvoice communications electronic modules.

In cases where an initial franchise is granted, the franchisee shall provide a cable communications system having the technical capacity for nonvoice return communications.

When a franchise is renewed, sold, or transferred and is served by a system that does not have the technical capacity for nonvoice return communications, the franchising authority shall determine when and if the technical capacity for nonvoice return communications is needed after appropriate public proceedings at the municipal level giving reasonable notice and a reasonable opportunity to be heard;

(u) a provision stating that no signals of a class IV cable communications channel may be transmitted from a subscriber terminal for purposes of monitoring individual viewing patterns or practices without the express written permission of the subscriber. The request for permission must be contained in a separate document with a prominent statement that the subscriber is authorizing the permission in full knowledge of its provisions. The written permission must be for a limited period of time not to exceed one year which is renewable at the option of the subscriber. No penalty may be invoked for a subscriber's failure to provide or renew the authorization. The authorization is revocable at any time

by the subscriber without penalty of any kind. The permission must be required for each type or classification of class IV cable communications activity planned for the purpose;

- (1) No information or data obtained by monitoring transmission of a signal from a subscriber terminal, including but not limited to lists of the names and addresses of the subscribers or lists that identify the viewing habits of subscribers, may be sold or otherwise made available to any party other than to the company and its employees for internal business use, or to the subscriber who is the subject of that information, unless the company has received specific written authorization from the subscriber to make the data available;
- (2) Written permission from the subscriber must not be required for the systems conducting systemwide or individually addressed electronic sweeps for the purpose of verifying system integrity or monitoring for the purpose of billing. Confidentiality of this information is subject to clause (1);
- (3) For purposes of this provision, a "class IV cable communications channel" means a signaling path provided by a cable communications system to transmit signals of any type from a subscriber terminal to another point in the communications system;
- (v) a provision specifying the procedure for the investigation and resolution by the franchisee of complaints regarding quality of service, equipment malfunction, billing disputes, and other matters;
- (w) a provision requiring that at least a toll-free or collect telephone number for the reception of complaints be provided to the subscriber and that the franchisee maintain a repair service capable of responding to subscriber complaints or requests for service within 24 hours after receipt of the complaint or request. The provision must also state who will bear the costs included in making these repairs, adjustments, or installations;
- (x) a provision granting the franchising authority the right to terminate and cancel the franchise and the rights and privileges of the franchise if the franchise substantially violates a provision of the franchise ordinance, attempts to evade the provisions of the franchise ordinance, or practices fraud or deceit upon the franchising authority.

The municipality shall provide the franchisee with a written notice of the cause for termination and its intention to terminate the franchise and shall allow the franchisee a minimum of 30 days after service of the notice in which to correct the violation.

The franchisee must be provided with an opportunity to be heard at a public hearing before the governing body of the municipality before the termination of the franchise;

- (y) a provision that no cable communications company, notwithstanding any provision in a franchise, may abandon a cable communications service or a portion of it without having given three months prior written notice to the franchising authority. No cable communications company may abandon a cable communications service or a portion of it without compensating the franchising authority for damages resulting to it from the abandonment;
- (z) a provision requiring that upon termination or forfeiture of a franchise, the franchisee remove its cable, wires, and appliances from the streets, alleys, and other public places within the franchise area if the franchising authority so requests, and a procedure to be followed in the event the franchisee fails to remove its cable, wires, and appliances from the streets, alleys, and other public places within the franchise area;
- (aa) a provision that when a franchise or cable system is offered for sale, the franchising authority shall have the right to purchase the system;
- (bb) a provision establishing the minimum number of access channels that the franchisee shall make available. This provision must require that the franchisee shall provide to each of its subscribers who receive some or all of the services offered on the system, reception on at least one specially designated access channel. The specially designated access channel may be used by local educational authorities and local government on a first-come, first-served, nondiscriminatory basis. During those hours that the specially designated access channel is not being used by the local educational authorities or local government, the franchisee shall lease time to commercial or noncommercial users on a first-come, first-served, nondiscriminatory basis if the demand for that time arises. The franchisee may also use this specially designated access channel for local origination during those hours when the channel is not in use by local educational authorities, local government, or commercial or noncommercial users who have leased time. The VHF spectrum must be used for the specially designated access channel required in this paragraph.

The provision must also require that the franchisee shall establish rules for the administration of the specially designated access channel.

Franchisees providing only alarm services or only data transmission services for computer-operated functions do not need to provide access channel reception to alarm and data service subscribers.

- Subd. 2. REQUIRED PROVISIONS FOR CLASS B SYSTEM. Franchises for class B cable systems must contain statements and provisions consistent with subdivision 1, unless hereafter provided otherwise, and statements and provisions consistent with the following requirements:
- (a) a provision establishing the minimum number of access channels that the franchisee shall make available. Franchisees subject to this provision are not subject to subdivision 1, paragraph (bb).

