

Sec. 4. **EFFECTIVE DATE.**This article is effective the day following final enactment.

Approved April 11, 1986

## CHAPTER 3—S.F.No. 1

*An act relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted, and obsolete references and text; eliminating certain redundant, conflicting, and superseded provisions; providing instructions to the revisor; correcting various legislative enactments; providing for the exclusion of the homestead from the augmented estate; providing for the inclusion of certain insurance and other items in the augmented estate; establishing a standard for best interests of wards or conservatees; requiring findings regarding best interests; exempting stairways in certain buildings from certain provisions of the uniform fire code; defining the duties and terms of office of the members of the world trade center board; classifying data held by the board; permitting the equipping of school buses with driver-activated student control warning system; creating the labor interpretative center; establishing an advisory council governing policies and program purposes; specifying the crediting of certain investment earnings; clarifying certain appropriations; amending Minnesota Statutes 1984, sections 8.32, subdivision 2; 10A.01, subdivision 11; 10A.04, subdivision 4a; 16A.631; 16A.72; 44A.01, subdivision 1; 44A.02; 44A.07, subdivision 1; 46.044, as amended; 47.58, subdivision 5; 62D.22, subdivision 8; 116J.70, subdivision 2a; 116M.08, subdivision 17; 121.15, subdivision 2; 124A.02, subdivision 14; 136D.74, subdivision 2; 144.224; 169.44, by adding a subdivision; 169.045, subdivision 7, as amended; 176A.01, subdivision 1; 179A.10, subdivision 3; 253B.02, subdivision 4a; 260.015, subdivision 24; 260.245; 275.125, subdivision 9, as amended; 298.22, subdivision 3; 299F.011, by adding a subdivision; 327C.07, subdivision 3a; 349.15, as amended; 349.212, subdivision 4, as amended; 383A.23, subdivision 5; 385.24; 403.12, subdivision 1; 414.061, subdivisions 4 and 4a; 424A.001, subdivision 7, as added; 462A.21, subdivision 8a; 471.992, as amended; 487.191; 494.03; 518B.01, subdivision 2; 525.539, by adding a subdivision; 525.544; 525.551, subdivision 5; 525.61; 571.495, subdivision 2; 590.01, subdivision 1; 609.346, subdivision 3; 609.347, subdivision 3; 609.348; 609.35; 611A.03, subdivision 3; 628.26; Minnesota Statutes 1985 Supplement, sections 16B.61, subdivision 3; 47.20, subdivision 6c; 64B.05, subdivision 1; 64B.37, subdivision 2; 69.011, subdivision 1; 116M.03, subdivision 28; 124.32, subdivision 1d; 145.917, subdivision 4; 147.01, subdivision 4; 147.073, subdivision 1; 168.013, subdivision 1e, as amended; 168.27, subdivision 11; 248.07, subdivision 7; 256.969, subdivision 2, as amended; 256B.091, subdivision 4; 256D.37, subdivision 1; 256F.05, subdivision 4; 256F.06, subdivision 1; 273.124, subdivision 5; 297C.03, subdivision 1; 298.02, subdivision 1; 298.225, subdivision 1, as amended; 298.28, subdivision 1, as amended; 340A.404, subdivision 5; 340A.409, subdivision 1; 340A.410, by adding a subdivision; 340A.412, subdivisions 1 and 9; 340A.415; 340A.702; 340A.802, subdivision 1; 349.212, subdivision 1, as amended; 356.216; 358.44; 414.061, subdivision 5; 458.16, subdivision 6; 473.831, subdivision 1; 524.2-109; 524.2-202; 524.2-205; 525.145; 527.41; 527.42; 527.43; 528.15; 609.344, subdivision 1; 609.345, subdivision 1; 609.346, subdivision 2; 609.3471;*

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626.556, subdivision 2; 631.045; 1986 Regular Session H.F. No. 1886, section 21; Laws 1986, chapters 339, sections 6, subdivision 1; 8; 15, subdivision 1; 16; and 17; 358, section 12; 359, section 27; 365, section 22; 372, section 1, subdivision 1; 383, section 17, subdivision 5; 391, section 7; 398, article 1, section 11, subdivision 5; article 2, section 3, subdivision 2; article 6, section 2, subdivision 2; article 29, section 1, subdivision 7; 416, section 4; 417, section 1; 441, section 15; 455, section 21, subdivision 1; 456, section 1, subdivision 2; 460, sections 7, subdivisions 1 and 2; 48; 49; 50; and 59; 465, article 1, sections 11; 20, subdivision 9; article 2, section 25; 467, section 24, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 44A, 138, 206 and 340A; repealing Minnesota Statutes 1984, section 35.067; 383A.23, subdivisions 2, 3, and 4; 403.12, subdivisions 2 and 3; repealing Laws 1984, chapter 560, section 24; Laws 1985, chapters 248, sections 28 and 29; 252, section 24; Laws 1985, First Special Session chapters 9, article 2, section 89; 14, article 3, section 13; 14, article 4, sections 37 and 91; Laws 1986, chapters 399, article 2; and 452, section 20.

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

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#### ARTICLE 1

Section 1. Minnesota Statutes 1984, section 8.32, subdivision 2, is amended to read:

Subd. 2. **DUTIES.** The attorney general shall:

(a) enforce the provisions of law relating to consumer fraud and unlawful practices in connection therewith as set forth in sections 325F.68 and 325F.69;

(b) enforce the provisions of law set forth in sections 80D.19 and 80D.20 and Laws 1984, chapter 641, ~~sections 2 to 4~~ section 9;

(c) make recommendations to the governor and the legislature for statutory needs that exist in adequately protecting the consumer.

Sec. 2. Minnesota Statutes 1984, section 10A.01, subdivision 11, is amended to read:

Subd. 11. "Lobbyist" means any individual:

(a) Engaged for pay or other consideration, or authorized by another individual or association to spend money, who spends more than five hours in any month or more than \$250, not including his own travel expenses and membership dues, in any year, for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials; or

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(b) Who spends more than \$250, not including his own traveling expenses and membership dues, in any year for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials.

"Lobbyist" does not include any:

(a) Public official or employee of the state or any of its political subdivisions or public bodies acting in his official capacity;

(b) Party or his representative appearing in a proceeding before a state board, commission or agency of the executive branch unless the board, commission or agency is taking administrative action;

(c) Individual while engaged in selling goods or services to be paid for by public funds;

(d) News media or their employees or agents while engaged in the publishing or broadcasting of news items, editorial comments or paid advertisements which directly or indirectly urge official action;

(e) Paid expert witness whose testimony is requested by the body before which he is appearing, but only to the extent of preparing or delivering testimony;

(f) Stockholder of a family farm corporation as defined in section 500.24, subdivision ~~1~~ 2, who does not spend over \$250, excluding his own travel expenses, in any year in communicating with public officials; or

(g) Party or his representative appearing to present a claim to the legislature and communicating to legislators only by the filing of a claim form and supporting documents and by appearing at public hearings on the claim.

Sec. 3. Minnesota Statutes 1984, section 10A.04, subdivision 4a, is amended to read:

Subd. 4a. If in any reporting period the lobbyist's reportable disbursements total not over \$100 and no honorarium, gift, loan, item or benefit equal in value to ~~\$20~~ \$50 or more was given or paid to any public official, a statement to that effect in lieu of the report may be filed for that period. The unreported disbursements shall be included in the report for the following period, unless the total for that period, including the carryover, is not over \$100. The October 15 report shall include all previously unreported disbursements, even though the total for the year is not over \$100.

Sec. 4. Minnesota Statutes 1984, section 16A.631, is amended to read:

**16A.631 STATE BUILDING FUND.**

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The state building fund is established to receive state bond proceeds appropriated to agencies to acquire and to better public ~~lands~~ land and buildings and other public improvements of a capital nature, as authorized by the Constitution, article XI, section 5, clause (a).

Sec. 5. Minnesota Statutes 1984, section 35.067, is repealed.

Sec. 6. Minnesota Statutes 1985 Supplement, section 47.20, subdivision 6c, is amended to read:

Subd. 6c. **EXTENSION OF CERTAIN LOAN ASSUMPTIONS.** Conventional loans made on or after June 1, 1979, and before May 9, 1981, continue to be assumable under the provisions of Minnesota Statutes 1984, section 47.20, subdivision 6, until ~~September 31~~ October 1, 1990.

Sec. 7. Minnesota Statutes 1984, section 47.58, subdivision 5, is amended to read:

Subd. 5. **INTEREST.** Notwithstanding the provisions of section 334.01, subdivision 1, lenders may make reverse mortgage loans and purchases of obligations representing reverse mortgage loans, at an interest rate or loan yield not in excess of the maximum lawful interest rate prescribed for conventional loans by section 47.20, subdivision 4 4a. If section 47.20, subdivision 4 4a expires, the interest rate last published pursuant to the provisions of section 47.20, subdivision 4 4a shall be the maximum lawful interest rate for reverse mortgage loans. A contract rate within the maximum lawful interest rate applicable to a reverse mortgage loan at the time the loan is made shall be the maximum lawful interest rate for the term of the reverse mortgage loan.

Notwithstanding the provisions of section 334.01, subdivision 1, a reverse mortgage loan agreement may provide that interest will be added to the outstanding loan balance monthly as it accrues, with interest accruing on the outstanding loan balance at a rate not to exceed the rate of interest permitted under this subdivision at the time of the signing of the original loan agreement or any subsequent extension agreement.

Sec. 8. Minnesota Statutes 1984, section 62D.22, subdivision 8, is amended to read:

Subd. 8. All agents, solicitors, and brokers engaged in soliciting or dealing with enrollees or prospective enrollees of a health maintenance organization, whether employees or under contract to the health maintenance organization, shall be subject to the provisions of section 60A.17, concerning the licensure of health insurance agents, solicitors, and brokers, and lawful regulations thereunder. Medical doctors and others who merely explain the operation of health maintenance organizations shall be exempt from the provisions of section 60A.17. Section 60A.17, subdivision 2, ~~clause (2) 1a, paragraph (b)~~ shall not apply except as to provide for an examination of an applicant in his knowledge concerning

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the operations and benefits of health maintenance organizations and related insurance matters.

Sec. 9. Minnesota Statutes 1985 Supplement, section 64B.05, subdivision 1, is amended to read:

Subdivision 1. **PURPOSES.** A society shall operate for the benefit of members and their beneficiaries by:

- (1) providing benefits as specified in section 64B.16; and
- (2) operating for one or more social, intellectual, educational, charitable, benevolent, moral, fraternal, patriotic, or religious purposes for the benefit of its members, which may also be extended to others.

The purposes provided for in this subdivision may be carried out directly by the society, or indirectly through subsidiary corporations or affiliated organizations which are to be operated primarily for member service. The subsidiaries authorized under section ~~64B.24~~ 64B.12 are to be operated primarily for investment purposes.

Sec. 10. Minnesota Statutes 1985 Supplement, section 64B.37, subdivision 2, is amended to read:

Subd. 2. **FALSE OR FRAUDULENT STATEMENTS OR REPRESENTATIONS.** Any person, officer, member, or examining physician, who shall knowingly or willfully make any false or fraudulent statement or representation in, or with reference to, any application for membership for the purpose of obtaining money from or benefit in any society transacting business under this chapter shall be guilty of a misdemeanor:

- (1) any person who shall willfully make a false statement of any material fact or thing in a sworn statement as to the death or disability of a certificate holder in any such society, for the purpose of procuring payment of a benefit named in the certificate of such holder, and any person who shall willfully make any false statement and any verified report or declaration under oath, required or authorized under this ~~article~~ chapter, shall be guilty of perjury and shall be proceeded against and punished as provided by the statutes of this state in relation to the crime of perjury;
- (2) any person who shall solicit membership for, or in any manner assist in procuring membership in, any society not licensed to do business in this state, or who shall solicit membership for or in any manner assist in procuring membership in, any such society not authorized to do business in this state, shall be guilty of a misdemeanor; and, upon conviction thereof, punished by fine of not more than \$100;
- (3) any society, or any officer, agent, or employee thereof, neglecting, refusing to comply with, or violating, any of the provisions of this chapter, the

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penalty for which neglect, refusal, or violation is not specified in this section, shall be fined not exceeding \$100 upon conviction thereof.

Sec. 11. Minnesota Statutes 1985 Supplement, section 69.011, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** Unless the language or context clearly indicates that a different meaning is intended, the following words and terms shall for the purposes of this chapter and chapters 423, 424 and 424A have the meanings ascribed to them:

(a) "Commissioner" means the commissioner of revenue.

(b) "Municipality" means any home rule charter or statutory city, organized town or park district subject to chapter 398, and the University of Minnesota.

(c) "Minnesota Firetown Premium Report" means a form prescribed by the commissioner containing space for reporting by insurers of fire, lightning, sprinkler leakage and extended coverage premiums received upon risks located or to be performed in this state less return premiums and dividends.

(d) "Firetown" means the area serviced by any municipality having a qualified fire department or a qualified incorporated fire department having a subsidiary volunteer firefighters relief association.

(e) "Assessed property valuation" means latest available assessed value of all property in a taxing jurisdiction, whether the property is subject to taxation, or exempt from ad valorem taxation obtained from information which appears on abstracts filed with the commissioner of revenue or equalized by the state board of equalization.

(f) "Minnesota Aid to Police Premium Report" means a form prescribed by the commissioner for reporting by each fire and casualty insurer of all premiums received upon direct business received by it in this state, or by its agents for it, in cash or otherwise, during the preceding calendar year, with reference to insurance written for insuring against the perils contained in auto liability-bodily injury, auto liability-property damage, and auto physical damage as reported in the Minnesota business schedule of the fire and casualty insurance companies annual financial statement which each insurer is required to file with the commissioner in accordance with the governing laws or regulations less return premiums and dividends.

(g) "Peace officer" means any person:

(1) whose primary source of income derived from wages is from direct employment by a municipality or county as a law enforcement officer on a full-time basis of not less than 30 hours per week;

(2) who has been employed for a minimum of six months prior to Decem-

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ber 31 preceding the date of the current year's certification pursuant to subdivision 2, clause (b);

(3) who is sworn to enforce the general criminal laws of the state and local ordinances;

(4) who is licensed by the peace officers standards and training board and is authorized to arrest with a warrant; and

(5) who is a member of a local police relief association to which section 69.77 applies or the public employees police and fire fund.

(h) "Full-time equivalent number of peace officers providing contract service" means the integral or fractional number of peace officers which would be necessary to provide the contract service if all peace officers providing service were employed on a full-time basis as defined by the employing unit and the municipality receiving the contract service.

(i) "Retirement benefits other than a service pension" means any disbursement authorized pursuant to section ~~424.05~~ 424A.05, subdivision 3, clauses (2), (3) and (4).

(j) "Municipal clerk, municipal clerk-treasurer or county auditor" means the person who was elected or appointed to the specified position or, in the absence of the person, another person who is designated by the applicable governing body. In a park district the clerk is the secretary of the board of park district commissioners. In the case of the University of Minnesota, the clerk is that official designated by the board of regents.

Sec. 12. Minnesota Statutes 1984, section 116J.70, subdivision 2a, is amended to read:

Subd. 2a. **LICENSE; EXCEPTIONS.** "Business license" or "license" does not include the following:

(1) Any occupational license or registration issued by a licensing board listed in section 214.01 or any occupational registration issued by the commissioner of health pursuant to section 214.13;

(2) Any license issued by a county, home rule charter city, statutory city, township or other political subdivision;

(3) Any license required to practice the following occupation regulated by the following sections:

- (a) Abstracters regulated pursuant to chapter 386;
- (b) Accountants regulated pursuant to chapter 326;
- (c) Adjusters regulated pursuant to chapter 72B;

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- (d) Architects regulated pursuant to chapter 326;
- (e) Assessors regulated pursuant to chapter 270;
- (f) Attorneys regulated pursuant to chapter 481;
- (g) Auctioneers regulated pursuant to chapter 330;
- (h) Barbers regulated pursuant to chapter 154;
- (i) Beauticians regulated pursuant to chapter ~~455~~ 155A;
- (j) Boiler operators regulated pursuant to chapter 183;
- (k) Chiropractors regulated pursuant to chapter 148;
- (l) Collection agencies regulated pursuant to chapter 332;
- (m) Cosmetologists regulated pursuant to chapter ~~455~~ 155A;
- (n) Dentists, registered dental assistants, and dental hygienists regulated pursuant to chapter 150A;
- (o) Detectives regulated pursuant to chapter 326;
- (p) Electricians regulated pursuant to chapter 326;
- (q) Embalmers regulated pursuant to chapter 149;
- (r) Engineers regulated pursuant to chapter 326;
- (s) Insurance brokers and salespersons regulated pursuant to chapter 60A;
- (t) Midwives regulated pursuant to chapter 148;
- (u) Morticians regulated pursuant to chapter 149;
- (v) Nursing home administrators regulated pursuant to chapter 144A;
- (w) Optometrists regulated pursuant to chapter 148;
- (x) Osteopathic physicians regulated pursuant to chapter 147;
- (y) Pharmacists regulated pursuant to chapter 151;
- (z) Physical therapists regulated pursuant to chapter 148;
- (aa) Physicians and surgeons regulated pursuant to chapter 147;
- (bb) Plumbers regulated pursuant to chapter 326;
- (cc) Podiatrists regulated pursuant to chapter 153;

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- (dd) Practical nurses regulated pursuant to chapter 148;
- (ee) Professional fundraisers regulated pursuant to chapter 309;
- (ff) Psychologists regulated pursuant to chapter 148;
- (gg) Real estate brokers, salespersons and others regulated pursuant to chapters 82 and 83;
- (hh) Registered nurses regulated pursuant to chapter 148;
- (ii) Securities brokers, dealers, agents and investment advisers regulated pursuant to chapter 80A;
- (jj) Steamfitters regulated pursuant to chapter 326;
- (kk) Teachers and supervisory and support personnel regulated pursuant to chapter 125;
- (ll) Veterinarians regulated pursuant to chapter 156;
- (mm) Watchmakers regulated pursuant to chapter 326;
- (nn) Water conditioning contractors and installers regulated pursuant to chapter 326;
- (oo) Water well contractors regulated pursuant to chapter 156A;
- (pp) Water and waste treatment operators regulated pursuant to chapter 115;
- (qq) Motor carriers regulated pursuant to chapter 221;
- (rr) Professional corporations regulated pursuant to chapter 319A;
- (4) Any driver's license required pursuant to chapter 171;
- (5) Any aircraft license required pursuant to chapter 360;
- (6) Any watercraft license required pursuant to chapter 361;
- (7) Any license, permit, registration, certification, or other approval pertaining to a regulatory or management program related to the protection, conservation, or use of or interference with the resources of land, air or water, which is required to be obtained from a state agency or instrumentality; and
- (8) Any pollution control rule or standard established by the pollution control agency or any health rule or standard established by the commissioner of health or any licensing rule or standard established by the commissioner of human services.

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Sec. 13. In Minnesota Statutes, chapters 116K and 462, the revisor shall change all references to "sections 116K.01 to 116K.07" to "sections 116K.01 to 116K.13."

Sec. 14. Minnesota Statutes 1985 Supplement, section 116M.03, subdivision 28, is amended to read:

Subd. 28. **QUALIFIED DIVERSIFICATION PROJECT.** A qualified economic diversification project means the provision of special assistance under section 116M.07, subdivision 11, paragraph (d) to a business, if the following criteria are satisfied.

(1) If the business is located outside of a distressed county, the following conditions must be satisfied:

(a) the business is principally engaged in manufacturing;

(b) the primary market for the product of the business is national or international in scope;

(c) the business would not locate or expand or continue to expand in Minnesota if special assistance were not provided;

(d) the project will result in the addition of at least 50 permanent employees;

(e) the total capital investment for the project exceeds \$3,000,000;

(f) the provision of special assistance to the business will result in diversification of the state's economy by expanding the types of products produced or technologies by establishing new markets for Minnesota products or technologies; and

(g) the project will not directly result in a reduction in the employment of other Minnesota businesses.

(2) If the business is located in a distressed county, the following conditions must be satisfied:

(a) The business is principally engaged in manufacturing or in selling of tangible personal property or services in response to orders received by mail or telephone or in providing business services by mail or electronic data transmission.

(b) The business would not locate in the distressed county or an adjacent Minnesota county if special assistance were not provided;

(c) The total capital investment for the project exceeds \$3,000,000 and the business will increase employment by at least 25 permanent positions or the total capital investment for the project exceeds \$1,000,000 and the business will increase employment by at least 50 additional positions.

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(d) For purposes of this subdivision, "manufacturing" has the meaning given in section 474.16, subdivision 6, except that the provisions of clause (b) do not apply.

Sec. 15. Minnesota Statutes 1984, section 116M.08, subdivision 17, is amended to read:

Subd. 17. Financial information, including, but not limited to, credit reports, financial statements and net worth calculations, received or prepared by the authority regarding any authority loan, financial assistance, or insurance is private data with regard to data on individuals as defined in section 13.02, subdivision 9 12 and nonpublic data with regard to data not on individuals as defined in section 13.02, subdivision ~~12~~ 9.

Sec. 16. Minnesota Statutes 1984, section 121.15, subdivision 2, is amended to read:

Subd. 2. **PLAN SUBMITTAL.** The department of education, after the consultation required in subdivision 1, may require a school district engaging in a construction, remodeling, or site improvement project to submit for approval:

(a) two sets of preliminary plans for each new building or addition, and

(b) one set of final plans for each construction, remodeling, or site improvement project. The department of education shall approve or disapprove the plans within 60 days after submission. A school district shall not award contracts before the department approves the plans.

Final plans shall meet all applicable state laws, rules, and codes concerning public buildings, including sections ~~46.83 to 46.87~~ 16B.59 to 16B.73. The department of education's approval shall be limited to compliance with applicable state laws, rules, and codes and shall reasonably conform to the recommended educational standards established by the department of education. The department may furnish to a school district plans and specifications for temporary school buildings containing two classrooms or less.

Sec. 17. Minnesota Statutes 1985 Supplement, section 124.32, subdivision 1d, is amended to read:

Subd. 1d. **CONTRACT SERVICES.** (1) For special instruction and services provided during the regular school year to any pupil pursuant to section 120.17, subdivision 2, clause ~~(h)~~ (i), by contract with public, private or voluntary agencies other than school districts, the state shall pay each district 55 percent of the difference between the amount of the contract and the foundation aid formula allowance of the district for that pupil or a pro rata portion of the foundation aid formula allowance for pupils who receive services by contract on less than a full-time basis.

(2) For special instruction and services provided for a pupil by such a

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contract as part of a summer school program, the state shall pay each district 55 percent of the difference between the amount of the contract and the summer school revenue allowance of the district attributable to that pupil.

Sec. 18. Minnesota Statutes 1984, section 124A.02, subdivision 14, is amended to read:

Subd. 14. **PERMITTED LEVY.** "Permitted levy" means the amount a district is permitted to levy for each tier, as determined by the department of education according to ~~section 275.125, subdivisions 7d and 7e~~ law.

Sec. 19. Minnesota Statutes 1984, section 136D.74, subdivision 2, is amended to read:

Subd. 2. **TAX LEVY.** The intermediate school board may in each year for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred certify to each county auditor of each county in which said intermediate school district shall lie, as a single taxing district, the tax levy specified in section 275.125, subdivision 13, clause (2). Additional tax levies may be certified which shall not in any year exceed .6 mills on each dollar of adjusted assessed valuation for expenses for special education and .5 mills on each dollar of adjusted assessed valuation for expenses for secondary vocational education. Said annual tax levies shall be certified pursuant to ~~section 124.02~~ 275.07. Upon such certification the county auditor or auditors and other appropriate county officials shall levy and collect such levies and remit the proceeds of collection thereof to the intermediate school district as in the case with independent school districts. Such levies shall not be included in computing the limitations, if any, upon the levy of the intermediate district or any of the participating districts under sections 124A.03, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, 124A.14, subdivision 5a, and 275.125.

Sec. 20. Minnesota Statutes 1984, section 144.224, is amended to read:

**144.224 REPORTS OF DISSOLUTION AND ANNULMENT OF MARRIAGE.**

Each month the clerk of court shall forward to the commissioner of health the statistical report forms collected pursuant to ~~section 444.695~~ 518.147 during the preceding month. The report form shall include only the following information:

- (a) name, date of birth, birthplace, residence, race, and educational attainment of the husband and wife;
- (b) county of decree;
- (c) date and type of decree;

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- (d) place and date of marriage;
- (e) date of separation;
- (f) number and ages of children of marriage;
- (g) amount and status of maintenance and child support;
- (h) custody of children;
- (i) income of the parties;
- (j) length of separation and length of marriage; and
- (k) number of previous marriages and reasons for ending the previous marriages (death, dissolution, or annulment).

The commissioner may publish data collected under this section in summary form only. The statistical report form shall contain a statement that neither the report form, nor information contained in the form, shall be admissible in evidence in this or any subsequent proceeding.

Sec. 21. Minnesota Statutes 1985 Supplement, section 145.917, subdivision 4, is amended to read:

Subd. 4. **WITHDRAWAL.** Any participating county or city may by resolution of its governing body indicate its intention to withdraw from the subsidy program established by sections 145.911 to 145.921.

(a) Notification shall be given to the state commissioner of health and to each county or city in any multicounty or multicounty combination, at least one year before the beginning of the fiscal year in which it takes effect.

(b) When two or more counties or cities have combined for the purposes of sections 145.911 to 145.921, the withdrawal provision shall not be applicable during the first two years following the adoption of the initial agreement to combine.

(c) The withdrawal of a county or city from a group of two or more counties or cities combined for the purposes of sections 145.911 to 145.921 shall not affect the eligibility for the community health services subsidy of the remaining counties or cities for at least one year following the withdrawal.

(d) The amount of any additional annual payment for calendar year 1985 made pursuant to ~~Laws 1976, section 11~~ Minnesota Statutes 1984, section 145.921, subdivision 4, shall be subtracted from the subsidy for a county that, due to withdrawal from a multicounty combination, ceases to meet the terms and conditions under which that additional annual payment was made.

Sec. 22. Minnesota Statutes 1985 Supplement, section 147.01, subdivision 4, is amended to read:

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Subd. 4. **DISCLOSURE.** Subject to the exceptions listed in this subdivision, all communications or information received by or disclosed to the board relating to any person or matter subject to its regulatory jurisdiction, and all records of any action or proceedings thereon, except a final decision of the board, are confidential and privileged and any disciplinary hearing shall be closed to the public.

(a) Upon application of a party in a proceeding before the board under section 147.021, the board shall produce and permit the inspection and copying, by or on behalf of the moving party, of any designated documents or papers relevant to the proceedings, in accordance with the provisions of rule 34, Minnesota rules of civil procedure.

(b) If the board imposes disciplinary measures of any kind, the name and business address of the licensee, the nature of the misconduct, and the action taken by the board are public data.

(c) The board shall exchange information with other licensing boards, agencies, or departments within the state, as required under section 214.10, subdivision 8, paragraph (e) (d), and may release information in the reports required under sections 147.02, subdivision 6, and 214.10, subdivision 8, paragraph (e) (b).

Sec. 23. Minnesota Statutes 1985 Supplement, section 147.073, subdivision 1, is amended to read:

Subdivision 1. **INVESTIGATION.** The board shall maintain and keep current a file containing the reports and complaints filed against physicians in the state. Each complaint filed with the board pursuant to section 214.10, subdivision 1, shall be investigated according to section 214.10, subdivision 2.

Whenever the files maintained by the board show that a medical malpractice settlement or award to the plaintiff has been made against a physician as reported by insurers pursuant to section ~~147.037~~ 147.111, the executive director of the board shall notify the board and the board may authorize a review of the physician's practice.

Sec. 24. Minnesota Statutes 1985 Supplement, section 168.27, subdivision 11, is amended to read:

Subd. 11. **LICENSES.** Upon the filing of an application for a license and the proper fee, the registrar is authorized, unless the application on its face appears to be invalid, to grant a 90-day temporary license and during said 90-day period shall investigate the fitness of the applicant, inspect the site and make such other investigation as is necessary to insure compliance with the licensing law. The registrar may extend the temporary license 30 days. At the end of the period of investigation the license shall either be granted or denied. The license must be denied if within the previous five years the applicant was

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enjoined due to a violation of section 325F.69 or convicted of violating section 325E.14, 325E.15, 325E.16, or 325F.69, or convicted under section 609.53 of receiving or selling stolen vehicles, or convicted of violating United States Code, title 15, sections 1981 to 1991, as amended through December 31, 1984. If the application is approved, the registrar shall license the applicant as a motor vehicle dealer for the remainder of the calendar year, and issue a certificate of license therefor as the registrar may provide upon which shall be placed a distinguishing number of identification of such dealer. Each initial application for a license shall be accompanied by a fee of \$50 in addition to the annual fee. The annual fee shall be \$100. All initial fees and annual fees ~~which~~ shall be paid into the state treasury and credited to the general fund. If the initial application is received by the registrar after July 1 of any year, the first annual fee shall be reduced by one-half.

Sec. 25. Minnesota Statutes 1984, section 176A.01, subdivision 1, is amended to read:

Subdivision 1. **APPLICATION.** For the purposes of ~~Laws 1983, chapter 287, article 2, sections 1 to 13~~ sections 176A.01 to 176A.11, the terms defined in this section have the meanings given them.

Sec. 26. Minnesota Statutes 1984, section 179A.10, subdivision 3, is amended to read:

Subd. 3. **STATE EMPLOYEE SEVERANCE.** Each of the following groups of employees has the right, as specified in this subdivision, to separate from the general professional, health treatment, or general supervisory units provided for in subdivision ~~4~~ 2: attorneys, physicians, professional employees of the higher education coordinating board who are compensated pursuant to section 43A.18, subdivision 4, state patrol-supervisors, and criminal apprehension investigative-supervisors. This right shall be exercised by petition during the 60-day period commencing 270 days prior to the termination of a contract covering the units. If one of these groups of employees exercises the right to separate from the units they shall have no right to meet and negotiate, but shall retain the right to meet and confer with the commissioner of employee relations and with the appropriate appointing authority on any matter of concern to them. The manner of exercise of the right to separate shall be as follows: An employee organization or group of employees claiming that a majority of any one of these groups of employees on a statewide basis wish to separate from their units may petition the director for an election during the petitioning period. If the petition is supported by a showing of at least 30 percent support for the petitioner from the employees, the director shall hold an election to ascertain the wishes of the majority with respect to the issue of remaining within or severing from the units provided in subdivision ~~4~~ 2. This election shall be conducted within 30 days of the close of the petition period. If a majority of votes cast endorse severance from the unit in favor of separate meet and confer status for any one of these groups of employees, the director shall certify that result. This election shall,

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where not inconsistent with other provisions of this section, be governed by section 179A.16. If a group of employees elects to sever they may rejoin that unit by following the same procedures specified above for severance, but may only do so during the periods provided for severance.

Sec. 27. Minnesota Statutes 1985 Supplement, section 248.07, subdivision 7, is amended to read:

Subd. 7. **BLIND, VENDING STANDS AND MACHINES ON GOVERNMENTAL PROPERTY.** Notwithstanding any other law, for the rehabilitation of blind persons the commissioner shall have exclusive authority to establish and to operate vending stands and vending machines in all buildings and properties owned or rented exclusively by any department of the state of Minnesota except the department of natural resources properties operated directly by the Division of State Parks and not subject to private leasing. The merchandise to be dispensed by such vending stands and machines may include soft drinks, (except 3.2 beer), milk, food, candies, tobacco, souvenirs, notions and related items. Such vending stands and vending machines herein authorized shall be operated on the same basis as other vending stands for the blind established and supervised by the commissioner of human services. The commissioner may waive this authority to displace any present private individual concessionaire in any state-owned or rented building or property. With the consent of the governing body of a governmental subdivision of the state, the commissioner may establish and supervise vending stands and vending machines for the blind in any building or property exclusively owned or rented by the governmental subdivision.

Sec. 28. Minnesota Statutes 1985 Supplement, section 256B.091, subdivision 4, is amended to read:

Subd. 4. **SCREENING OF PERSONS.** Prior to nursing home or boarding care home admission, screening teams shall assess the needs of all applicants, except (1) patients transferred from other nursing homes; (2) patients who, having entered acute care facilities from nursing homes, are returning to nursing home care; (3) persons entering a facility described in section 256B.431, subdivision 4, paragraph ~~(b)~~ (c); or (4) persons entering a facility conducted by and for the adherents of a recognized church or religious denomination for the purpose of providing care and services for those who depend upon spiritual means, through prayer alone, for healing. The cost for screening persons who are receiving medical assistance or who would be eligible for medical assistance within 180 days of nursing home or boarding care home admission, must be paid by state, federal, and county money. Other persons shall be assessed by a screening team upon payment of a fee approved by the commissioner.

Sec. 29. Minnesota Statutes 1985 Supplement, section 256D.37, subdivision 1, is amended to read:

Subdivision 1. (a) For all individuals who apply to the appropriate local

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agency for supplemental aid, the local agency shall determine whether the individual meets the eligibility criteria prescribed in subdivision 2. For each individual who meets the relevant eligibility criteria prescribed in subdivision 2, the local agency shall certify to the commissioner the amount of supplemental aid to which the individual is entitled in accordance with all of the standards in effect December 31, 1973, for the appropriate categorical aid program.