- (1) The provision must require that the franchisee provide to each of its subscribers who receive all or a part of the total services offered on the system, reception on at least one specially designated access channel available for use by the general public on a first-come, first-served, nondiscriminatory basis. Channel time and playback of prerecorded programming on this specially designated access channel must be provided without charge to the general public, except that personnel, equipment, and production costs may be assessed for live studio presentations exceeding five minutes in length. Charges for production costs must be consistent with the goal of affording the public a low-cost means of television access. The specially designated access channel may be used by local education authorities and local government on a first-come, first-served, nondiscriminatory basis during those hours when the channel is not in use by the general public. During those hours that the specially designated access channel is not being used by the general public, local educational authorities, or local government, the franchisee shall lease time to commercial or noncommercial users on a first-come, first-served, nondiscriminatory basis if the demand for that time arises. The franchisee may also use this specially designated access channel for local origination during those hours when the channel is not in use by the general public, local educational authorities, local government, or commercial or noncommercial users who have leased time. The VHF spectrum must be used for the specially designated access channel required in this paragraph.
- (2) The provision must also require that the franchisee establish rules for the administration of the specially designated access channel.
- (3) The provision must require that whenever the specially designated access channel required in clause (1) is in use during 80 percent of the weekdays, Monday to Friday, for 80 percent of the time during a consecutive three-hour period for six weeks running, and there is a demand for use of an additional channel for the same purpose, the franchisee has six months in which to provide a new specially designated access channel for the same purpose, provided that provision of the additional channel or channels does not require the cable system to install converters. Nothing in this section precludes the installation of converters by the system on a voluntary basis, as a result of an agreement arrived at through negotiation between the parties to a franchise, or by a potential access user who wishes to install converters in order to make use of an additional channel or channels.
- (4) Franchisees providing only alarm services or only data transmission services for computer-operated functions do not need to provide access channel reception to alarm and data service subscribers.
- (b) A provision establishing the minimum equipment that the franchisee shall make available for public use. The provision shall require that the franchisee make readily available for public use upon need being shown, at least the minimal equipment necessary to perform good quality playback of prerecord-

ed programming, and to make it possible to record programs at remote locations with battery-operated portable equipment. Need within the meaning of this section must be determined by subscriber petition. The petition must contain the signatures of at least ten percent of the subscribers of the system, but in no case more than 350 nor fewer than 100 signatures.

- <u>Subd.</u> 3. REQUIRED PROVISIONS FOR CLASS C SYSTEM. Franchises for class C cable systems must contain statements and provisions consistent with subdivision 1, unless this section provides otherwise, and statements and provisions consistent with the following requirements:
- (a) a provision establishing the minimum number of public, educational, governmental, and leased access channels that the franchisee shall make available. Franchisees subject to this provision are not subject to subdivision 1, paragraph (bb).
- (1) The provision must require that the franchisee shall, to the extent of the system's available channel capacity, provide to each of its subscribers who receives some or all of the services offered on the system, reception on at least one specially designated noncommercial public access channel available for use by the general public on a first-come, first-served, nondiscriminatory basis; at least one specially designated access channel for use by local educational authorities; at least one specially designated access channel available for local government use; and at least one specially designated access channel available for lease on a first-come, first-served, nondiscriminatory basis by commercial and noncommercial users. The VHF spectrum must be used for at least one of the specially designated noncommercial public access channels required in this paragraph. The provision must require that no charges may be made for channel time or playback of prerecorded programming on at least one of the specially designated noncommercial public access channels required by this paragraph. Personnel, equipment, and production costs may be assessed, however, for live studio presentations exceeding five minutes in length. Charges for those production costs and fees for use of other public access channels must be consistent with the goal of affording the public a low-cost means of television access.
- (2) The provision must require that whenever the specially designated noncommercial public access channel, the specially designated education access channel, the specially designated local government access channel, or the specially designated leased access channel required in clause (1) is in use during 80 percent of the weekdays, Monday to Friday, for 80 percent of the time during any consecutive three-hour period for six weeks running, and there is demand for use of an additional channel for the same purpose, the franchisee shall then have six months in which to provide a new specially designated access channel for the same purpose, provided that provision of the additional channel or channels must not require the cable system to install converters. However, nothing in this section precludes the installation of converters by the system on a voluntary basis,

or as a result of an agreement arrived at through negotiation between the parties to a franchise, or by a potential access user who wishes to install converters in order to make use of an additional channel or channels.

- (3) The provision must also require that the franchisee establish rules pertaining to the administration of the specially designated noncommercial public access channel, the specially designated educational access channel, and the specially designated leased access channel required in this section.
- (4) Those systems which offer subscribers the option of receiving programs on one or more special service channels without also receiving the regular subscriber services may comply with this section by providing the subscribers who receive the special service only, at least one specially designated composite access channel composed of the programming on the specially designated non-commercial public access channel, the specially designated education access channel, and the specially designated local government access channel required in this section.
- (5) On those systems without sufficient available channel capacity to allow for activation of all specially designated access channels required in this section, or when demand for use of the channels does not warrant activation of all specially designated access channels required in this section, public, educational, governmental, and leased access channel programming may be combined on one or more cable channels. To the extent time is available, access channels may also be used for other broadcast and nonbroadcast services, provided that these services are subject to immediate displacement if there is demand to use the channel for its specially designated purpose. The system shall, in any case, provide at least one full channel on the VHF spectrum for shared access programming.
- (6) Franchisees providing only alarm services or only data transmission services for computer-operated functions do not need to provide access channel reception to alarm and data service subscribers.
- (b) a provision establishing the minimum equipment that the franchisee shall make available for public use. The provision shall require that the franchisee shall make readily available for public use at least the minimal equipment necessary for the production of programming and playback of prerecorded programs for the specially designated noncommercial public access channel required by paragraph (a), clause (1). The franchisee shall also make readily available, upon need being shown, the minimum equipment necessary to make it possible to record programs at remote locations with battery-operated portable equipment. Need within the meaning of this section must be determined by subscriber petition. The petition must contain the signatures of at least ten percent of the subscribers of the system, but in no case more than 500 nor fewer than 100 signatures.