(b) When a recipient is a resident of a state hospital or a dwelling with a negotiated rate, the recipient is not eligible for a shelter standard, a basic needs standard, or for special needs payments. The state standard of assistance for those recipients is the clothing and personal needs allowance for medical assistance recipients under section 256B.35. Minnesota supplemental aid may be paid to negotiated rate facilities at the rates in effect on March 1, 1985, for services provided under the supplemental aid program to residents of the facility, up to the maximum negotiated rate specified in this section. The rate for room and board ~~or for~~ a licensed facility must not exceed \$800. The maximum negotiated rate does not apply to a facility that, on August 1, 1984, was licensed by the commissioner of health only as a boarding care home, certified by the commissioner of health as an intermediate care facility, and licensed by the commissioner of human services under Minnesota Rules, parts 9520.0500 to 9520.0690. The following facilities are exempt from the limit on negotiated rates and must be reimbursed for documented actual costs, until June 30, 1987:

(1) a facility that only provides services to persons with mental retardation; and

(2) a facility not certified to participate in the medical assistance program that is licensed as a boarding care facility as of March 1, 1985, and only provides care to persons aged 65 or older. Beginning July 1, 1987, these facilities are subject to applicable supplemental aid limits, and mental retardation facilities must meet all applicable licensing and reimbursement requirements for programs for persons with mental retardation. The negotiated rates may be paid for persons who are placed by the local agency or who elect to reside in a room and board facility or a licensed facility for the purpose of receiving physical, mental health, or rehabilitative care, provided the local agency agrees that this care is needed by the person. When Minnesota supplemental aid is used to pay a negotiated rate, the rate payable to the facility must not exceed the rate paid by an individual not receiving Minnesota supplemental aid. To receive payment for a negotiated rate, the dwelling must comply with applicable laws and rules establishing standards necessary for health, safety, and licensure. The negotiated rate must be adjusted by the annual percentage change in the urban consumer price index (CPI-U) for Minneapolis-St. Paul as published by the Bureau of Labor Statistics between the previous two Octobers, new series index (1967-100). In computing the amount of supplemental aid under this section, the local agency shall deduct from the gross amount of the individual's determined needs all income, subject to the criteria for income disregards in effect December 31, 1973, for the appropriate categorical aid program, except that the

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earned income disregard for disabled persons who are not residents of long-term care facilities shall be the same as the earned income disregard available to disabled persons in the supplemental security income program and all actual work expenses shall be deducted when determining the amount of income for the individual. From and after the first of the month in which an effective application is filed, the state and the county shall share responsibility for the payment of the supplemental aid to which the individual is entitled under this section as provided in section 256D.36.

Sec. 30. Minnesota Statutes 1985 Supplement, section 256F.05, subdivision 4, is amended to read:

Subd. 4. **PAYMENTS.** The commissioner shall make grant payments to each county whose biennial community social services plan includes a permanency plan under section ~~256D.503~~ 256F.04, subdivision 2. The payment must be made in four installments per year. The commissioner may certify the payments for the first three months of a calendar year. Subsequent payments must be made on April 1, July 1, and October 1, of each calendar year.

Sec. 31. Minnesota Statutes 1985 Supplement, section 256F.06, subdivision 1, is amended to read:

Subdivision 1. **RESPONSIBILITIES.** A county board may, alone or in combination with other county boards, apply for a permanency planning grant as provided in section ~~256D.503~~ 256F.04, subdivision 2. Upon approval of the permanency planning grant, the county board may contract for or directly provide placement prevention and family reunification services.

Sec. 32. Minnesota Statutes 1984, section 260.245, is amended to read:

**260.245 CHANGE OF GUARDIAN; TERMINATION OF GUARDIANSHIP.**

Upon its own motion or upon petition of an interested party, the juvenile court having jurisdiction of the child may, after notice to the parties and a hearing, remove the guardian appointed by the juvenile court and appoint a new guardian in accordance with the provisions of section ~~260.241, subdivision 1(a), (b), or (c)~~ 260.242, subdivision 1, clause (a), (b), or (c). Upon a showing that the child is emancipated, the court may discharge the guardianship. Any child 14 years of age or older who is not adopted but who is placed in a satisfactory foster home, may, with the consent of the foster parents, join with the guardian appointed by the juvenile court in a petition to the court having jurisdiction of the child to discharge the existing guardian and appoint the foster parents as guardians of the child. The authority of a guardian appointed by the juvenile court terminates when the individual under guardianship is no longer a minor or when guardianship is otherwise discharged.

Sec. 33. Minnesota Statutes 1985 Supplement, section 273.124, subdivision 5, is amended to read:

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

Subd. 5. **CONTINUING CARE FACILITIES.** When a building containing several dwelling units is owned by an entity which is regulated under the provisions of chapter 80D and operating as a continuing care facility enters into residency agreements with persons who occupy a unit in the building and the residency agreement entitles the resident to occupancy in the building after personal assets are exhausted and regardless of ability to pay the monthly maintenance fee, homestead classification shall be given to each unit so occupied and the entire building shall be assessed in the manner provided in subdivision 4 for cooperatives and charitable corporations.

Sec. 34. Minnesota Statutes 1985 Supplement, section 297C.03, subdivision 1, is amended to read:

Subdivision 1. **MANNER AND TIME OF PAYMENT; PENALTIES; DEPOSIT OF TAX PROCEEDS.** The tax on wines and distilled spirits on which the excise tax has not been previously paid must be paid to the commissioner by persons having on file with the commissioner a sufficient bond as provided in subdivision 4 on or before the tenth day of the month following the month in which the first sale is made in this state by a licensed manufacturer or wholesaler. Every person liable for the tax on wines or distilled spirits imposed by section 297C.02 must file with the commissioner on or before the tenth day of the month following first sale in this state by a licensed manufacturer or wholesaler a return in the form prescribed by rule of the commissioner, and must keep records and render reports required by rule of the commissioner. A person liable for any tax on wines or distilled spirits not having on file a sufficient bond must pay the tax within 24 hours after first sale in this state. The commissioner may certify to the commissioner of public safety any failure to pay taxes when due as a violation of a statute relating to the sale of intoxicating liquor for possible revocation or suspension of license.

If a person fails to pay the tax within the time specified or within 30 days after final determination of an appeal to the Minnesota tax court relating thereto, there is added a penalty equal to ten percent of the remaining unpaid amount. The penalty must be collected as part of the tax. The amount of tax not timely paid, together with the penalty, must bear interest at the rate specified in section 270.75 from the time the tax should have been paid until it is paid.

Sec. 35. Minnesota Statutes 1985 Supplement, section 298.02, subdivision 1, is amended to read:

Subdivision 1. **CREDIT.** For the purpose of increasing employment and the utilization of low-grade, underground, and high labor cost ores any taxpayer on whom a tax is imposed by reason of the provisions of section 298.01, ~~subdivisions~~ subdivision 1 and 2, shall be allowed a credit against the occupation tax as computed in that section because of the mining or production of ore from any mine, in an amount calculated as follows:

In the case of all mines, ten percent of that part of the cost of labor

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employed by the mine or in the beneficiation of all ore mined or produced in the calendar year in excess of 70 cents and not in excess of 90 cents per ton of the merchantable ore produced during the year at that mine, and 15 percent of that part of the cost of such labor in excess of 90 cents per ton; provided, however, that in no event shall the credit allowed hereunder be in excess of three-fourths of 11 percent of the valuation of the ore used in computing the tax under the provisions of section 298.01. The term "merchantable ore produced" as used herein means ores which as mined or as mined and beneficiated, are ready for shipment as a merchantable product.

Sec. 36. Minnesota Statutes 1984, section 327C.07, subdivision 3a, is amended to read:

Subd. 3a. **SAFETY FEATURE DISCLOSURE FORM.** A resident or a resident's agent shall disclose information about safety features of the home to the prospective buyer. The information must be given to the buyer before the sale, in writing, in the following form:

**MANUFACTURED (MOBILE) HOME SAFETY FEATURE DISCLOSURE FORM**

This form is required by law to be filled out and given to the prospective buyer of any used manufactured home by all private parties, dealers, and brokers.

**EXITS AND EGRESS WINDOWS**

This home has at least one egress window in each bedroom, or a window in each bedroom that meets the specifications of the American National Standard Institute 1972 Standard A119.1 covering manufactured homes made in Minnesota. This standard requires that the window be at least 22 inches in least dimension, and at least five square feet in area, and that the window be not more than four feet off the floor. Egress windows installed in compliance with the U.S. Department of Housing and Urban Development Manufactured Home Standards or the State Building Code are deemed to meet the requirements of this section.

Yes ..... No .....

This home has ..... (number) of exits. They are located .....

**SMOKE DETECTORS AND FIRE EXTINGUISHERS**

This home is equipped with fire extinguishers as required by the Minnesota state health department.

Yes ..... No .....

They are located .....

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

This home is equipped with at least one listed automatic smoke detector outside each sleeping area as required in homes built in accordance with the state building code.

Yes ..... No .....

ALUMINUM ELECTRICAL WIRING

This home has aluminum electrical wiring.

Yes ..... No .....

Aluminum electrical wiring can present a fire hazard in homes. The special hazards presented by aluminum electrical wiring can be eliminated by certain repairs, as recommended by the U.S. Consumer Product Safety Commission.

A. The wiring connections to the outlets in this home have been crimped, and the connection point is now copper.

Yes ..... No .....

B. This home has electrical outlets and switches compatible with aluminum electrical wiring.

Yes ..... No .....

C. Other action has been taken to eliminate or reduce the danger caused by aluminum electrical wiring in this home. (Describe) .....  
..... (The buyer may check the effectiveness of these methods by contacting the U.S. Consumer Product Safety Commission.)

FURNACE AND WATER HEATER

The furnace compartment in this home is lined with gypsum board, as specified in the 1976 U.S. Department of Housing and Urban Development codes governing manufactured housing construction.

Yes ..... No .....

The water heater enclosure in this home is lined with gypsum board, as specified in the 1976 U.S. Department of Housing and Urban Development codes governing manufactured housing construction.

Yes ..... No .....

SOLID FUEL BURNING STOVE AND FIREPLACE

This home contains a solid fuel burning stove. This stove was installed by the manufacturer of the home after June 15, 1976, and was inspected for compliance with the U.S. Department of Housing and Urban Development Manufactured Home Standards.

Yes ..... No .....

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

This home contains a solid fuel burning stove. This stove unit is approved for installation in manufactured homes. It was installed by ..... in accordance with the manufacturer's guidelines. A building permit for this stove was issued by the city of ....., and this stove installation has been approved by the building official.

Yes ..... No .....

This home contains a solid fuel burning fireplace. The fireplace was installed by the manufacturer of the home after June 15, 1976, and was inspected for compliance with the U.S. Department of Housing and Urban Development Manufactured Home Standards.

Yes ..... No .....

This home contains a solid fuel burning fireplace. This fireplace unit is approved for installation in manufactured homes. It was installed by ..... in accordance with the manufacturer's guidelines. A building permit for this fireplace was issued by the city of ....., and this fireplace installation has been approved by the building official.

Yes ..... No .....

SUPPORT SYSTEM

This home is supported by a support system, as required by state code since September 1, 1974.

Yes ..... No .....

RECOMMENDATIONS TO PROSPECTIVE BUYERS: HEAT TAPE

It is also recommended that the buyer check the home's heat tape. Old and worn heat tape, and improper installation of heat tape, can cause a fire hazard.

FURNACE AND WATER HEATER

It is recommended that the buyer have a qualified utility representative check the furnace and water heater to see that they are both in good working order. If this home was converted from oil to natural gas heat, there could be safety problems if the conversion was not done correctly. A utility representative or building official can inspect the condition and installation of this equipment. They may charge a reasonable fee to do so. It is also recommended that the buyer check the floor area around the water heater and furnace compartments. A weakened floor can create a fire hazard.

ENERGY AUDIT

It is also recommended that the buyer have a utility approved energy audit of the home.

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COMPLIANCE WITH SAFETY FEATURES

If you purchase the home, you will be required to install egress windows and smoke detectors and fire extinguishers within ~~one year~~ 30 days. You will be required to comply with all of the safety features contained in this form within three years.

I, ....., the undersigned, hereby declare that the above information is true and correct to the best of my knowledge.

.....  
Signature  
.....  
Date"

A park owner shall provide a resident or a resident's agent with a copy of the safety feature disclosure form upon request.

Sec. 37. Minnesota Statutes 1985 Supplement, section 340A.404, subdivision 5, is amended to read:

Subd. 5. **WINE LICENSES.** A municipality may issue an on-sale wine license with the approval of the commissioner to a restaurant having facilities for seating at least 25 guests at one time. A wine license permits the sale of wine of up to 14 percent alcohol by volume for consumption with the sale of food. A wine license authorizes the sale of wine on all days of the week unless the issuing authority restricts the license's authorization to the sale of wine on all days except Sundays.

Sec. 38. Minnesota Statutes 1985 Supplement, section 340A.409, subdivision 1, is amended to read:

Subdivision 1. **INSURANCE REQUIRED.** No retail license may be issued, maintained or renewed unless the applicant demonstrates proof of financial responsibility with regard to liability imposed by section 340A.801. The issuing authority must submit to the commissioner the applicant's proof of financial responsibility. This subdivision does not prohibit a local unit of government from requiring higher insurance or bond coverages, or a larger deposit of cash or securities. The minimum requirement for proof of financial responsibility may be given by filing:

(1) a certificate that there is in effect for the license period an insurance policy or pool providing at least \$50,000 of coverage because of bodily injury to any one person in any one occurrence, \$100,000 because of bodily injury to two or more persons in any one occurrence, \$10,000 because of injury to or destruction of property of others in any one occurrence, \$50,000 for loss of means of support of any one person in any one occurrence, and \$100,000 for loss of means of support of two or more persons in any one occurrence. ~~An annual aggregate policy limit for dramshop liability of not less than \$300,000 per policy year may be included in the policy provisions;~~

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

(2) a bond of a surety company with minimum coverages as provided in clause (1); or

(3) a certificate of the state treasurer that the licensee has deposited with the state treasurer \$100,000 in cash or securities which may legally be purchased by savings banks or for trust funds having a market value of \$100,000 $\frac{1}{2}$ .

(4) This subdivision does not prohibit an insurer from providing the coverage required by this subdivision in combination with other insurance coverage.

An annual aggregate policy limit for dram shop insurance of not less than \$300,000 per policy year may be included in the policy provisions.

A liability insurance policy required by this section must provide that it may not be canceled for any cause by either the insured or the insurer unless the canceling party has first given ten days' notice in writing to the issuing authority of intent to cancel the policy.

Sec. 39. Minnesota Statutes 1985 Supplement, section 340A.410, is amended by adding a subdivision to read:

Subd. 8. COPY OF SUMMONS. Every application for the issuance or renewal of intoxicating or nonintoxicating liquor licenses must include a copy of each summons received by the applicant under section 340A.802 during the preceding year.

Sec. 40. Minnesota Statutes 1985 Supplement, section 340A.412, subdivision 1, is amended to read:

Subdivision 1. **BOND REQUIRED.** A local unit of government shall not grant a retail license to sell intoxicating liquor until the applicant has filed a bond with corporate surety, or cash, or United States government bonds in the amount of not less than \$3,000 nor more than \$5,000 for on-sale licenses, and not less than \$1,000 nor more than \$3,000 for off-sale licenses. A common carrier who applies for a license to sell intoxicating liquor under section 340A.407, must file with the commissioner a bond with corporate surety, or cash, or government bonds in the sum of \$1,000. A bond filed under this subdivision must be conditional on the licensee obeying all laws governing the business and paying all taxes, fees, penalties, and other charges, and must provide that the bond is forfeited to the unit of government issuing the license on a violation of law. The commissioner must approve all bonds filed by applicants for an off-sale license.

Every application for the issuance or renewal of a license for the sale of intoxicating or nonintoxicating liquor must include a copy of each summons received by the applicant under section 340A.802 during the preceding year.

Sec. 41. Minnesota Statutes 1985 Supplement, section 340A.412, subdivision 9, is amended to read:

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

Subd. 9. **LICENSE TRANSFER.** A license may be transferred with the consent of the issuing authority, provided that a license ~~is~~ issued to a location at a racetrack licensed under chapter 240 may not be transferred. Where a license is held by a corporation, a change in ownership of ten percent or more of the stock of the corporation must be reported in writing to the authority who issued the license within ten days of the transfer.

Sec. 42. Minnesota Statutes 1985 Supplement, section 340A.415, is amended to read:

**340A.415 LICENSE REVOCATION OR SUSPENSION.**

The authority issuing or approving any retail license or permit under this chapter shall either suspend for up to 60 days or revoke the license or permit or impose a civil fine not to exceed \$2,000 for each violation on a finding that the license or permit holder has failed to comply with an applicable statute, regulation, or ordinance relating to alcoholic beverages. No suspension or revocation takes effect until the license or permit holder has been afforded an opportunity for a hearing under ~~chapter 14~~ sections 14.57 to 14.70 of the administrative procedure act.

Sec. 43. **[340A.510] WINE SAMPLES.**

Off-sale licenses and municipal liquor stores may provide samples of wine, liqueurs, and cordials which the licensee or municipal liquor store currently has in stock and is offering for sale to the general public without obtaining an additional license, provided the wine, liqueur, and cordial samples are dispensed at no charge and consumed on the licensed premises during the permitted hours of off-sale in a quantity less than 50 milliliters of wine per variety per customer and 25 milliliters of liqueur or cordial per variety per customer.

Sec. 44. Minnesota Statutes 1985 Supplement, section 340A.802, subdivision 1, is amended to read:

Subdivision 1. **NOTICE OF INJURY.** A person who claims damages and a person or insurer who claims contribution or indemnity from a licensed retailer of alcoholic beverages or municipal liquor store for or because of an injury within the scope of section 340A.801 must give a written notice to the licensee or municipality stating:

(1) the time and date when and person to whom the ~~liquor was~~ alcoholic beverages were sold or bartered;

(2) the name and address of the person or persons who were injured or whose property was damaged; and

(3) the approximate time and date, and the place where the injury to person or property occurred.

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

A licensee or municipality who claims contribution or indemnification from another licensee or municipality must give a written notice to the other licensee or municipality in the form and manner specified in this section.

An error or omission in the notice does not void the notice's effect if the notice is otherwise valid unless the error or omission is of a substantially material nature.

Sec. 45. Minnesota Statutes 1985 Supplement, section 340A.702, is amended to read:

**340A.702 GROSS MISDEMEANORS.**

It is a gross misdemeanor:

- (1) to sell an alcoholic beverage without a license authorizing the sale;
- (2) for a licensee to refuse or neglect to obey a lawful direction or order of the commissioner or the commissioner's agent, withhold information or a document the commissioner calls for examination, obstruct or mislead the commissioner in the execution of the commissioner's duties or swear falsely under oath;
- (3) to violate the provisions of sections 340A.301 to 340A.313;
- (4) to violate the provisions of section 340A.508;
- (5) for any person, partnership, or corporation to knowingly have or possess direct or indirect interest in more than one off-sale intoxicating liquor license in a municipality in violation of section 340A.412, subdivision ~~2~~ 3;
- (6) to sell or otherwise dispose of intoxicating liquor within 1,000 feet of a state hospital, training school, reformatory, prison, or other institution under the supervision and control, in whole or in part, of the commissioner of human services or the commissioner of corrections;
- (7) to violate the provisions of section 340A.502;
- (8) to violate the provisions of section 340A.503, subdivision 2, clause (1) or (3);
- (9) to withhold any information, book, paper, or other thing called for by the commissioner for the purpose of an examination;
- (10) to obstruct or mislead the commissioner in the execution of the commissioner's duties; or
- (11) to swear falsely concerning any matter stated under oath.

Sec. 46. Minnesota Statutes 1985 Supplement, section 356.216, is amended to read:

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

**356.216 CONTENTS OF ACTUARIAL VALUATIONS FOR LOCAL POLICE AND FIRE FUNDS.**

The provisions of section 356.215, governing the contents of actuarial valuations and experience studies shall apply to any local police or fire pension fund or relief association required to make an actuarial report under this section except as follows:

(1) in calculating normal cost and other requirements expressed as a level percentage of covered payroll, the salaries used in computing covered payroll shall be the maximum rate of salary from which retirement and survivorship credits and amounts of benefits are determined and from which member contributions are calculated and deducted;

(2) in lieu of the amortization date specified in section 356.215, subdivision 4, ~~clause (7)~~ 4g, the appropriate amortization target date specified in section 69.77, subdivision 2, clause (2), or 69.773, subdivision 4, clause (b), shall be used in calculating the required amortization contribution;

(3) in addition to the tabulation of active members and annuitants provided for in section 356.215, subdivision 4, ~~clause (10)~~ 4i, the member contributions for active members for the calendar year and the prospective annual retirement annuities under the benefit plan for active members shall be reported;

(4) actuarial valuations required pursuant to section 69.773, subdivision 2 shall be made at least every four years and actuarial valuations required pursuant to section 69.77 shall be made annually; and

(5) the actuarial balance sheet showing accrued assets, accrued liabilities, and the deficit from full funding of liabilities (unfunded accrued liability) shall include the following required reserves:

- (a) For active members
  - 1. Retirement benefits
  - 2. Disability benefits
  - 3. Refund liability due to death or withdrawal
  - 4. Survivors' benefits
- (b) For deferred annuitants' benefits
- (c) For former members without vested rights
- (d) For annuitants
  - 1. Retirement annuities
  - 2. Disability annuities
  - 3. Surviving spouses' annuities
  - 4. Surviving children's annuities

In addition to the above required reserves, separate items shall be shown for additional benefits, if any, which may not be appropriately included in the reserves listed above.

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

Sec. 47. Minnesota Statutes 1985 Supplement, section 358.44, is amended to read:

**358.44 NOTARIAL ACTS IN OTHER JURISDICTIONS OF THE UNITED STATES.**

(a) A notarial act has the same effect under the law of this state as if performed by a notarial officer of this state, if performed in another state, commonwealth, territory, district, or possession of the United States by any of the following persons:

- (1) a notary public of that jurisdiction;
- (2) a judge, clerk, or deputy clerk of a court of that jurisdiction; or
- (3) any other person authorized by the law of that jurisdiction to perform notarial acts.

(b) Notarial acts performed in other jurisdictions of the United States under federal authority as provided in ~~this~~ section 358.45 have the same effect as if performed by a notarial officer of this state.

(c) The signature and title of a person performing a notarial act are prima facie evidence that the signature is genuine and that the person holds the designated title.

(d) The signature and indicated title of an officer listed in subsection (a)(1) or (a)(2) conclusively establish the authority of a holder of that title to perform a notarial act.

Sec. 48. Minnesota Statutes 1984, section 383A.23, subdivisions 2, 3, and 4, are repealed.

Sec. 49. Minnesota Statutes 1984, section 383A.23, subdivision 5, is amended to read:

Subd. 5. **FUTURE REDISTRICTING.** ~~Beginning with the 1980 federal census,~~ The redistricting of Ramsey county is governed by ~~Minnesota Statutes,~~ section 375.025.

Sec. 50. Minnesota Statutes 1984, section 385.24, is amended to read:

**385.24 REFUSAL TO EXECUTE PROCESS.**

If any sheriff or other officer to whom an execution against a delinquent treasurer and his sureties is delivered neglects or refuses to execute the same, or neglects or refuses to pay over any money collected thereon, as required in section 385.23, he and his sureties shall be liable to the same penalties and proceeded against in the same manner as provided by law in the case of delinquent treasurers.

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

Sec. 51. Minnesota Statutes 1984, section 403.12, subdivisions 2 and 3, are repealed.

Sec. 52. Minnesota Statutes 1984, section 403.12, subdivision 1, is amended to read:

Subdivision 1. By January 1 of each year, the department of administration shall report to the legislature the progress that has been made in the implementation of sections 403.01 to 403.12. ~~There is also created a commission to study and consider alternates for continuing financing of the statewide 911 telephone emergency system.~~

Sec. 53. Minnesota Statutes 1984, section 414.061, subdivision 4, is amended to read:

Subd. 4. **BOARD INITIATION.** The board may initiate proceedings for the concurrent detachment and annexation of portions of one municipality completely surrounded by another municipality, on its own motion or upon the petition of all of the owners of property in the completely surrounded area. In such cases the board shall conduct hearings and issue its order as in the case of consolidations of two or more municipalities under sections 414.041, ~~subdivisions 3 and~~ subdivision 5, and 414.09.

Sec. 54. Minnesota Statutes 1984, section 414.061, subdivision 4a, is amended to read:

Subd. 4a. **PROPERTY NOT JOINING MAJOR PORTION OF MUNICIPALITY.** Upon the petition of all of the owners of property of a portion of a municipality which at no point joins the major portion of the municipality but which at some point joins another municipality the board may initiate proceedings for the concurrent detachment and annexation of said portion. In such cases the board shall conduct hearings and issue its order as in the case of consolidations of two or more municipalities under sections 414.041, ~~subdivisions 3 and~~ subdivision 5, and 414.09.

Sec. 55. Minnesota Statutes 1985 Supplement, section 414.061, subdivision 5, is amended to read:

Subd. 5. **PROPERTY OWNER INITIATION.** Property owners may initiate proceedings for the concurrent detachment of their property from one municipality and its annexation to an adjacent municipality by a petition signed by all of them. The board shall conduct hearings and issue its order as in the case of consolidations of two or more municipalities under sections 414.041, ~~subdivisions 3 and~~ subdivision 5 and 414.09.

Sec. 56. Minnesota Statutes 1985 Supplement, section 458.16, subdivision 6, is amended to read:

Subd. 6. Upon delegation by a municipality as provided in section ~~472B.08~~

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

472B.06, a port authority may exercise any of the delegated powers in connection with mined underground space development pursuant to sections 472B.03 to 472B.07.

Sec. 57. In Minnesota Statutes, chapter 462, the revisor shall change all references to "sections 462.381 to 462.396" to "sections 462.381 to 462.398."

Sec. 58. Minnesota Statutes 1984, section 462A.21, subdivision 8a, is amended to read:

Subd. 8a. It may establish a multifamily development assistance fund, on terms and conditions it deems advisable, to be used in connection with the financing of multifamily developments (a) to make loans, with or without interest, pursuant to section 462A.05, subdivisions ~~2~~ and 3, or (b) to make payments into accounts of the agency for the purpose of making payments required by a resolution for the issuance of its notes or bonds, as permitted by section 462A.10, subdivision 4.

Sec. 59. Minnesota Statutes 1985 Supplement, section 473.831, subdivision 1, is amended to read:

Subdivision 1. **GENERAL OBLIGATION BONDS.** The council may by resolution authorize the issuance of general obligation bonds of the council to provide funds for the purposes specified in subdivision 2 and for refunding obligations issued under this section. The bonds shall be sold, issued, and secured in the manner provided in chapter 475 for general obligation bonds, and the council shall have the same power and duties as a municipality and its governing body in issuing bonds under chapter 475, except as otherwise provided in this chapter. No election shall be required, and the net debt limitations in chapter 475 shall not apply. The council shall have the power to levy ad valorem taxes for debt service of the council's solid waste bonds upon all taxable property within the metropolitan area, without limitation of rate or amount and without affecting the amount or rate of taxes which may be levied by the council for other purposes or by any local government unit in the area. Each of the county auditors shall annually assess and extend upon the tax rolls in his county the portion of the taxes levied by the council in each year which is certified to him by the council. The principal amount of bonds issued pursuant to this section shall not exceed \$15,000,000.

Sec. 60. Minnesota Statutes 1985 Supplement, section 527.41, is amended to read:

**527.41 APPLICABILITY.**

Sections 527.21 to 527.40 apply to a transfer within the scope of section 527.22 made after January 1, 1986, if:

(1) the transfer purports to have been made under Minnesota Statutes 1984, sections 527.01 to 527.11; or

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(2) the instrument by which the transfer purports to have been made uses in substance the designation "as custodian under the uniform gifts to minors act" or "as custodian under the uniform transfers to minors act" of any other state, and the application of sections 527.21 to 527.40 is necessary to validate the transfer.

Sec. 61. Minnesota Statutes 1985 Supplement, section 527.42, is amended to read:

**527.42 EFFECT ON EXISTING CUSTODIANSHIPS.**

(a) Any transfer of custodial property as now defined in sections 527.21 to 527.40 made before January 1, 1986, is validated notwithstanding that there was no specific authority in Minnesota Statutes 1984, sections 527.01 to 527.11 for the coverage of custodial property of that kind or for a transfer from that source at the time the transfer was made.

(b) Sections 527.21 to 527.40 apply to all transfers made before January 1, 1986, in a manner and form prescribed in Minnesota Statutes 1984, sections 527.01 to 527.11, except insofar as the application impairs constitutionally vested rights or extends the duration of custodianships in existence before January 1, 1986.

(c) Sections 527.21 and 527.40 with respect to the age of a minor for whom custodial property is held under those sections do not apply to custodial property held in a custodianship that terminated because of the minor's attainment of the age of 18 after May 31, 1973, and before January 1, 1986.

Sec. 62. Minnesota Statutes 1985 Supplement, section 527.43, is amended to read:

**527.43 SAVINGS PROVISION.**

To the extent that sections 527.21 to 527.40, by virtue of section 527.42, paragraph (b), do not apply to transfers made in a manner prescribed in Minnesota Statutes 1984, sections 527.01 to 527.11 or to the powers, duties, and immunities conferred by transfers in that manner upon custodians and persons dealing with custodians, the repeal of Minnesota Statutes 1984, sections 527.01 to 527.11 does not affect those transfers or those powers, duties, and immunities.

Sec. 63. Minnesota Statutes 1985 Supplement, section 528.15, is amended to read:

**528.15 FORMS.**

Subdivision 1. **SURVIVORSHIP ACCOUNT.** Deposits made using a form of account containing the following language signed by the depositor shall be conclusive evidence of the intent of the depositor, in the absence of fraud or

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misrepresentation, subject, nevertheless, to other disposition made by will as provided in section 528.05, clause (d), to establish a survivorship account:

(a) "I (we) direct that the balance remaining in this account shall be PAYABLE ON DEATH (of the survivor of us) to:

.....  
.....  
Signed: .....  
.....

Dated: ....."

(b) "I (we) intend and agree that the balance in this account, upon the death of any party to this account, shall belong to the surviving party, or if there are two or more surviving parties, they shall take as JOINT TENANTS.

Signed: .....  
.....

Dated: ....."

**Subd. 2. ACCOUNT SUBJECT TO POWER OF ATTORNEY WITH NO SURVIVORSHIP RIGHTS.** Where no rights of survivorship are intended and the account is one to be established for convenience only between a depositor and an agent, the following language is recommended for use, and when so used, the account shall be construed as a matter of law to be an account subject to a power of attorney with no survivorship rights, the form to read as follows:

"I ..... (grantor of power), hereby constitute and appoint ..... (grantee of power), as my attorney in fact, to deposit or withdraw funds held in ..... (name of bank), in account No. ....

Signed: .....

Dated:

Acknowledgment: In the presence of ..... (an authorized person), ..... (name of financial institution)."

The power so granted is subject to the provisions of ~~Laws 1984, chapter 603~~ sections 508.72, 508A.72, and 523.01 to 523.25.

Sec. 64. Minnesota Statutes 1984, section 571.495, subdivision 2, is amended to read:

**Subd. 2. CONTENTS OF DISCLOSURE.** Such disclosure shall state:

(1) The amount of disposable earnings earned or to be earned within the judgment debtor's pay periods which may be subject to garnishment and all of the garnishee's indebtedness to the judgment debtor.

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

(2) Whether the ~~judgment creditor~~ garnishee held at the time aforesaid the title or possession of or any interest in any personal property or any instruments or papers relating to any such property belonging to the judgment debtor or in which he is interested. If he admits any such interest or any doubt respecting the same, he shall set forth a description of such property and the facts concerning the same, and the title, interest or claim of the judgment debtor in or to the same.

(3) If the garnishee claims any set-off or defense or claim or lien to such disposable earnings, indebtedness or property, he shall disclose the amount and the facts.

(4) Whether the judgment debtor claims any exemption from execution, or any other objection, known to the garnishee or the judgment debtor, against the right of the judgment creditor to apply upon his demand the debt or property disclosed.

(5) If other persons make claims to any disposable earnings, debt or property of the judgment debtor, the garnishee shall disclose the names and addresses of such other claimants and, so far as known, the nature of their claims.

Sec. 65. Minnesota Statutes 1984, section 590.01, subdivision 1, is amended to read:

Subdivision 1. **PETITION.** Except at a time when direct appellate relief is available, a person convicted of a crime, who claims that the conviction was obtained; or ~~that~~ the sentence or other disposition made violated his rights under the constitution or laws of the United States or of the state, may commence a proceeding to secure relief by filing a petition in the district court in the county in which the conviction was had to vacate and set aside the judgment and to discharge the petitioner or to resentence him or grant a new trial or correct the sentence or make other disposition as may be appropriate. Nothing contained herein shall prevent the supreme court or the court of appeals, upon application by a party, from granting a stay of a case on appeal for the purpose of allowing an appellant to apply to the district court for an evidentiary hearing under the provisions of this chapter. The proceeding shall conform with sections 590.01 to 590.06.

Sec. 66. Minnesota Statutes 1984, section 253B.02, subdivision 4a, is amended to read:

Subd. 4a. **CRIME AGAINST THE PERSON.** "Crime against the person" means a violation of or attempt to violate any of the following provisions: sections 609.185; 609.19; 609.195; 609.20; 609.205; 609.21; 609.215; 609.221; 609.222; 609.223; 609.224; 609.23; 609.231; 609.235; 609.24; 609.245; 609.25; 609.255; 609.265; 609.27, subdivision 1, clause (1) or (2); 609.28 if violence or threats of violence were used; 609.322, subdivision 1, clause (2); 609.342; 609.343; 609.344; 609.345; ~~609.3641; 609.3642; 609.3643; 609.3644;~~ 609.365; 609.498, subdivision 1; 609.50, clause (1); 609.561; 609.562; and 609.595.

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

Sec. 67. Minnesota Statutes 1984, section 260.015, subdivision 24, is amended to read:

Subd. 24. **DOMESTIC CHILD ABUSE.** "Domestic child abuse" means:

(1) any physical injury to a minor family or household member inflicted by an adult family or household member other than by accidental means; or

(2) subjection of a minor family or household member by an adult family or household member to any act which constitutes a violation of sections 609.321 to 609.324, 609.342, 609.343, 609.344, 609.345, ~~609.364 to 609.3644~~, or 617.246.