- (c) a provision establishing the minimum systemwide channel capacity that the franchisee shall make available. Franchisees subject to the requirement of this provision are not subject to the requirements of subdivision 1, paragraph (bb).
- (1) The provision must require the construction of a cable system with a channel capacity, available for immediate or potential use, equal to a minimum of 120 MHz of bandwidth, the equivalent of 20 television broadcast channels.
- (2) Systems that are already constructed pursuant to a preexisting franchise requiring fewer than 120 MHz of bandwidth, the equivalent of fewer than 20 television broadcast channels, shall have until June 21, 1986, to increase the system's channel capacity to a minimum of 120 MHz of bandwidth. However, nothing in this section precludes the parties to a franchise from negotiating an agreement calling for an increase to a minimum of 120 MHz of bandwidth before June 21, 1986.
- (3) For purposes of this section, a cable system with a channel capacity, available for immediate or potential use, equal to a minimum of 120 MHz of bandwidth means: the provision of a distribution system designed and constructed so that a minimum of 120 MHz of bandwidth, the equivalent of 20 television broadcast channels, can be put into use with only the addition of the appropriate headend and subscriber terminal equipment.
- (d) In Twin Cities metropolitan area franchises, a provision designating the standard VHF channel 6 for uniform regional channel usage as required in section 43.
- Subd. 4. ADDITIONAL TERMS AND CONDITIONS PERMITTED. A franchise may contain additional terms and conditions as the municipality and the franchisee deem appropriate, provided the additional terms and conditions are consistent with federal and state law.
- Subd. 5. RECLASSIFICATION OF SYSTEMS. A franchise must be amended by the franchising authority when the number of subscribers served by the cable communications system in the franchise area changes so as to result in reclassification of the system under this section. Amendments must include provisions consistent with the requirements of that class of cable communications systems.

Sec. 24. [238.085] COMMISSIONER OF COMMERCE.

Subdivision 1. DOCUMENTATION TO THE COMMISSIONER OF COMMERCE. Upon the granting of a franchise, the extension of a franchise for a term, the renewal of a franchise, or the sale or transfer of a franchise, the franchising authority and the franchisee shall submit documentation to the commissioner of commerce certifying that the franchise and the process followed

- conform to this chapter, to the extent that these sections are not inconsistent with federal law.
- Subd. 2. ACTIONS BY COMMISSIONER. (a) Within 30 days of receipt of the certificate, the commissioner of commerce shall:
 - (1) approve the certificate;
- (2) disapprove the certificate, indicating in writing to the applicants why the franchise or the process does not conform to this chapter; or
- (3) request that the applicants provide additional information within 30 days of the receipt of the request.
- (b) If the commissioner of commerce fails to act within 30 days of receiving a certificate or the requested additional documentation, the certificate is approved. If the commissioner of commerce fails to issue a final approval or disapproval within 180 days of the initial receipt of a certificate, the certificate is approved.
- Subd. 3. WHEN CERTIFICATE DISAPPROVED. If the certificate is disapproved, the applicants may either (1) take the steps as may be necessary to bring the franchise or the process into conformance and reapply to the commissioner of commerce, or (2) within 30 days of receiving the disapproval appeal the decision to the Minnesota court of appeals.
- Subd. 4. OPERATION CONTINUES DURING REVIEW OR AP-PEAL. While the commissioner of commerce is reviewing a certificate concerning a franchise extension or renewal and during an appeal of the commissioner of commerce's decision, the franchisee must be allowed to continue the operation of the affected cable system.
- Subd. 5. RIGHTS UNDER OTHER LAW. Nothing in this section prohibits a franchisee from exercising its legal rights under federal or state law upon the denial by a franchising authority of an extension, renewal, transfer, or sale of a franchise.
- Sec. 25. Minnesota Statutes 1984, section 238.11, subdivision 2, is amended to read:
- Subd. 2. No cable communications company may prohibit or limit a program or class or type of program presented over a leased channel or a channel made available for public access, governmental or educational purposes. Neither the cable communications company nor the officers, directors, or employees of the cable communications system is not liable for any penalties or damages arising from programming content not originating from or produced by the cable communications company and shown on any public access channel, education

access channel, government access channel, leased access channel, or regional channel.

238.15 FINANCIAL INTEREST OF MEMBERS.

Sec. 26. Minnesota Statutes 1984, section 238.15, is amended to read:

No member of the board or person appointed pursuant to section 238.04, subdivision 7 shall be employed by, or shall knowingly have any financial interest in any cable communications company or its subsidiaries, major equipment or programming suppliers, or in any broadcasting company holding an operating license issued by the federal communications commission or its subsidiaries. Members of any elected body granting franchises and employees of any franchising body who would be directly involved in the granting or administration of franchises for cable communications and who are employed by or who knowingly have any financial interest in any cable communications company, bidding on such franchise, or the cable communications company granted the franchise, or their subsidiaries, major equipment or program suppliers shall abstain from participation in the franchising of a cable communications company or the administration of such franchise.