Sec. 68. Minnesota Statutes 1984, section 494.03, is amended to read:

494.03 **EXCLUSIONS.**

The guidelines shall exclude:

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

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

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

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

Sec. 69. Minnesota Statutes 1984, section 518B.01, subdivision 2, is amended to read:

Subd. 2. **DEFINITIONS.** As used in this section, the following terms shall have the meanings given them:

(a) "Domestic abuse" means: (i) physical harm, bodily injury, assault, or the infliction of fear of imminent physical harm, bodily injury or assault, between family or household members; or (ii) criminal sexual conduct, within the meaning of sections 609.342, 609.343, 609.344, or 609.345, committed against a minor family or household member by an adult family or household member; ~~or~~ (iii) ~~intrafamilial sexual abuse, within the meaning of sections 609.364 to 609.3644, committed against a minor family or household member by an adult family or household member.~~

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

(b) "Family or household members" means spouses, former spouses, parents and children, persons related by blood, and persons who are presently residing together or who have resided together in the past, and persons who have a child in common regardless of whether they have been married or have lived together at any time.

Sec. 70. Minnesota Statutes 1985 Supplement, section 609.346, subdivision 2, is amended to read:

Subd. 2. **SUBSEQUENT OFFENSE; PENALTY.** If a person is convicted of a second or subsequent offense under sections 609.342 to 609.345 ~~or sections 609.364 to 609.3644~~ within 15 years of the prior conviction, the court shall commit the defendant to the commissioner of corrections for imprisonment for a term of not less than three years, nor more than the maximum sentence provided by law for the offense for which convicted, notwithstanding the provisions of sections 242.19, 243.05, 609.11, 609.12 and 609.135.

Sec. 71, Minnesota Statutes 1984, section 609.346, subdivision 3, is amended to read:

Subd. 3. **PRIOR CONVICTIONS UNDER SIMILAR STATUTES.** For the purposes of this section, an offense is considered a second or subsequent offense if, prior to conviction of the second or subsequent offense, the actor has been at any time convicted under sections 609.342 to 609.345 ~~or sections 609.364 to 609.3644~~ or under any similar statute of the United States, or this or any other state.

Sec. 72. Minnesota Statutes 1984, section 609.347, subdivision 3, is amended to read:

Subd. 3. In a prosecution under sections 609.342 to 609.346 or ~~609.3641 to 609.365~~, evidence of the complainant's previous sexual conduct shall not be admitted nor shall any reference to such conduct be made in the presence of the jury, except by court order under the procedure provided in subdivision 4, and only to the extent that the court finds that any of the following proposed evidence is material to the fact at issue in the case and that its inflammatory or prejudicial nature does not outweigh its probative value:

(a) When consent or fabrication by the complainant is the defense in the case, evidence of such conduct tending to establish a common scheme or plan of similar sexual conduct under circumstances similar to the case at issue on the part of the complainant, relevant and material to the issue of consent or fabrication. Evidence of such conduct engaged in more than one year prior to the date of alleged offense is inadmissible;

(b) Evidence of specific instances of sexual activity showing the source of semen, pregnancy, or disease at the time of the incident or, in the case of pregnancy, between the time of the incident and trial;

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(c) Evidence of the complainant's past sexual conduct with the defendant;

(d) For purposes of impeachment, when such evidence is offered to rebut specific testimony of the complainant.

Sec. 73. Minnesota Statutes 1985 Supplement, section 609.3471, is amended to read:

**609.3471 RECORDS PERTAINING TO VICTIM IDENTITY CONFIDENTIAL.**

Notwithstanding any provision of law to the contrary, no data contained in records or reports relating to complaints or indictments issued pursuant to sections 609.342, clause (a) or (b); 609.343, clause (a) or (b); 609.344, clause (a) or (b); or 609.345, clause (a) or (b); or 609.3641 to 609.3644, which specifically identifies the victim shall be accessible to the public, except by order of the court. Nothing in this section authorizes denial of access to any other data contained in the records or reports, including the identity of the defendant.

Sec. 74. Minnesota Statutes 1984, section 609.348, is amended to read:

**609.348 MEDICAL PURPOSES; EXCLUSION.**

~~Laws 1975, Chapter 374, and sections 609.364 to 609.3644~~ Sections 609.341 to 609.351 shall not apply to sexual penetration or sexual contact when done for a bona fide medical purpose.

Sec. 75. Minnesota Statutes 1984, section 609.35, is amended to read:

**609.35 COSTS OF MEDICAL EXAMINATION.**

No costs incurred by a county, city, or private hospital or other emergency medical facility or by a private physician for the examination of a complainant of criminal sexual conduct ~~or intrafamilial sexual abuse, as defined in section 609.364, subdivision 10~~, when the examination is performed for the purpose of gathering evidence for possible prosecution, shall be charged directly or indirectly to the complainant. The reasonable costs of the examination shall be paid by the county in which the alleged offense was committed. Nothing in this section shall be construed to limit the duties, responsibilities, or liabilities of any insurer, whether public or private.

Sec. 76. Minnesota Statutes 1984, section 611A.03, subdivision 3, is amended to read:

Subd. 3. **APPLICABILITY.** The provisions of this section apply to crimes which are violations of sections 609.185, 609.19, 609.195, 609.20, 609.205, 609.221, 609.222, 609.223, 609.224, 609.24, 609.245, 609.25, 609.255, 609.342, 609.343, 609.344, 609.345, ~~609.3641, 609.3642, 609.3643, 609.3644~~, 609.365, 609.498, 609.561, 609.58, clauses (1)(b) and (2), and 609.687.

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

Sec. 77. Minnesota Statutes 1985 Supplement, section 626.556, subdivision 2, is amended to read:

Subd. 2. **DEFINITIONS.** As used in this section, the following terms have the meanings given them unless the specific content indicates otherwise:

(a) "Sexual abuse" means the subjection by a person responsible for the child's care, or by a person in a position of authority, as defined in section 609.341, subdivision 10, to any act which constitutes a violation of section 609.342, 609.343, 609.344, or 609.345; ~~or sections 609.364 to 609.3644.~~ Sexual abuse also includes any act which involves a minor which constitutes a violation of sections 609.321 to 609.324 or 617.246.

(b) "Person responsible for the child's care" means (1) an individual functioning within the family unit and having responsibilities for the care of the child such as a parent, guardian, or other person having similar care responsibilities, or (2) an individual functioning outside the family unit and having responsibilities for the care of the child such as a teacher, school administrator, or other lawful custodian of a child having either full-time or short-term care responsibilities including, but not limited to, day care, baby sitting whether paid or unpaid, counseling, teaching, and coaching.

(c) "Neglect" means failure by a person responsible for a child's care to supply a child with necessary food, clothing, shelter or medical care when reasonably able to do so or failure to protect a child from conditions or actions which imminently and seriously endanger the child's physical or mental health when reasonably able to do so. Nothing in this section shall be construed to (1) mean that a child is neglected solely because the child's parent, guardian or other person responsible for his care in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the child, or (2) impose upon persons, not otherwise legally responsible for providing a child with necessary food, clothing, shelter or medical care, a duty to provide that care. Neglect also means "medical neglect" as defined in section 260.015, subdivision 10, clause (e).

(d) "Physical abuse" means any physical injury inflicted by a person responsible for the child's care on a child other than by accidental means, or any physical injury that cannot reasonably be explained by the child's history of injuries.

(e) "Report" means any report received by the local welfare agency, police department or county sheriff pursuant to this section.

(f) "Facility" means a day care facility, residential facility, agency, hospital, sanatorium, or other facility or institution required to be licensed pursuant to sections 144.50 to 144.58, 241.021, or 245.781 to 245.812.

(g) "Operator" means an operator or agency as defined in section 245.782.

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

(h) "Commissioner" means the commissioner of human services.

(i) "Assessment" includes authority to interview the child, the person or persons responsible for the child's care, the alleged perpetrator, and any other person with knowledge of the abuse or neglect for the purpose of gathering the facts, assessing the risk to the child, and formulating a plan.

(j) "Practice of social services," for the purposes of subdivision 3, includes but is not limited to employee assistance counseling.

Sec. 78. Minnesota Statutes 1984, section 628.26, is amended to read:

**628.26 LIMITATIONS.**

(a) Indictments or complaints for murder may be found or made at any time after the death of the person killed.

(b) Indictments or complaints for violation of section 609.42, subdivision 1, clauses (1) or (2) shall be found or made and filed in the proper court within six years after the commission of the offense.

(c) Indictments or complaints for violation of sections ~~609.3641 to 609.3644, or for violation of sections~~ 609.342 to 609.345 if the victim was under the age of 18 years at the time the offense was committed, shall be found or made and filed in the proper court within seven years after the commission of the offense.

(d) Indictments or complaints for violation of sections 609.466 and 609.52, subdivision 2, clause (3)(d) shall be found or made and filed in the proper court within six years after the commission of the offense.

(e) In all other cases, indictments or complaints shall be found or made and filed in the proper court within three years after the commission of the offense; but the time during which the defendant shall not be an inhabitant of, or usually resident within, this state, shall not constitute any part of the limitations imposed by this section.

Sec. 79. Minnesota Statutes 1985 Supplement, section 631.045, is amended to read:

**631.045 EXCLUDING SPECTATORS FROM THE COURTROOM.**

At the trial of a complaint or indictment for a violation of sections 609.341 to ~~609.3644~~ 609.36, or 617.246, subdivision 2, when a minor under 18 years of age is the person upon, with, or against whom the crime is alleged to have been committed, the judge may exclude the public from the courtroom during the victim's testimony or during all or part of the remainder of the trial upon a showing that closure is necessary to protect a witness or ensure fairness in the trial. The judge shall give the prosecutor, defendant and members of the public the opportunity to object to the closure before a closure order. The judge shall

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specify the reasons for closure in an order closing all or part of the trial. Upon closure the judge shall only admit persons who have a direct interest in the case.

Sec. 80. Minnesota Statutes 1985 Supplement, section 609.344, subdivision 1, is amended to read:

Subdivision 1. **CRIME DEFINED.** A person is guilty of criminal sexual conduct in the third degree if he engages in sexual penetration with another person and any of the following circumstances exists:

(a) the complainant is under 13 years of age and the actor is no more than 36 months older than the complainant. Neither mistake as to the complainant's age nor consent to the act by the complainant shall be a defense;

(b) the complainant is at least 13 but less than 16 years of age and the actor is more than 24 months older than the complainant. In any such case it shall be an affirmative defense, which must be proved by a preponderance of the evidence, that the actor believes the complainant to be 16 years of age or older. If the actor in such a case is no more than 48 months but more than 24 months older than the complainant, he may be sentenced to imprisonment for not more than five years. Consent by the complainant is not a defense;

(c) the actor uses force or coercion to accomplish the penetration;

(d) the actor knows or has reason to know that the complainant is mentally impaired, mentally incapacitated, or physically helpless;

(e) the complainant is at least 16 but less than 18 years of age and the actor is more than 48 months older than the complainant and in a position of authority over the complainant, and uses this authority to cause the complainant to submit. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense;

(f) the actor has a significant relationship to the complainant and the complainant was at least 16 but under 18 years of age at the time of the sexual penetration. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense; ~~or~~

(g) the actor has a significant relationship to the complainant, the complainant was at least 16 but under 18 years of age at the time of the sexual penetration, and:

(i) the actor or an accomplice used force or coercion to accomplish the penetration;

(ii) the actor or an accomplice was armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it could be a dangerous weapon and used or threatened to use the dangerous weapon;

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

(iii) circumstances existed at the time of the act to cause the complainant to have a reasonable fear of imminent great bodily harm to the complainant or another;

(iv) the complainant suffered personal injury; or

(v) the sexual abuse involved multiple acts committed over an extended period of time.

Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense;

(h) the actor is a psychotherapist and the complainant is a patient of the psychotherapist and the sexual penetration occurred during the psychotherapy session. Consent by the complainant is not a defense;

(i) the actor is a psychotherapist and the complainant is a patient or former patient of the psychotherapist and the patient or former patient is emotionally dependent upon the psychotherapist; or

(j) the actor is a psychotherapist and the complainant is a patient or former patient and the sexual penetration occurred by means of therapeutic deception. Consent by the complainant is not a defense.

~~Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense.~~

Sec. 81. Minnesota Statutes 1985 Supplement, section 609.345, subdivision 1, is amended to read:

Subdivision 1. **CRIME DEFINED.** A person is guilty of criminal sexual conduct in the fourth degree if he engages in sexual contact with another person and if any of the following circumstances exists:

(a) the complainant is under 13 years of age and the actor is no more than 36 months older than the complainant. Neither mistake as to the complainant's age or consent to the act by the complainant is a defense. In a prosecution under this clause, the state is not required to prove that the sexual contact was coerced;

(b) the complainant is at least 13 but less than 16 years of age and the actor is more than 48 months older than the complainant or in a position of authority over the complainant and uses this authority to cause the complainant to submit. In any such case, it shall be an affirmative defense which must be proved by a preponderance of the evidence that the actor believes the complainant to be 16 years of age or older;

(c) the actor uses force or coercion to accomplish the sexual contact;

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

(d) the actor knows or has reason to know that the complainant is mentally impaired, mentally incapacitated, or physically helpless;

(e) the complainant is at least 16 but less than 18 years of age and the actor is more than 48 months older than the complainant and in a position of authority over the complainant, and uses this authority to cause the complainant to submit. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense;

(f) the actor has a significant relationship to the complainant and the complainant was at least 16 but under 18 years of age at the time of the sexual contact. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense; or

(g) the actor has a significant relationship to the complainant, the complainant was at least 16 but under 18 years of age at the time of the sexual contact, and:

(i) the actor or an accomplice used force or coercion to accomplish the contact;

(ii) the actor or an accomplice was armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it could be a dangerous weapon and used or threatened to use the dangerous weapon;

(iii) circumstances existed at the time of the act to cause the complainant to have a reasonable fear of imminent great bodily harm to the complainant or another;

(iv) the complainant suffered personal injury; or

(v) the sexual abuse involved multiple acts committed over an extended period of time.

Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense;

(h) the actor is a psychotherapist and the complainant is a patient of the psychotherapist and the sexual contact occurred during the psychotherapy session. Consent by the complainant is not a defense;

(i) the actor is a psychotherapist and the complainant is a patient or former patient of the psychotherapist and the patient or former patient is emotionally dependent upon the psychotherapist; or

(j) the actor is a psychotherapist and the complainant is a patient or former patient and the sexual contact occurred by means of therapeutic deception. Consent by the complainant is not a defense.

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

Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense.

Sec. 82. Except in sections 485.01 and 487.10, the revisor of statutes shall substitute the terms "court administrator" or "administrator" as appropriate for the terms "clerk of the district court" or "clerk of county court" or "clerk of municipal court" or "clerk of court" or "clerk" whenever that term appears in Minnesota Statutes in reference to the clerk of district court, clerk of county court or clerk of municipal court.

Sec. 83. Laws 1984, chapter 560, section 24, is repealed.

Sec. 84. **GRAY BALLOTS.**

If the number of offices to be voted on exceeds the number that can be accommodated on the voting machine, all the municipal judicial offices to be voted on must be placed on a single separate paper ballot prepared according to law. The separate paper ballot must be headed "Judicial Municipal Nonpartisan General Election Ballot" and printed on gray paper. Gray ballots must be distributed to voters, handled, counted, and canvassed in the manner provided by law for precincts using only paper ballots, so far as is practicable. The canvass of the gray paper ballots must not delay the canvass of votes recorded on the voting machines. A separate summary statement may be provided for reporting of the canvass of the gray paper ballots. The returns from the voting machines may be filed as provided in sections 206.75 and 206.77 before the canvass of the gray paper ballots is completed. Additional or replacement election judges may be appointed to count the gray paper ballots.

Sec. 85. Laws 1985, chapter 248, sections 28 and 29, are repealed.

Sec. 86. Laws 1985, chapter 252, section 24, is repealed.

Sec. 87. Laws 1985, First Special Session chapter 9, article 2, section 89, is repealed.

Sec. 88. Laws 1985, First Special Session chapter 14, article 3, section 13, is repealed.

Sec. 89. Laws 1985, First Special Session chapter 14, article 4, section 37, is repealed.

Sec. 90. Laws 1985, First Special Session chapter 14, article 4, section 91, is repealed.

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

## ARTICLE 2

## MISCELLANEOUS CORRECTIONS

Section 1. **EFFECT OF AMENDMENTS AND REPEALS.**

Subdivision 1. **CONFLICTS; PREVAILING LAW.** Regardless of the order of final enactment of this article and the acts it amends, the amendments or repeals in this article shall be given effect. Notwithstanding Minnesota Statutes, sections 645.26, subdivision 3, 645.33, or other law, an amendment in this article shall prevail over any other act amending the same provisions of law in an irreconcilable manner.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective the day following its final enactment.