- Sec. 27. Minnesota Statutes 1984, section 238.16, subdivision 2, is amended to read:
- Subd. 2. Any person violating the provisions of sections 238.01 to 238.17 or any rules or regulations made pursuant thereto, this chapter is guilty of a gross misdemeanor. Any term of imprisonment imposed for any violation by a corporation shall be served by the senior resident officer of the corporation.
- Sec. 28. Minnesota Statutes 1984, section 238.17, subdivision 1, is amended to read:
- Subdivision 1. CONDITIONS FOR EXTENSIONS. Notwithstanding the provisions of section 238.09 or any other law to the contrary, a cable communications system may extend or provide service outside the boundaries of a core service unit if: (1) the extension area is not within the seven county metropolitan area, as defined in section 473.121, subdivision 4; (2) the board first approves, in accordance with procedures set forth in the board's rules, the inclusion of the extension area in the same cable service territory which contains the core service unit; and (3) the cable communications system obtains and files with the board an extension permit issued by the municipality or municipalities which have jurisdiction over the extension area.
- Sec. 29. Minnesota Statutes 1984, section 238.17, subdivision 5, is amended to read:
- Subd. 5. EXCESS EXTENSION PERMITS. Nothing in this section shall be construed to prevent a municipality having jurisdiction over an extension area from prescribing extension permit requirements which are in excess of those

- required by this section, unless such requirements are inconsistent with this chapter or with any rule of the board.
- Sec. 30. Minnesota Statutes 1984, section 238.22, is amended by adding a subdivision to read:
- <u>Subd.</u> 7. **ALTERNATIVE PROVIDERS.** "Alternative providers" means other providers of television programming or cable communications services.
- Sec. 31. Minnesota Statutes 1984, section 238.22, is amended by adding a subdivision to read:
- Subd. 8. ASSOCIATION MEMBER. "Association member" means an individual owner of a cooperatively owned multiple dwelling complex.
- Sec. 32. Minnesota Statutes 1984, section 238.22, is amended by adding a subdivision to read:
- Subd. 9. OTHER PROVIDERS OF TELEVISION PROGRAM-MING OR CABLE COMMUNICATIONS SERVICES. "Other providers of television programming or cable communications services" means operators of master antenna television systems (MATV), satellite master antenna television systems (SMATV), multipoint distributions systems (MDS), and direct broadcast satellite systems (DBS).
- Sec. 33. Minnesota Statutes 1984, section 238.24, subdivision 10, is amended to read:
- Subd. 10. CHANNEL CAPACITY. (a) A property owner must provide access by a franchised cable communications company, as required under section 238.23, only if that cable company installs equipment with channel capacity sufficient to provide access to other providers of television programming or cable communications services so that residents or association members have a choice of alternative providers of those services. If the equipment is installed, the cable communications company shall allow alternative providers to use the equipment. If some of the residents or association members choose to subscribe to the services of an alternative provider, the cable company that installed the equipment shall be reimbursed by the other providers for the cost of equipment and installation on the property on a pro rata basis which reflects the number of subscribers of each provider on that property to the total number of subscribers on that property. In determining the pro rata amount of reimbursement by any alternative provider, the cost of equipment and installation shall be reduced to the extent of cumulative depreciation of that equipment at the time the alternative provider begins providing service.
- (b) If equipment is already installed as of June 15, 1983 with channel capacity sufficient to allow access to alternative providers, the access and pro rata reimbursement provisions of paragraph (a) apply.

- (c) The board shall promulgate rules by January 1, 1984 to implement the provisions of this subdivision.
- (d) Paragraphs (a) and (b) come into effect after rules have been promulgated and adopted in accordance with paragraph (c).
- Sec. 34. [238.241] CONDITIONS FOR ACCESS BY ALTERNATIVE PROVIDERS.
- Subdivision 1. CHANNEL CAPACITY. Cable companies granted access to a multiple dwelling complex under section 238.25 shall provide equipment with sufficient channel capacity to be used by alternative providers of television programming or cable communications services.
- Subd. 2. TECHNICAL PLAN APPROVAL. The cable communications company shall determine the technical plan best suited for providing the necessary channel capacity sufficient to allow access to other providers. The plan must be submitted to the property owner for approval. The owner's approval may not be unreasonably withheld. No additional compensation for evaluation of the plan may be paid or given to the property owner over and above that permitted under section 238.24, subdivision 8.
- Subd. 3. DUPLICATE CONNECTIONS. The cable communications company is not required to provide equipment for connecting more than one television receiver in one dwelling unit within the multiple dwelling complex. However, the company may provide duplicate connections at its discretion.
 - Sec. 35. [238.242] REIMBURSEMENT.
- Subdivision 1. PROVIDING ALTERNATIVE SERVICE. Other providers of television programming or cable communications services shall notify the cable communications company when a resident or association member occupying a dwelling unit in a multiple dwelling complex requests the services provided for by this section or section 34. After reaching agreement with the alternative service provider for reimbursement to be paid for use of the equipment, the cable communications company shall make available the equipment necessary to provide the alternative service without unreasonable delay.
- Subd. 2. REIMBURSEMENT DETERMINATION. The amount to be reimbursed must be determined under section 238.24, subdivision 10. The reimbursed amount must be paid in one installment for each instance of requested use. The payment may not be refunded upon subscriber cancellation of the alternative service.
- <u>Subd. 3.</u> FINANCIAL RECORDS MADE AVAILABLE. <u>The cable communications company, upon written request, shall make available to the alternative provider financial records supporting the reimbursement cost requested.</u>

Sec. 36. [238.36] DEFINITIONS.