Sec. 2. **CORRECTION.** Subdivision 1. **OMITTED LANGUAGE.** Laws 1986, chapter 394, section 10, subdivision 6, is amended to read:

Subd. 6. **PILOT PROJECTS.** The commissioner may transfer funds for chemical dependency services from the general fund appropriations for the general assistance, general assistance medical care, and medical assistance programs for pilot projects to design and test procedures needed to implement this legislation. The commissioner shall exempt funds from these sources that are used in pilot projects from relevant provisions of state laws and rules governing the use of these funds. The commissioner may make grants and contracts for this purpose, and the provisions of chapter 14 shall not apply to the procedures and criteria used to implement pilot projects. The commissioner shall submit a detailed plan of the proposed pilot project to the chair of the health and human services subcommittees of the senate finance committee and the chair of the human services division of the house appropriations committee for review prior to the implementation of the pilot project.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective March 22, 1986.

Sec. 3. **CORRECTION; OMITTED LOCAL APPROVAL PROVISION.** Laws 1986, chapter 424, section 3, is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the Anoka county board.

Sec. 4. **CORRECTION; INCORRECT REFERENCE.** Laws 1986, chapter 460, section 48, is amended to read:

Sec. 48. **[473.637] AIRCRAFT NOISE ZONES.**

Within 120 days after the selection and approval of a site for a new major airport in the metropolitan area, the metropolitan council shall determine the probable levels of noise that will result in various parts of the metropolitan area from the operation of aircraft using the site, shall establish aircraft noise zones based on that determination and applicable to property affected by the noise,

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

and shall establish acceptable levels of perceived noise decibels for each land use, using the composite noise rating method and tables or the noise exposure forecast method and tables. Each government unit having power to adopt land use and development control measures applicable to property included in any aircraft noise zone shall adopt or incorporate in existing land use and development control measures the applicable acceptable level of perceived noise decibels established by the council, and shall adopt whatever other control measures may be necessary to prevent the use, construction, or improvement of property and buildings subject to a level of perceived noise decibels in excess of the acceptable level established for that land use. The council shall mail a map showing the aircraft noise zones and a copy of the applicable acceptable levels of perceived noise decibels to the governing body of each government unit having authority to adopt land use and development control measures applicable to property in each aircraft noise zone, to the metropolitan airports commission, and to the state commissioner of transportation. The control measures adopted by a government unit to comply with this section must be submitted to and approved by the council and placed into effect by the government unit as provided in section ~~473.215~~ 47, subdivision 2. The council may change the aircraft noise zones and the applicable acceptable levels of perceived noise decibels to conform with the actual levels of noise produced by aircraft using the airport site when it is in operation, and may require changes in control measures applicable to airport noise zones to conform with changes made by it. No property may be used, and no building or other structure may be constructed or improved, within any aircraft noise zone if persons using the property and buildings would be subjected to a level of perceived noise decibels in excess of the acceptable level established by the council for that land use.

Sec. 5. **CORRECTION; INCORRECT REFERENCES.** Laws 1986, chapter 460, section 49, is amended to read:

Sec. 49. **[473.638] CONTROL MEASURE INVOLVING TAKING; CONDEMNATION BY METROPOLITAN AIRPORTS COMMISSION.**

Subdivision 1. **EMINENT DOMAIN.** If either the provisions or the application of section ~~473.215~~ 47, subdivision 2, or any land use and development control measure applicable to public or private property in an airport development area is determined by a court of competent jurisdiction to constitute a taking, the metropolitan airports commission in the exercise of its power to acquire lands for the airport has the power to acquire the property or any similar property, or an interest in it, to the extent needed for the application of the measure, by eminent domain exercised in accordance with chapter 117. The right of eminent domain must be exercised if the commission has or will have funds to pay the condemnation award and the council determines that it is necessary to protect the airport from encroachment or hazards, to protect residents in the area, to encourage the most appropriate use of property in the airport development area, or to protect and conserve the natural resources of the metropolitan area.

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

Subd. 2. **RETENTION OR SALE OF PROPERTY.** The commission may retain any property now owned by it or acquired under subdivision 1 and use it for a lawful purpose, or it may provide for the sale or other disposition of the property in accordance with a redevelopment plan in the same manner and upon the same terms as the housing and redevelopment authority and governing body of a municipality under the provisions of section 462.525, all subject to the provisions of section ~~473.215~~ 47, subdivision 2, or to existing land use and development control measures approved by the council.

Subd. 3. **SHARING OF COSTS.** The metropolitan airports commission and any other government unit in the metropolitan area may enter into an agreement under which the cost of acquiring a property and the proceeds from the sale or other disposition of it under subdivision 2 are to be shared by the commission and such government unit. The commission, the metropolitan council, or any government unit may also enter into any agreements with the United States or the state of Minnesota, or any agency or subdivision of either, and do all acts and things required by state or federal law or rules as a condition or consideration for the loan or grant of funds or property for the purpose of land acquisition or improvement under subdivisions 1 and 2.

Sec. 6. **CORRECTION; INCORRECT REFERENCES.** Laws 1986, chapter 460, section 50, is amended to read:

Sec. 50. **[473.639] RELATION TO AIRPORT HAZARD ZONING.**

Sections ~~473.215~~ 47 and ~~473.216~~ 48 and any criteria, guidelines, or land use and development control measure approved by the council under those sections in no way supersede or limit the powers conferred on a municipality to do airport hazard zoning, or the commissioner of transportation by sections 360.061 to 360.073. Any criteria, guidelines, or land use and development control measure approved by the council under section ~~473.215~~ 47 or ~~473.216~~ 48 must be consistent with any exercise of powers by the commissioner under sections 360.061 to 360.093.

Sec. 7. **CORRECTION; REFERENCE OMITTED.** Laws 1986, chapter 417, section 1, is amended to read:

Section 1. **LAND EXCHANGE AUTHORIZED.**

Notwithstanding Minnesota Statutes, section 94.343, subdivision 9 and the appraisal requirement under section 94.343, subdivision 3, the state of Minnesota may exchange certain parcels or tracts of state-owned land located within Carlton county with the city of Thomson.

(a) State lands to be exchanged are described as:

(1) All of the unplatted portion of Government Lot 1 lying northerly and easterly of that strip of land deeded to the Village of Thomson by the Northern

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

Pacific Railway Company, November 18, 1940, and recorded February 5, 1941, as document #101684 and on May 13, 1938, and recorded May 21, 1938, as document #96017; southerly of the former Burlington Northern, Inc.'s St. Paul to Duluth Branch right-of-way and easterly of the right-of-way of Minnesota Highway 210, in section 8, Township 48N, Range 16W.

(2) Lots 1 to 16, both inclusive, and Lot 21 of Block 5 and Lots 3, 4, 8 and 9 of Block 4 in the Townsite of Thomson, according to the plat thereof on file in the Office of the Recorder of Deeds of Carlton County, Minnesota.

(3) Those portions of Lots 17 to 20, both inclusive, 22 and 23 in Block 5 in the Townsite of Thomson, lying southerly of a line 75 feet northerly at right angles and parallel with the centerline of former Burlington Northern, Inc.'s St. Paul to Duluth Branch main line railroad track.

(4) That portion of a 20 foot wide north and south alley between Block 5 and Block 4 in the Townsite of Thomson that lies southerly of a line 75 feet northerly at right angles and parallel with the centerline of former Burlington Northern, Inc.'s St. Paul to Duluth Branch main line railroad track and northerly of the easterly projection of the southerly line of Lot 8 of Block 4 in the Townsite of Thomson.

(5) The South 85 feet of Lots 24 to 46, both inclusive, of Block 5, in the Townsite of Thomson.

(6) The North Half (N 1/2) of vacated Otter Avenue lying between the Southerly extension of the East and West lines of said Block 5, in the Townsite of Thomson.

(b) City lands to be exchanged are described as:

(1) A strip of land two hundred (200) feet wide in Government Lot One (1), Section eight (8), Township forty-eight (48) North, Range sixteen (16) West, 4th P.M., said strip being one hundred (100) feet wide on each side of the centerline of the original main track of the Lake Superior and Mississippi Railroad Company Fond Du Lac Branch as formerly constructed but now removed, and extending from the east line of said Government Lot one (1) to a westerly production of the north line of Block one (1) Original Town of Thomson, according to the recorded plat thereof.

(2) A strip of land fifty (50) feet wide on the northeasterly side of and adjoining the two hundred (200) foot strip above described, extending from a westerly production of the north line of said Block one (1) to a line drawn at right angles to the northeasterly line of the two hundred (200) foot strip above described from a point therein distant two hundred thirty-five (235) feet north-westerly, measured along said northeasterly line, from the east line of said Government Lot one (1).

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

(3) A strip of land 250 feet wide in Government Lot 1, said strip lying between two lines drawn parallel with and distant 150 feet northeasterly and 100 feet southwesterly, measured at right angles, from the centerline of the original main tract of the Lake Superior and Mississippi Railroad Company Fond Du Lac Branch as formerly constructed but now removed, and extending from a line drawn parallel with and distant 100 feet southerly, measured at right angles, from the centerline of the main track of the Northern Pacific Railway Company's St. Paul to Duluth Line as now constructed and operated to a westerly projection of the north line of Block 1, Original Town of Thomson, according to the recorded plat thereof.

Sec. 8. **CORRECTION.** Subdivision 1. **INCORRECT REFERENCE.** Laws 1986, chapter 383, section 17, subdivision 5, is amended to read:

Subd. 5. **CRITICAL HABITAT PRIVATE SECTOR MATCHING ACCOUNT.** \$2,500,000 is appropriated from the bond proceeds account of the reinvest in Minnesota resources fund for transfer to the critical habitat private sector matching account established under section ~~49 9~~.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective the day after final enactment.

Sec. 9. **CORRECTION.** Subdivision 1. **REFERENCE CORRECTION.** Laws 1986, chapter 456, section 1, subdivision 2, is amended to read:

Subd. 2. **DISCLOSURE OF INFORMATION.** The commissioner may disclose to individuals or to the community, information including data made nonpublic by law, relating to the hazardous properties and health hazards of hazardous substances released from a workplace if the commissioner finds:

(1) evidence that a person requesting the information may have suffered or is likely to suffer illness or injury from exposure to a hazardous substance; or

(2) evidence of a community health risk and if the commissioner seeks to have the employer cease an activity which results in release of a hazardous substance.

Nonpublic data obtained under subdivision 1 is subject to handling, use, and storage according to established standards to prevent unauthorized use or disclosure. If the nonpublic data is required for the diagnosis, treatment, or prevention of illness or injury, a personal physician may be provided with this information if the physician agrees to preserve the confidentiality of the information, except for patient health records subject to section ~~444.355~~ 144.335. After the disclosure of any hazardous substance information relating to a particular workplace, the commissioner shall advise the employer of the information disclosed, the date of the disclosure, and the person who received the information.

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

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective July 1, 1987.

Sec. 10. **CORRECTION.** Subdivision 1. **REPEALER AND REENACTMENT.** Laws 1986, chapter 460, section 59, is amended to read:

Sec. 59. **REPEALER.**

Minnesota Statutes 1984, sections 473.01; 473.02; 473.03; 473.04; 473.05; 473.06; 473.07; 473.08; 473.09; 473.10; 473.11; 473.121, subdivisions 7 and 9; 473.128; 473.163, subdivisions 3 and 4; 473.193; 473.203; 473.215; 473.216; 473.217; 473.218; 473.219; 473.373, subdivision 3; 473.377, subdivisions 2 and 3; ~~473.38, subdivision 4~~; 473.502; 473.523, subdivision 3; and 473.802 are repealed.

Subd. 2. **REENACTMENT.** Minnesota Statutes 1984, section 473.38, subdivision 1, is reenacted.

Subd. 3. **EFFECTIVE DATE.** Subdivisions 1 and 2 are effective the day after final enactment.

Sec. 11. **CORRECTION; OMITTED LANGUAGE.** Minnesota Statutes 1985 Supplement, section 168.013, subdivision 1e, as amended by Laws 1986, chapter 398, article 13, section 1, is amended to read:

Subd. 1e. **TRUCKS; TRACTORS; COMBINATIONS; EXCEPTIONS.** On trucks and tractors except those in this chapter defined as farm trucks, on truck-tractor and semitrailer combinations except those defined as farm combinations, and on commercial zone vehicles, the tax based on total gross weight shall be graduated according to the Minnesota base rate schedule prescribed in this subdivision, but in no event less than \$120.

#### Minnesota Base Rate Schedule

Scheduled taxes include five percent  
surtax provided for in subdivision 14

#### TOTAL GROSS WEIGHT

	IN POUNDS	TAX
A	0 - 1,500	\$ 15
B	1,501 - 3,000	20
C	3,001 - 4,500	25
D	4,501 - 6,000	35
E	6,001 - 9,000	45
F	9,001 - 12,000	70
G	12,001 - 15,000	105
H	15,001 - 18,000	145
I	18,001 - 21,000	190
J	21,001 - 26,000	270
K	26,001 - 33,000	360

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L 33,001 - 39,000	475
M 39,001 - 45,000	595
N 45,001 - 51,000	715
O 51,001 - 57,000	865
P 57,001 - 63,000	1015
Q 63,001 - 69,000	1185
R 69,001 - 73,280	1325
S 73,281 - 78,000	1595
T 78,001 - 81,000	1760

For purposes of the Minnesota base rate schedule, for vehicles with six or more axles in the "S" and "T" categories, the base rates are \$1,520 and \$1,620 respectively.

For each vehicle with a gross weight in excess of 81,000 pounds an additional tax of \$50 is imposed for each ton or fraction thereof in excess of 81,000 pounds, subject to subdivision 12.

Truck-tractors except those herein defined as farm and commercial zone vehicles shall be taxed in accord with the foregoing gross weight tax schedule on the basis of the combined gross weight of the truck-tractor and any semitrailer or semitrailers which the applicant proposes to combine with the truck-tractor.

Commercial zone trucks include only trucks, truck-tractors, and semitrailer combinations which are:

(1) used by an authorized local cartage carrier operating under a permit issued under section 221.296 and whose gross transportation revenue consists of at least 60 percent obtained solely from local cartage carriage, and are operated solely within an area composed of two contiguous cities of the first class and municipalities contiguous thereto as defined by section 221.011, subdivision 17; or,

(2) operated by an interstate carrier registered under section 221.60, or by an authorized local cartage carrier or other carrier receiving operating authority under chapter 221, and operated solely within a zone exempt from regulation by the interstate commerce commission pursuant to United States Code, title 49, section 10526(b).

The license plates issued for commercial zone vehicles shall be plainly marked. A person operating a commercial zone vehicle outside the zone or area in which its operation is authorized is guilty of a misdemeanor and, in addition to the penalty therefor, shall have the registration of the vehicle as a commercial zone vehicle revoked by the registrar and shall be required to reregister the vehicle at 100 percent of the full annual tax prescribed in the Minnesota base rate schedule, and no part of this tax shall be refunded during the balance of the registration year.

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On commercial zone trucks the tax shall be based on the total gross weight of the vehicle and during the first eight years of vehicle life shall be 75 percent of the Minnesota base rate schedule. During the ninth and succeeding years of vehicle life the tax shall be 50 percent of the Minnesota base rate schedule, except as otherwise provided in this subdivision. On commercial zone trucks, during the ninth and succeeding years of vehicle life, the tax shall be 50 percent of the tax imposed in the Minnesota base rate schedule.

On trucks, truck-tractors and semitrailer combinations, except those defined as farm trucks and farm combinations, and except for those urban trucks and combinations and commercial zone vehicles specifically provided for in this subdivision, the tax for the first eight years of vehicle life shall be 100 percent of the tax imposed in the Minnesota base rate schedule, and during the ninth and succeeding years of vehicle life, the tax shall be 75 percent of the Minnesota base rate prescribed by this subdivision, except as otherwise provided in this subdivision.

On trucks, truck-tractors and semitrailer combinations, except those defined as farm trucks and farm combinations, and except for those commercial zone vehicles specifically provided for in this subdivision, during each of the first eight years of vehicle life the tax shall be 100 percent of the tax imposed in the Minnesota base rate schedule.

Sec. 12. **CORRECTION.** Minnesota Statutes 1984, section 169.045, subdivision 7, as amended by Laws 1986, chapter 452, section 19, is amended to read:

Subd. 7. **NONAPPLICATION OF CERTAIN LAWS.** The provisions of chapter 171, are not applicable to persons operating motorized golf carts or four-wheel all-terrain vehicles under permit on designated roadways pursuant to this section. Except for the requirements of section 169.70, the provisions of this chapter relating to equipment on vehicles is not applicable to motorized golf carts or four-wheel all-terrain vehicles operating, under permit, on designated roadways.

~~For purposes of the Minnesota base rate schedule, for vehicles with six or more axles in the "S" and "T" categories, the base rates are \$1,520 and \$1,620 respectively.~~

Sec. 13. **CORRECTION.** Subdivision 1. **DRAFTING ERROR.** Laws 1986, chapter 398, article 1, section 11, subdivision 5, is amended to read:

Subd. 5. **EFFECT OF MEDIATION MEETING NOTICE.** (a) Except as provided in paragraph (b), if a creditor receives a mediation meeting notice under subdivision 4 the creditor and the creditor's successors in interest may not continue proceedings to enforce a debt against agricultural property of the debtor under chapter 580 or 581 or sections 336.9-501 to 336.9-508, to terminate a contract for deed to purchase agricultural property under section 559.21, or to

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garnish, levy on, execute on, seize, or attach agricultural property. Time periods under and affecting those procedures stop running until (1) 90 days after the ~~conclusion~~ initiation of mediation, or (2) a mediation agreement is reached.