<u>Subdivision 1.</u> SCOPE. As used in sections 36 to 42, the following terms have the meanings given them unless a different meaning clearly appears in the text.

- Subd. 2. CABLE COMMUNICATIONS COMPANY'S EQUIP-MENT. "Cable communications company's equipment" means aerial wires, cables, amplifiers, associated power supply equipment, and other transmission apparatus necessary for the proper operation of the cable communications system in a franchised area.
- Subd. 3. CONDUIT SYSTEM. "Conduit system" means a reinforced passage or opening in, on, under, or through the ground capable of containing communications facilities and includes the following: main conduit; underground dips and short sections of conduit under roadways, driveways, parking lots, and similar conduit installations; laterals to poles and into buildings; ducts; and manholes.
- Subd. 4. PUBLIC UTILITY COMPANY POLES. "Public utility company poles" means poles owned by the public utility and poles owned by others on which the public utility has the right to permit others to attach in the communications space on the pole.

Sec. 37. [238.37] SCOPE.

Sections 36 to 42 only apply to pole, duct, and conduit agreements entered into or renewed between public utilities and cable communications companies on or after January 1, 1976, and have no application to those agreements executed before January 1, 1976, until those agreements are either renewed or substantially renegotiated. If a public utility company and a cable communications company enter into an agreement regarding only pole attachments, sections 36 to 42 relating to conduit systems are applicable to that agreement and if a public utility company and a cable communications company enter into an agreement regarding only use of a conduit system, sections 36 to 42 relating to pole attachments are not applicable to that agreement.

Sec. 38. [238.38] PERMITS.

Every pole, duct, and conduit agreement must contain a provision that before attaching to the public utility company's poles or occupying any part of the public utility's conduit system, the cable communications company shall apply and receive a permit for that purpose on a form provided by the public utility company. If the cable communications company accepts the permit, it may attach its equipment to the poles covered by the permit or occupy the conduit system of the public utility to the extent authorized by the permit, subject to sections 36 to 42 and the terms of the agreement between the contracting parties. In granting or denying a permit, the public utility has the right to

determine whether a grant of a permit would adversely affect its public services, duties, and obligations or have an adverse effect on the economy, safety, and future needs of the public utility.

Sec. 39. [238.39] LEGAL AUTHORITY.

Every pole, duct, and conduit agreement must contain a provision that the cable communications company shall submit to the public utility company evidence of the cable communications company's lawful authority to place, maintain, and operate its facilities within public streets, highways, and other thoroughfares and shall secure the legally necessary permits and consents from federal, state, county, and municipal authorities to construct, maintain, and operate facilities at the locations of poles or conduit systems of the public utility company which it uses. The parties to the agreement shall at all times observe and comply with, and the provisions of a pole, duct, and conduit agreement are subject to, the laws, ordinances, and rules which in any manner affect the rights and obligations of the parties to the agreement, so long as the laws, ordinances, or rules remain in effect.

Sec. 40. [238.40] LIABILITY.

Every pole, duct, and conduit agreement must contain a provision that the cable communications company shall defend, indemnify, protect, and save harmless the public utility from and against any and all claims and demands for damages to property and injury or death to persons, including payments made under any worker's compensation law or under any plan for employees' disability and death benefits, which may arise out of or be caused by the erection, maintenance, presence, use, or removal of the cable communications company's cable, equipment, and facilities or by the proximity of the cables, equipment, and facilities of the parties to the agreement, or by any act of the cable communications company on or in the vicinity of the public utility company's poles and conduit system, in the performance of the agreement. Nothing contained in this section relieves the public utility company from liability for the negligence of the public utility company or anyone acting under its direction and control. The cable communications company shall also indemnify, protect, and save harmless the public utility from any and all claims and demands which arise directly or indirectly from the operation of the cable communications company's facilities including taxes, special charges by others, claims, and demands for damages or loss for infringement of copyright, for libel and slander, for unauthorized use of television broadcast programs, and for unauthorized use of other program material, and from and against all claims and demands for infringement of patents with respect to the manufacture, use, and operation of the cable communications equipment in combination with the public utility company's poles, conduit system, or otherwise. Nothing contained in this section relieves the public utility company from liability for the negligence of the public utility company or anyone acting under its direction and control.

Sec. 41. [238,41] INSURANCE.

The cable communications company shall carry insurance to protect the parties to the agreement from and against any and all claims, demands, actions, judgments, costs, expenses, and liabilities which may arise or result, directly or indirectly, from or by reason of the loss, injury, claim, or damage. The amount of the insurance must be agreed to by the parties to this agreement. The cable communications company shall also carry insurance to protect it from all claims under worker's compensation laws in effect that may be applicable to it. Insurance required must remain in effect for the entire term of the agreement.

Sec. 42. [238.42] ADDITIONAL TERMS.

Nothing contained in sections 36 to 42 in any way prohibits a public utility company from including in its pole, duct, and conduit agreements with cable communications companies additional terms which do not conflict with sections 36 to 42.

Sec. 43. [238.43] REGIONAL CHANNEL.

Subdivision 1. **DEFINITION.** For the purposes of this section "regional channel entity" means an independent, nonprofit corporation to govern the operation of the regional channel.

- Subd. 2. LEGISLATIVE PURPOSE. The purpose of this section is to facilitate the activation of a metropolitan area interconnected regional channel, to be uniformly carried on VHF channel 6 on cable communications systems operating in the metropolitan area in order to provide a broad range of informational, educational, and public service programs and materials to metropolitan area cable subscribers.
- Subd. 3. VHF CHANNEL 6. Franchises for cable communications systems franchised in whole or in part within the metropolitan area shall contain a provision designating the standard VHF channel 6 for uniform regional channel usage; provided, however, that until the regional channel becomes operational, the designated VHF channel 6 may be utilized by the cable communications company as it deems appropriate. The designated regional channel may be combined with the government access channel until such time as the video programming usage of the government access channel expands to such point as it is in use during 80 percent of the time between 8:00 a.m. and 10:00 p.m. during any consecutive six-week period. Use of time on the regional channel must be made available without charge.
- Subd. 4. USE. The regional channel will provide a broad range of informational, educational, and public service programs and materials to metropolitan area cable subscribers.
- <u>Subd.</u> <u>5.</u> **REGIONAL CHANNEL ENTITY.** <u>The cable communications</u> <u>board may designate a regional channel entity prior to July 1, 1985. If the cable</u>

communications board does not designate an entity by June 30, 1985, the metropolitan council shall appoint the governing body of the regional channel entity which must consist of 15 members appointed to three-year terms. In making the initial appointments the metropolitan council shall designate one-third of the appointees to serve one-year terms, one-third to serve two-year terms, and one-third to serve three-year terms. In the case of a vacancy the council shall appoint a person to fill the vacancy for the remainder of the unexpired term. The metropolitan council shall name three appointees from the recommendations received from the association of metropolitan municipalities and three from the recommendations received from the cable communications companies operating in the metropolitan area.

Subd. 6. REGIONAL CHANNEL OPERATOR. The regional channel entity may operate the regional channel or designate the operator of the regional channel. In the event the regional channel entity designates the operator of the regional channel, the designation must be for an initial period not exceeding three years. Before the expiration of the three-year period, the regional channel entity shall review its designation and consider renewal for a term not exceeding three years. Nothing in this section creates any right to renewal for the operator designated by the regional channel entity.

Sec. 44. Minnesota Statutes 1984, section 250.05, is amended to read:

Subdivision 1. There is hereby established as a public corporation in the executive branch of state government the Gillette children's hospital board. The purpose of the board shall be to govern the operation of Gillette children's hospital in eonjunction with the Ramsey county hospital in such manner as to obtain a maximum of efficiency and economy in the performance of and training in medical and surgical care of erippled children with handicaps or disabilities.

Subd. 2. The Gillette children's hospital shall be governed by a board of directors consisting of nine up to 19 members. Not more than four nine of those appointed by the governor shall be residents of Ramsey county. The commissioner of health and the commissioner of economic security shall each designate a senior employee of their respective departments to represent them as voting members of the board. The designee of the commissioner of economic security shall be the person having authority over the administration of federally recognized vocational rehabilitation programs. Notwithstanding the provisions of subdivision 2a, the term of office of a designee shall be coterminous with the term of office of the designating commissioner. Of the seven remaining members, at least four shall be consumers as defined in section 145.833, and one member shall be a member of the medical staff, to be recommended elected by the medical staff of the hospital. Members other than the designees shall be appointed elected by the governor other members. No member of the board shall be an employee of or have any direct or immediate family financial interest in a business entity that provides goods or services to the hospital. No member of the board may be an

employee of the hospital or employed by have any direct or immediate family financial interest in a business entity that provides goods or services to the hospital within the past five years.

- Subd. 2a. The membership terms, compensation, and removal of members, filling of vacancies on the board shall be as provided in section 15.0575.
- Subd. 3. The board shall organize by electing a chairman chairperson and other officers as may be required. The Gillette children's hospital board shall employ an administrator and other professional, technical, and clerical personnel as may be required. The administrator shall serve at the pleasure of the board. The Gillette children's hospital board may shall employ a certified public accountant to annually audit and examine its financial records. The report of an examination or audit by a certified public accountant shall be submitted on request to the legislative auditor who shall review the audit report and accept it or make additional examinations as he deems to be in the public interest. The working papers of the certified public accountant relating to the Gillette children's hospital board shall be made available to the legislative auditor upon request.

The Gillette children's hospital board may contract for the services of individuals who perform medical, technical, or other services of a professional nature, and may contract for the purchase of necessary supplies, services, and equipment. Except as it determines, the Gillette children's hospital board shall not be subject to the provisions of chapter 16, concerning budgeting, payroll, and the purchase of goods or services. Any department of state government is authorized, within the limits of its functions and appropriations, to assist the Gillette children's hospital board upon request.

Subd. 3a. All employees of the Gillette children's hospital who are in the classified service of the state on March 28, 1974 shall be continued as employees of the Gillette children's hospital board without loss of status, seniority, or benefits. The departments of administration and personnel shall endeavor to assist in the transfer elsewhere within state service of any classified employee who desires such assistance. Classified personnel may, with their individual approval and the approval of the Gillette children's hospital board, enter the unclassified service. Employees who remain in the classified service of the state under the provisions of this section, may do so as long as they continue to occupy the position occupied on March 28, 1974. If such an employee at a subsequent date is appointed, transferred, promoted, or demoted to a different position under the Gillette children's hospital board, that position and employee shall be in the unclassified service. All other employees of the Gillette children's hospital board shall be in the unclassified service. The Gillette children's hospital board may prescribe all terms and conditions of employment of unclassified employees, including but not limited to the fixing of classification and compensation, without regard to the provisions of chapter 15A. Full time employees of the Gillette

<u>children's</u> hospital board <u>shall may</u> be members of the Minnesota state retirement system for classified employees, to which the Gillette <u>children's</u> hospital board shall make employer's contributions.