(b) If a creditor is an agency of the United States and receives a mediation meeting notice under subdivision 4, the creditor and the creditor's successors in interest may not continue proceedings to enforce a debt against agricultural property of the debtor under chapter 580 or 581 or sections 336.9-501 to 336.9-508, to terminate a contract for deed to purchase agricultural property under section 559.21, or to garnish, levy on, execute on, seize, or attach agricultural property. Time periods under and affecting those procedures stop running until (1) 180 days after the ~~conclusion~~ initiation of mediation, or (2) a mediation agreement is reached.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective the day after final enactment.

Sec. 14. **CORRECTION.** Subdivision 1. **INCORRECT REFERENCE.** Minnesota Statutes 1984, section 349.212, subdivision 4, as amended by Laws 1986, chapter 467, section 23, subdivision 4, is amended to read:

Subd. 4. **PULL-TAB TAX.** There is imposed a tax on the sale of each deal of pull-tabs sold by a licensed distributor to a licensed organization, or to an organization holding an exemption identification number. The rate of the tax is ten percent of the face resale value of all the pull-tabs in each deal less the total prizes which may be paid out on all the pull-tabs in that deal. The tax is payable to the commissioner of revenue in the manner prescribed in section 24 and the rules of the commissioner. The commissioner shall pay the proceeds of the tax to the state treasurer for deposit in the general fund. The sales tax imposed by chapter 297A on the sale of the pull-tabs by the licensed distributor to an organization is imposed on the retail sales price less the tax imposed by this subdivision. The retail sale of pull-tabs by the organization is exempt from taxes imposed by chapter 297A if the tax imposed by this subdivision has been paid and is exempt from all local taxes and license fees except a fee authorized under section ~~349.213, subdivision 3~~ 349.16, subdivision 4.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective January 1, 1987.

Sec. 15. **CORRECTION.** Subdivision 1. **INCORRECT REFERENCE.** Minnesota Statutes 1985 Supplement, section 349.212, subdivision 1, as amended by Laws 1986, chapter 467, section 22, is amended to read:

Subdivision 1. **RATE.** There is hereby imposed a tax on all lawful gambling, other than pull-tabs, conducted by organizations licensed by the board at the rate specified in this subdivision. The tax imposed by this subdivision is in lieu of the tax imposed by section 297A.02 and all local taxes and license fees except a fee authorized under section ~~349.213, subdivision 3~~ 349.16, subdivision 4.

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

On all lawful gambling, other than pull-tabs, the tax is ten percent of the gross receipts of a licensed organization from lawful gambling less prizes actually paid out, payable by the organization.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective January 1, 1987.

Sec. 16. **CORRECTION.** Subdivision 1. Minnesota Statutes 1984, section 349.15, as amended by Laws 1986, chapter 467, section 7, is amended to read:

**349.15 USE OF PROFITS.**

Profits from lawful gambling may be expended only for lawful purposes or expenses as authorized at a regular meeting of the conducting organization. Provided that no more than 50 percent of ~~gross receipts~~ profits from bingo, and no more than 40 percent for other forms of lawful gambling, may be expended for necessary expenses related to lawful gambling. The board shall provide by rule for the administration of this section, including specifying allowable expenses. The rules may provide a maximum percentage of gross receipts which may be expended for certain expenses.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective June 1, 1986.

Sec. 17. **CORRECTION.** Subdivision 1. Laws 1986, chapter 467, section 24, subdivision 3, is amended to read:

Subd. 3. **SUSPENSION, REVOCATION.** The commissioner, after notice and hearing, may for reasonable cause revoke or suspend a permit held by a contributor. A notice must be sent to the distributor at least 30 days before the hearing and give notice of the time and place of the hearing, must give the reason for the proposed suspension or revocation, and must require the distributor show cause why the proposed action should not be taken. The notice may be served personally or by mail in the manner prescribed for service of notice of a deficiency. The commissioner may not issue a new permit after revocation except upon application accompanied by reasonable evidence of the intention of the applicant to comply with all applicable laws and rules. ~~The commissioner may condition the issuance of a new permit to the applicant on the supplying of security in addition to that authorized by subdivision 2 as is reasonably necessary to ensure compliance with all applicable laws and rules.~~

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective January 1, 1987.

Sec. 18. **CORRECTION.** Subdivision 1. **OMITTED LANGUAGE.** Minnesota Statutes 1984, section 471.992, as amended by Laws 1986, chapter 459, section 1, is amended to read:

**471.992 EQUITABLE COMPENSATION RELATIONSHIPS.**

Subdivision 1. **ESTABLISHMENT.** Subject to sections 179A.01 to 179A.25 but notwithstanding any other law to the contrary, every political subdivision of

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this state shall establish equitable compensation relationships between female-dominated, male-dominated, and balanced classes of employees.

Subd. 2. **ARBITRATION.** In all interest arbitration held pursuant to sections 179A.01 to 179A.25, the arbitrator shall consider the equitable compensation relationship standards established in this section, the standards established under section 471.993 together with other standards appropriate to interest arbitration. The arbitrator shall consider both the results of a job evaluation study and any employee objections to the study.

Subd. 3. **EFFECTIVE DATE.** This section will become effective August 1, 1987.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective August 1, 1987.

Sec. 19. **CORRECTION.** Laws 1986, chapter 359, section 27, is amended to read:

Sec. 27. **EFFECTIVE DATE.**

Sections 1 to 26 are effective the day following final enactment. The financial reporting and auditing duties of the state auditor under sections 2 and 9 are effective for fire and police state aid payments payable after December 31, 1986.

Sec. 20. **CORRECTION.** Laws 1986, chapter 365, section 22, is amended to read:

Sec. 22. **LOCAL APPROVAL.**

~~This act~~ Section 20 is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the county board of Olmsted county.

Sec. 21. **EFFECTIVE DATE; CORRECTION.** Laws 1986, chapter 389, sections 1 to 7 are effective retroactively to March 22, 1986.

Sec. 22. **CORRECTION.** Laws 1986, chapter 372, section 1, subdivision 1, is amended to read:

Subdivision 1. **GENERAL.** The definitions in this section apply to sections 1 to 4, 6, and 7.

Sec. 23. **CORRECTION.** Subdivision 1. **INCORRECT SECTION REFERENCE.** Minnesota Statutes 1984, section 46.044, as amended by Laws 1986, chapter 339, section 1, is amended to read:

46.044 **CHARTERS ISSUED, CONDITIONS.**

If (1) the applicants are of good moral character and financial integrity, (2) there is a reasonable public demand for this bank in this location, (3) the organization expenses being paid by the subscribing shareholders do not exceed

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

the necessary legal expenses incurred in drawing incorporation papers and the publication and the recording thereof, as required by law, (4) the probable volume of business in this location is sufficient to insure and maintain the solvency of the new bank and the solvency of the then existing bank or banks in the locality without endangering the safety of any bank in the locality as a place of deposit of public and private money, (5) the commissioner of commerce is satisfied that the proposed bank will be properly and safely managed, and (6) the applicant, if it is an interstate bank holding company, as defined in section 6, has provided developmental loans as required by section 14, and has complied with the net new funds reporting requirements of section 4 7, the application must be granted; otherwise it must be denied. In case of the denial of the application, the commissioner of commerce shall specify the grounds for the denial. A person aggrieved, may obtain judicial review of the determination in accordance with chapter 14.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective August 1, 1986.

Sec. 24. **CORRECTION.** Subdivision 1. **INCORRECT SECTION REFERENCE.** Laws 1986, chapter 339, section 6, subdivision 1, is amended to read:

Subdivision 1. **TERMS.** When used in sections ~~4~~ 4 to ~~9~~ 14, the terms defined in this section have the meanings given them, unless their context requires a different meaning.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective March 20, 1986.

Sec. 25. **CORRECTION.** Subdivision 1. **INCORRECT CHAPTER REFERENCE.** Laws 1986, chapter 339, section 8, is amended to read:

Sec. 8. **[48.93] NEW BANK APPLICATION.**

Any application to organize a bank pursuant to chapter ~~45~~ 46 may include control by a reciprocating state bank holding company if, in addition to the conditions in section 46.041, the application does not present any facts which would be grounds for disapproval in section 7, subdivision 4, and if the application would result in the acquisition and operation of no more than one bank in this state by the same reciprocating state bank holding company.

Sec. 26. **CORRECTION.** Subdivision 1. **INCORRECT SECTION REFERENCE.** Laws 1986, chapter 339, section 15, subdivision 1, is amended to read:

Subdivision 1. **RESOLUTION.** The board of directors of a bank or a bank holding company located in this state may adopt a resolution before July 1, 1987, to exempt the bank or bank holding company from section 4 7. If the board of directors adopts the resolution and files a certified copy of it as required by subdivision 2, the bank or bank holding company may not be acquired under section 4 7.

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

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective August 1, 1986.

Sec. 27. **CORRECTION.** Subdivision 1. **INCORRECT SECTION REFERENCES.** Laws 1986, chapter 339, section 16, is amended to read:

Sec. 16. **[51A.58] INTERSTATE BRANCHING.**

An association may, by acquisition, merger, or consolidation, establish or operate branch offices in any reciprocating state, and a savings and loan association chartered in the state may establish branch offices in this state. For the purposes of this section, "reciprocating state" is: (1) a state that authorizes the establishment of branch offices in that state by an association located in this state under conditions no more restrictive than those imposed by the laws of Minnesota as determined by the commissioner of commerce; and (2) limited to the states specifically enumerated as reciprocating states in section 6, subdivision 7.

The commissioner of commerce shall adopt rules to provide that procedural requirements equivalent to those contained in sections ~~4~~ 4 to ~~9~~ 14 apply to reciprocal interstate branching by savings and loan associations.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective August 1, 1986.

Sec. 28. **CORRECTION.** Subdivision 1. **INCORRECT SECTION REFERENCES.** Laws 1986, chapter 339, section 17, is amended to read:

Sec. 17. **EFFECTIVE DATE.**

(a) Sections ~~4~~ 4 to ~~3~~ 6 and ~~9~~ 13 are effective the day following final enactment.

(b) If paragraph (c) does not apply, sections ~~4~~ 7 to ~~8~~ 12 are effective July 1, 1986.

(c) If any reciprocating state enacts legislation that permits bank holding companies located in this state to acquire banks or bank holding companies in that state, and that piece of legislation has an effective date prior to July 1, 1986, which apply to these acquisitions, then this act is effective on that date of enactment, but in no event may sections ~~4~~ 7 to ~~8~~ 12 be effective prior to July 1, 1985.

Subd. 2. **EFFECTIVE DATES.** The amendments to subdivision 1 are effective March 20, 1986.

Sec. 29. **CORRECTION.** Laws 1986, chapter 460, section 7, subdivision 1, is amended to read:

Sec. 7. **[473.13] BUDGET, FINANCIAL AID.**

Subdivision 1. **BUDGET.** On or before October 1 of each year the council,

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after a public hearing, shall adopt a budget covering its anticipated receipts and disbursements for the ensuing year and shall decide upon the total amount necessary to be raised from ad valorem tax levies to meet its budget. After adoption of the budget and no later than October 1, the council shall certify to the auditor of each metropolitan county the ~~county's~~ share of the tax to be levied within that county, which must be an amount bearing the same proportion to the total levy agreed on by the council as the assessed valuation of the county bears to the assessed valuation of the metropolitan area. The maximum amount of any levy made for the purpose of this chapter may not exceed the limits set by sections 473.167 and 473.249.

Sec. 30. **CORRECTION.** Laws 1986, chapter 460, section 7, subdivision 2, is amended to read:

Subd. 2. **COUNTY LEVIES.** The auditor of each metropolitan county shall add the amount of any levy made by the council within the limits imposed by subdivision 1 to other tax levies ~~of~~ imposed within the county for collection by the county treasurer with other taxes. When collected the county treasurer shall make settlement of the taxes with the council in the same manner as other taxes are distributed to political subdivisions. The levy authorized by this section is in addition to any other ~~county~~ taxes levied within the county authorized by law.

Sec. 31. **CORRECTION.** Laws 1986, chapter 416, section 4, is amended to read:

Sec. 4. **[375.85] COUNTIES MAY MARKET SOFTWARE PRODUCTS.**

Notwithstanding any other law to the contrary, a county or group of counties acting jointly under section 471.59 may sell or license self-developed or vendor custom-developed computer software products or systems either on competitive bids or in the open market, in the discretion of the county or joint powers board. Prices for the software products or systems may be based on market considerations. A county or group of counties may make agreements with private persons or entities to assist with marketing software products or systems.

Sec. 32. **CORRECTION.** Subdivision 1. **INCORRECT TERM.** Laws 1986, chapter 391, section 7, is amended to read:

Sec. 7. **USE OF PROCEEDS; POWERS.**

The proceeds of the taxes imposed under section 3, 4, or 5 and the proceeds of the distribution under section 12 may only be expended by the city for the public purpose stated in section 1, as follows: (i) the distribution under section 12 shall be expended for the total cost of financing and debt service payments for highway improvements, including interest on bonds issued pursuant to Laws 1985, chapter 295; (ii) the proceeds from taxes imposed under section 3 may be

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expended for the total cost of financing and debt service payments for highway improvements or other public improvements within the project area except operating, maintaining, or promoting public malls, plazas, or courtyards; (iii) the proceeds from the taxes imposed under sections 4 and 5 may be expended for debt service on bonds issued for highway improvements or citywide improvements and public services as authorized by law and charter. The city may transfer funds to the port authority to accomplish the public purpose of section 1 only as authorized by this section.

The city of Bloomington shall pay, from funding sources enumerated above, all costs of the highway improvements, including trunk highways, within the project area. To provide for this funding of trunk highways, the city and the commissioner of transportation may enter into an agreement under which the city agrees to loan, without interest, and to advance money to the commissioner for deposit in the state treasury to the credit of the trunk highway fund an amount sufficient for the design services, the construction and the construction engineering of those trunk highway facilities that the commissioner determines necessary to build as part of the ~~related~~ highway improvements. The commissioner must repay those loan funds to the city from the trunk highway fund in ten equal annual installments commencing after completion of the trunk highway facilities within the ~~related~~ highway improvements or 1990, whichever occurs later in time. No interest or inflation index money will be paid to the city for the use of this loan money by the commissioner from the trunk highway fund.

In order to expedite the project and to minimize disruption to the statewide highway program, the city shall be the lead agency responsible for all design, contract letting, award, and administration of highway improvements in the project area. The city shall acquire and convey to the state, without costs to the state, all rights-of-way needed for trunk highway improvements in the project area.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective the day after final enactment.

Sec. 33. **CORRECTION.** Subdivision 1. **ALLOCATION REDUCTION ERROR.** Laws 1986, chapter 465, article 1, section 11, is amended to read:

Sec. 11. **[474A.03] DETERMINATION OF ANNUAL VOLUME CAP.**

Subdivision 1. **ANNUAL VOLUME CAP UNDER EXISTING FEDERAL TAX LAW.** At the beginning of each calendar year, the department shall determine the aggregate dollar amount of the annual volume cap under existing federal tax law for the calendar year, and of this amount the department shall determine the following amounts:

- (1) the amount that is allocated to entitlement issuers under section 12;

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(2) the amount initially available for allocation through the pool under section 13, which is the annual volume cap determined under this subdivision less the amount determined under clause (1); and

(3) the amount available for issuance of qualified mortgage bonds under section 15.

**Subd. 2. ANNUAL VOLUME CAP UNDER FEDERAL VOLUME LIMITATION ACT.** At the beginning of each calendar year, the department shall determine the aggregate dollar amount of the annual volume cap under a federal volume limitation act during the calendar year, and of this amount the department shall determine the following amounts:

(1) the amount, if any, that a federal volume limitation act requires be reserved for qualified 501(c)(3) bonds or the amount provided by section 20, subdivision 9;

(2) the amount of the governmental volume cap allocated to entitlement issuers under section 16, stating separately (i) the amount available for issuance of "qualified mortgage bonds" or obligations with a comparable definition in a federal volume limitation act, and (ii) the amount available for issuance of any obligations; and

(3) the amount initially available for allocation through the pool under section 19, which is the amount of the governmental volume cap less the aggregate of the amounts determined in clause (2).

Notwithstanding the foregoing, for the period from and including January 1, 1987, to and including June 30, 1987, the following limitations shall apply: (i) one-half of the amount determined pursuant to clause (2)(ii) shall be allocated to entitlement issuers under section 16; (ii) the entire amount determined pursuant to clause (2)(i) shall be allocated to entitlement issuers under section 16; (iii) one-half of the amount determined pursuant to clause (3) shall be made available for allocation under section 19; and (iv) one-half of the amount, if any, determined pursuant to clause (1) shall be made available for allocation under section 20, unless the amount is determined pursuant to section 20, subdivision 9, in which case the full amount is available. The remaining amount of annual volume cap for calendar year 1987 not so allocated, or made available for allocation, shall remain unallocated unless otherwise provided by law.