- Subd. 4. The Gillette children's hospital board, acting through its board of directors, may contract with the governing body and the owners of the St. Paul Ramsey county hospital medical center and of any other hospital or institution, for the joint maintenance and operation of the Gillette children's hospital in conjunction with existing or contemplated facilities at the Ramsey county hospital. Contracts may include agreements for the joint employment and utilization of personnel, the joint purchase of supplies and equipment, and joint construction, acquisition, or leasing of space for offices, outpatient facilities, operating rooms, and other medical facilities for use in training in the care and treatment of crippled disabled and handicapped children, the operation of a brace shop an orthotic/prosthetic laboratory, and the conduct of patient education programs. No contract shall, however, provide for the expenditure of funds for additional patient bed capacity.
- Subd. 5. The Gillette children's hospital board shall have the power to accept gifts and grants, to sue and be sued, and to establish a schedule of charges for medical, hospital, and rehabilitative all services furnished. All funds received by the Gillette children's hospital board from any source are hereby annually appropriated to the Gillette children's hospital board, which shall be responsible for their management and control. An annual report shall be submitted to the legislature by the Gillette children's hospital board not later than November 15 of each year. The report shall summarize the activities of the board and the hospital over the preceding fiscal year, shall evaluate whether the statutory structure for the board results in effective administration of the hospital and whether statutory changes are necessary. The report shall be submitted together with the audit report required by subdivision 3.
- Subd. 6. The Gillette children's hospital shall seek reimbursement for costs of care and treatment provided, from parents to the extent of their ability to pay, from insurance policies covering care and treatment, and from other sources, including any federally financed medical aids for which the child is eligible. To the extent of appropriations available therefor, the department of human services shall continue to provide financial assistance to the Gillette children's hospital board to pay for costs of care otherwise unmet which are beyond the ability of parents to provide. Children from other states who can benefit from the services of the hospital may be accepted upon the referral of a medical doctor. Reimbursement for full costs for care provided non-resident patients shall be obtained from parents, from insurance policies covering care and treatment, or from any sources other than the state of Minnesota which may be available to the child and his family.

Sec. 45. Minnesota Statutes 1984, section 254A.04, is amended to read:

254A.04 CITIZENS ADVISORY COUNCIL.

There is hereby created an alcohol and other drug abuse advisory council to advise the department of human services concerning the problems of alcohol and other drug dependency and abuse, composed of 11 ten members appointed by the governor. At least Five members shall be individuals whose interests or training are in the field of alcohol dependency and abuse; and at least five members whose interests or training are in the field of dependency and abuse of drugs other than alcohol. The council shall expire and the terms, compensation and removal of members shall be as provided in section 15.059. The commissioner of human services shall appoint members whose terms end in even-numbered years. The commissioner of health shall appoint members whose terms end in odd-numbered years.

Sec. 46. Minnesota Statutes 1984, section 270.41, is amended to read:

270.41 BOARD OF ASSESSORS.

A board of assessors is hereby created. The board shall be for the purpose of establishing, conducting, reviewing, supervising, coordinating or approving courses in assessment practices, and establishing criteria for determining assessor's qualifications. The board shall also have authority and responsibility to consider other matters relating to assessment administration brought before it by the commissioner of revenue. The board shall consist of nine members, who shall be appointed by the governor commissioner of revenue, in the manner provided herein.

- 1. Two from the department of revenue,
- 2. Two county assessors,
- 3. Two assessors who are not county assessors, one of whom shall be a township assessor, and
- 4. One from the private appraisal field holding a professional appraisal designation,
 - 5. Two public members as defined by section 214.02.

The appointment provided in 1, 2 and 3, may be made from a list two lists of not less than three names each, one submitted to the governor by the commissioner of revenue containing recommendations for appointees described in 1, by the Minnesota Association of Assessing Officers or its successor organization containing recommendations for the appointment of appointees described in 2, and one by the Minnesota Association of Assessors, Inc. or its successor organization containing recommendations for the appointees described in 3, The lists must be submitted 30 days before the commencement of the term. In the case of a vacancy, a new list shall be furnished to the governor commissioner by the respective organization immediately. In the event any member of the board

shall no longer be engaged in the capacity listed above, he shall automatically be disqualified from membership in the board.

The board shall annually elect a chairman and a secretary of the board.

- Sec. 47. Minnesota Statutes 1984, section 343.01, subdivision 3, is amended to read:
- Subd. 3. The society must be governed by a board of directors consisting of seven persons appointed by the governor. The governor, the commissioner of education, and the attorney general, or their designees shall serve as ex officio, nonvoting members of the board. The membership terms, compensation, removal, and filling of vacancies of board members other than ex officio members shall be as provided in section 15.0575; provided that the terms of two initial members shall expire in each of 1979, 1980, and 1981, and the term of the seventh initial member shall expire in 1982. The members of the board shall annually elect a chairman and other officers as deemed necessary. Meetings must be called by the chairman or at least two other members. The governor board shall appoint an executive director who shall serve in the unclassified civil service at the governor's board's pleasure for a term coterminous with that of the governor. The executive director may employ other staff who shall serve in the unclassified civil service. The commissioner of administration upon request of the executive director shall supply the board with necessary office space and administrative services, and the board shall reimburse the commissioner for the cost.
- Sec. 48. Minnesota Statutes 1984, section 473.129, subdivision 6, is amended to read:
- Subd. 6. PARTICIPATION IN SPECIAL DISTRICT ACTIVITY METROPOLITAN AREA COMMISSIONS AND BOARDS. (a) The metropolitan council shall appoint from its membership a member to serve with the metropolitan airports commission, a member to serve with the mosquito control commission, a member to serve on the Minneapolis-St. Paul sanitary district or any successor thereof, and may appoint a member to serve on any metropolitan area commission or board authorized by law. Each member of the metropolitan council so appointed on each of such commissions shall serve without a vote.
- (b) The metropolitan council shall also appoint individuals to the governing body of the cable communications metropolitan interconnected regional channel entity under section 43, subdivision 5.
- Sec. 49. Minnesota Statutes 1984, section 611.215, subdivision 1, is amended to read:
 - Subdivision 1. **CREATION**; **MEMBERSHIP**. There is created a state board of public defense as a part of, but not subject to the administrative control of, the judicial branch of government. The state board of public defense shall consist of seven members appointed by the governor supreme court including:

- (a) A district, county or county municipal court trial judge;
- (b) Four attorneys admitted to the practice of law, well acquainted with the defense of persons accused of crime, but not publicly employed as a prosecutor or defense counsel; and
 - (c) Two public members.

All members shall demonstrate an interest in maintaining a high quality, independent defense system for those who are unable to obtain adequate representation. In making the four appointments of attorneys at law, the governor supreme court shall first consider a list of at least three nominees for each position submitted to the governor supreme court by the state bar association. The terms, compensation and removal of members shall be as provided in section 15.0575. The chairman shall be elected by the members from among the membership for a term of two years.

- Sec. 50. Laws 1984, chapter 654, article 2, section 151, subdivision 2, is amended to read:
- 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 commissioner of energy and economic development shall serve as chairperson of the council. The governor and 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 and the commissioners of economic security and labor and industry shall also be members of the council. The governor commissioner of energy and economic development shall seek to appoint at least one member representing manufacturing businesses owned or managed by women.

Sec. 51. MOTION PICTURE AND TELEVISION ADVISORY COUNCIL; APPOINTING AUTHORITY TRANSFERRED.

Notwithstanding Laws 1983, chapter 301, section 28, the commissioner of energy and economic development shall appoint the members of the motion picture and television advisory council and designate one appointee as chairperson and liaison to the commissioner.

Sec. 52. TERMS OF TELECOMMUNICATIONS COUNCIL MEMBERS.

Notwithstanding Minnesota Statutes, section 15.059 or 16C.01, the terms of all present members of the telecommunications council shall expire on July 31, 1985.

Sec. 53. GILLETE CHILDREN'S HOSPITAL BOARD TRANSITION.

Members of the Gillete children's hospital board on July 31, 1985, carry over as members of the board as restructured by this act and shall elect additional members other than designees.

Sec. 54. REPEALER.

Minnesota Statutes 1984, sections 3.29, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, and 11; 16C.01; 238.02, subdivision 4; 238.04; 238.05; 238.06; 238.09; 238.10; 238.11, subdivision 1; 238.12, subdivision 3; 238.13; 238.14; 238.16, subdivision 1; and 238.17, subdivisions 6, 7, and 8 are repealed.

Sec. 55. EFFECTIVE DATE.

Sections 3, 10 to 43, and 48 are effective July 1, 1985.

Approved May 31, 1985

CHAPTER 286 — H.F.No. 848

An act relating to children and families; providing judicial procedures to protect the welfare of alleged child abuse victims and their families; requiring juvenile and criminal courts to give docket priority to child abuse cases; providing for the examination of child witnesses; clarifying the admissibility of certain out-of-court statements; merging the crimes of "intrafamilial sexual abuse" and "criminal sexual conduct" and limiting the discretion of courts to stay sentences of familial sexual abuse defendants; requiring recordkeeping and tape recording guidelines with respect to interviews with child abuse victims; eliminating certain notice requirements; amending Minnesota Statutes 1984, sections 260.011, subdivision 2; 260.133, subdivision 2; 260.135, subdivision 1; 260.155, by adding a subdivisions; 260.171, subdivision 4; 260.172, subdivision 4, and by adding subdivisions; 260.191, subdivision 1, and by adding subdivisions; 595.02, subdivision 3; 609.341, by adding a subdivision; 609.342; 609.343; 609.344; 609.345; 626.556, subdivision 11, and by adding a subdivision; and 630.36; proposing coding for new law in Minnesota Statutes, chapters 626 and 631; repealing Minnesota Statutes 1984, sections 609.364 to 609.3644.

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

Section 1. Minnesota Statutes 1984, section 260.011, subdivision 2, is amended to read:

Subd. 2. The purpose of the laws relating to juvenile courts is to secure for each child alleged or adjudicated neglected or dependent and under the jurisdiction of the court, the care and guidance, preferably in his own home, as will serve the spiritual, emotional, mental, and physical welfare of the child and the best interests of the state; to provide judicial procedures which protect the