**Subd. 3. ADJUSTMENTS FOR CHANGES TO VOLUME CAP IN FEDERAL VOLUME LIMITATION ACT.** If the annual volume cap in a federal volume limitation act that becomes law is greater than or less than the annual volume cap that existed in a federal volume limitation act in the form that existed as of January 1, 1986, the department shall adjust the calculations made under subdivision 2, except for clause (1), and section 16, except as provided in section 27. If the annual volume cap is adjusted, the commissioner may withdraw any allocation granted before the adjustment was made pursuant to which obligations have been issued, only with the written consent of the issuer.

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Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective the day after final enactment.

Sec. 34. **CORRECTION.** Subdivision 1. **CLARIFICATION.** Laws 1986, chapter 465, article 1, section 20, subdivision 9, is amended to read:

Subd. 9. **NO MANDATORY SET-ASIDE; 501(C)(3) POOL.** If a federal volume limitation act is enacted that does not require that issuance authority be set aside for qualified 501(c)(3) bonds and qualified 501(c)(3) bonds are subject to the annual volume cap, \$70,000,000 of issuance authority is available for allocation under this section from January 1 through October 31 of 1986 and \$35,000,000 of issuance authority is available for allocation under this section from January 1, 1987 through June 30, 1987. Notwithstanding the provisions of subdivision 6, if issuance authority is available for allocation pursuant to this subdivision, no allocation may be made pursuant to this section after October 31 for calendar year 1986 and the remaining amount of unallocated authority under this section that is or becomes available is canceled and must be reallocated pursuant to section 19.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective the day after final enactment.

Sec. 35. **CORRECTION.** Subdivision 1. **EFFECTIVE DATE OMITTED.** Laws 1986, chapter 465, article 2, section 25, is amended to read:

Sec. 25. **EFFECTIVE DATE.**

Sections 1, 5, 18, 19, 21, 22 and 23 are effective the day following final enactment.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective the day after final enactment.

Sec. 36. Minnesota Statutes 1984, section 275.125, subdivision 9, as amended by Laws 1986, chapter 441, section 1, is amended to read:

Subd. 9. **LEVY REDUCTIONS; TACONITE.** (1) Reductions in levies pursuant to subdivision 10 of this section, and section 273.138, shall be made prior to the reductions in clause (2).

(2) Notwithstanding any other law to the contrary, districts which received payments pursuant to sections 294.21 to 294.26; 298.23 to 298.28, except an amount distributed under section 298.28, subdivision 1, paragraph (3)(b)(ii); 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; 477A.15; and any law imposing a tax upon severed mineral values, or under any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties, or recognized revenue pursuant to section 477A.15; shall not include a portion of these aids in their permissible levies pursuant to those sections, but instead shall reduce the permissible levies authorized by this section and sec-

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tions 124A.03, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, ~~and~~ 124A.14, subdivision 5a, and 124A.20, subdivision 2, by the greater of the following:

(a) an amount equal to 50 percent of the total dollar amount of the payments received pursuant to those sections or revenue recognized pursuant to section 477A.15 in the previous fiscal year; or

(b) an amount equal to the total dollar amount of the payments received pursuant to those sections or revenue recognized pursuant to section 477A.15 in the previous fiscal year less the product of the same dollar amount of payments or revenue times the ratio of the maximum levy allowed the district under sections 124A.03, subdivision 2, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, and 124A.14, subdivision 5a, to the total levy allowed the district under this section and sections 124A.03, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, 124A.14, subdivision 5a, and 124A.20, subdivision 2, in the year in which the levy is certified.

(3) No reduction pursuant to this subdivision shall reduce the levy made by the district pursuant to section 124A.03, subdivision 1, to an amount less than the amount raised by a levy of 12.5 mills times the adjusted assessed valuation of that district for the preceding year as determined by the equalization aid review committee. The amount of any increased levy authorized by referendum pursuant to section 124A.03, subdivision 2 shall not be reduced pursuant to this subdivision. The amount of any levy authorized by subdivision 4, to make payments for bonds issued and for interest thereon, shall not be reduced pursuant to this subdivision.

(4) Before computing the reduction pursuant to this subdivision of the capital expenditure levy authorized by subdivision 11a, and the community service levy authorized by subdivision 8, the commissioner shall ascertain from each affected school district the amount it proposes to levy for capital expenditures pursuant to subdivision 11a and for community services pursuant to subdivision 8. The reduction of the capital expenditure levy and the community services levy shall be computed on the basis of the amount so ascertained.

(5) Notwithstanding any law to the contrary, any amounts received by districts in any fiscal year pursuant to sections 294.21 to 294.26; 298.23 to 298.28; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67 ~~except an amount distributed under section 298.28, subdivision 1, paragraph (3)(b)(ii);~~ or any law imposing a tax on severed mineral values, or under any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties; and not deducted from foundation aid pursuant to section 124A.035, subdivision 5, clause (2), and not applied to reduce levies pursuant to this subdivision shall be paid by the district to the St. Louis county auditor in the following amount by March 15 of each year except 1986, the amount required to

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be subtracted from the previous fiscal year's foundation aid pursuant to section 124A.035, subdivision 5, which is in excess of the foundation aid earned for that fiscal year. The county auditor shall deposit any amounts received pursuant to this clause in the St. Louis county treasury for purposes of paying the taconite homestead credit as provided in section 273.135.

Sec. 37. Minnesota Statutes 1985 Supplement, section 298.225, subdivision 1, as amended by Laws 1986, chapter 441, section 10, is amended to read:

**298.225 APPROPRIATION.**

Subdivision 1. For distribution of taconite production tax in 1987 and thereafter with respect to production in 1986 and thereafter, the distribution of the taconite production tax as provided in section 298.28, subdivision 1, clauses (1) to (4) and (5)(b), (5)(c), (6), and (7)(a), shall equal the lesser of the following amounts:

(1) the amount distributed pursuant to this section and section 298.28, subdivision 1, with respect to 1983 production if the production for the year prior to the distribution year is no less than 42,000,000 taxable tons. If the production is less than 42,000,000 taxable tons, the amount of the distributions shall be reduced proportionately at the rate of two percent for each 1,000,000 tons, or part of 1,000,000 tons by which the production is less than 42,000,000 tons; or

(2)(i) for the distributions made pursuant to section 298.28, subdivision 1, clauses (3)(a), (3)(b), and (5)(c), 50 percent of the amount distributed pursuant to this section and section 298.28, subdivision 1, with respect to 1983 production.

(ii) for the distributions made pursuant to section 298.28, subdivision 1, clauses (4)(a) and (4)(b)(c), 75 percent of the amount distributed pursuant to this section and section 298.28, subdivision 1, with respect to 1983 production.

Sec. 38. Minnesota Statutes 1985 Supplement, section 298.28, subdivision 1, as amended by Laws 1986, chapter 441, section 12, is amended to read:

Subdivision 1. **DISTRIBUTION.** The proceeds of the taxes collected under section 298.24, except the tax collected under section 298.24, subdivision 2, shall, upon certification of the commissioner of revenue, be allocated as follows:

(1) 2.5 cents per gross ton of merchantable iron ore concentrate, hereinafter referred to as "taxable ton," to the city or town in the county in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. If the mining, quarrying, and concentration, or different steps in either thereof are carried on in more than one taxing district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities and towns among such subdivisions upon the basis of attributing

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40 percent of the proceeds of the tax to the operation of mining or quarrying the taconite, and the remainder to the concentrating plant and to the processes of concentration, and with respect to each thereof giving due consideration to the relative extent of such operations performed in each such taxing district. His order making such apportionment shall be subject to review by the tax court at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner.

(2) (a) 12.5 cents per taxable ton, less any amount distributed under clause (7), paragraph (a), and paragraph (b) of this clause, to be distributed as provided in section 298.282.

(b) An amount annually certified by the county auditor of a county containing a taconite tax relief area within which there is (1) an organized township if, as of January 2, 1982, more than 75 percent of the assessed valuation of the township consists of iron ore or (2) a city if, as of January 2, 1980, more than 75 percent of the assessed valuation of the city consists of iron ore. The amount will be the portion of a township's or city's certified levy equal to the proportion of (1) the difference between 50 percent of January 2, 1982, assessed value in the case of a township and 50 percent of the January 2, 1980, assessed value in the case of a city and its current assessed value to (2) the sum of its current assessed value plus the difference determined in (1). The county auditor shall extend the township's or city's levy against the sum of the township's or city's current assessed value plus the difference between 50 percent of its January 2, 1982, assessed value and its current assessed value in the case of a township and between 50 percent of its January 2, 1980, assessed value and its current assessed value in the case of a city. If the current assessed value of the township exceeds 50 percent of the township's January 2, 1982, assessed value, or if the current assessed value of the city exceeds 50 percent of the city's January 2, 1980, assessed value, this clause shall not apply.

(3) 27.5 cents per taxable ton plus the increase provided in paragraph (c) to qualifying school districts to be distributed, based upon the certification of the commissioner of revenue, as follows:

(a) 5.5 cents per taxable ton to the school districts in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. The distribution must be based on the apportionment formula prescribed in clause (1).

(b) (i) 22 cents per taxable ton, less any amount distributed under part (d), shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 in direct proportion to school district indexes as follows: for each school district, its pupil units determined under section 124.17 for the prior school year shall be multiplied by the ratio of the average adjusted assessed value per pupil unit for

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school districts receiving aid under this clause as calculated pursuant to chapter 124A for the school year ending prior to distribution to the adjusted assessed value per pupil unit of the district. Each district shall receive that portion of the distribution which its index bears to the sum of the indices for all school districts that receive the distributions.

(ii) Notwithstanding clause (i), each school district ~~shall receive that receives~~ a distribution under ~~this paragraph (b)~~ sections 294.21 to 294.26; 298.23 to 298.28, exclusive of any amount received under this clause; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67 or any law imposing a tax on several mineral values or any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties that is not less than the amount of its levy reduction under section 275.125, subdivision 9, for the second year prior to the year of the distribution shall receive a distribution equal to the difference; the amount necessary to make this ~~minimum~~ payment shall be derived from proportionate reductions in the initial distribution to other school districts under clause (i).

(c) On July 15, in years prior to 1988, an amount equal to the increase derived by increasing the amount determined by clause (3)(b) in the same proportion as the increase in the steel mill products index over the base year of 1977 as provided in section 298.24, subdivision 1, clause (a), shall be distributed to any school district described in clause (3)(b) where a levy increase pursuant to section 124A.03, subdivision 2, is authorized by referendum, according to the following formula. On July 15, 1988 and subsequent years, the increase over the amount established for the prior year shall be determined according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1, paragraph (a). Each district shall receive the product of:

(i) \$150 times the pupil units identified in section 124.17, subdivision 1, enrolled in the second previous year or the 1983-1984 school year, whichever is greater, less the product of 1-3/4 mills times the district's taxable valuation in the second previous year; times

(ii) the lesser of:

(A) one, or

(B) the ratio of the amount certified pursuant to section 124A.03, subdivision 2, in the previous year, to the product of 1-3/4 mills times the district's taxable valuation in the second previous year.

If the total amount provided by clause (3)(c) is insufficient to make the payments herein required then the entitlement of \$150 per pupil unit shall be reduced uniformly so as not to exceed the funds available. Any amounts received by a qualifying school district in any fiscal year pursuant to clause (3)(c) shall not be applied to reduce foundation aids which the district is entitled to receive pursuant to section 124A.02 or the permissible levies of the district. Any

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amount remaining after the payments provided in this paragraph shall be paid to the commissioner of iron range resources and rehabilitation who shall deposit the same in the taconite environmental protection fund and the northeast Minnesota economic protection trust fund as provided in clause (9).

(d) There shall be distributed to any school district the amount which the school district was entitled to receive under section 298.32 in 1975.

(4) 16.5 cents per taxable ton to counties to be distributed, based upon certification by the commissioner of revenue, as follows:

(a) 13 cents per taxable ton shall be distributed to the county in which the taconite is mined or quarried or in which the concentrate is produced, less any amount which is to be distributed pursuant to part (b). The apportionment formula prescribed in clause (1) is the basis for the distribution.

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, one cent per taxable ton of the tax distributed to the counties pursuant to part (a) and imposed on and collected from such taxpayer shall be paid to the county in which the power plant is located.

(c) 3.5 cents per taxable ton shall be paid to the county from which the taconite was mined, quarried or concentrated to be deposited in the county road and bridge fund. If the mining, quarrying and concentrating, or separate steps in any of those processes are carried on in more than one county, the commissioner shall follow the apportionment formula prescribed in clause (1).

(5) (a) 22 cents per taxable ton, less any amount required to be distributed under parts (b) and (c), to St. Louis county acting as the counties' fiscal agent, to be distributed as provided in sections 273.134 to 273.136.

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, .1875 cent per taxable ton of the tax imposed and collected from such taxpayer shall be paid to the county.

(c) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a school district other than a school district in which the mining and concentrating processes are conducted, .5625 cent per taxable ton of the tax imposed and collected from the taxpayer shall be paid to the school district.

(6) Three cents per taxable ton shall be paid to the iron range resources and rehabilitation board for the purposes of section 298.22. The amount determined in this clause shall be increased in 1981 and subsequent years prior to 1988 in

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the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1 and shall be increased in 1988 and subsequent years according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1. The amount distributed pursuant to this clause shall be expended within or for the benefit of a tax relief area defined in section 273.134. No part of the fund provided in this clause may be used to provide loans for the operation of private business unless the loan is approved by the governor and the legislative advisory commission.

(7) (a) .20 cent per taxable ton shall be paid to the range association of municipalities and schools, for the purpose of providing an areawide approach to problems which demand coordinated and cooperative actions and which are common to those areas of northeast Minnesota affected by operations involved in mining iron ore and taconite and producing concentrate therefrom, and for the purpose of promoting the general welfare and economic development of the cities, towns and school districts within the iron range area of northeast Minnesota.

(b) 1.5 cents per taxable ton shall be paid to the northeast Minnesota economic protection trust fund.

(8) the amounts determined under clauses (5)(a) and (7)(b) shall be increased in 1979 and subsequent years prior to 1988 in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1. Those amounts shall be increased in 1988 and subsequent years in the same proportion as the increase in the implicit price deflator as provided in section 298.24, subdivision 1.

The amounts distributions per ton determined under clauses (4)(a), (4)(c), (5)(b), and (5)(c) for ~~distribution in 1987~~ 1988 and subsequent years shall be the amount distribution per ton determined for distribution in 1986 under ~~Minnesota Statutes 1985 Supplement, section 298.28, subdivision 1, clauses (4)(a), (4)(e), and (5)(b) 1987.~~

(9) the proceeds of the tax imposed by section 298.24 which remain after the distributions and payments in clauses (1) to (8), as certified by the commissioner of revenue, and parts (a) and (b) of this clause have been made, together with interest earned on all money distributed under this subdivision prior to distribution, shall be divided between the taconite environmental protection fund created in section 298.223 and the northeast Minnesota economic protection trust fund created in section 298.292 as follows: Two-thirds to the taconite environmental protection fund and one-third to the northeast Minnesota economic protection trust fund. The proceeds shall be placed in the respective special accounts.

(a) There shall be distributed to each city, town, school district, and county the amount that they received under section 294.26 in calendar year 1977; provided, however, that the amount distributed in 1981 to the unorganized

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territory number 2 of Lake county and the town of Beaver Bay based on the between-terminal trackage of Erie Mining Company will be distributed in 1982 and subsequent years to the unorganized territory number 2 of Lake county and the towns of Beaver Bay and Stony River based on the miles of track of Erie Mining Company in each taxing district.

(b) There shall be distributed to the iron range resources and rehabilitation board the amounts it received in 1977 under section 298.22.

On or before October 10 of each calendar year each producer of taconite or iron sulphides subject to taxation under section 298.24 (hereinafter called "taxpayer") shall file with the commissioner of revenue an estimate of the amount of tax which would be payable by such taxpayer under said law for such calendar year; provided such estimate shall be in an amount not less than the amount due on the mining and production of concentrates up to September 30 of said year plus the amount becoming due because of probable production between September 30 and December 31 of said year, less any credit allowable as hereinafter provided. The commissioner of revenue shall annually on or before October 10 report an estimated distribution amount to each taxing district and the officers with whom such report is so filed shall use the amount so indicated as being distributable to each taxing district in computing the permissible tax levy of such county or city in the year in which such estimate is made, and payable in the next ensuing calendar year, except that one cent per taxable ton of the amount distributed under clause (4)(c) shall not be deducted in calculating the permissible levy. In any calendar year in which a general property tax levy subject to sections 275.50 to 275.59 has been made, if the taxes distributable to any such county or city are greater than the amount estimated by the commissioner to be paid to any such county or city in such year, the excess of such distribution shall be held in a special fund by the county or city and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under sections 275.50 to 275.59, of such county or city payable in such year. If the amounts distributable to any such county or city after final determination by the commissioner of revenue under this section are less than the amounts by which a taxing district's levies were reduced pursuant to this section, such county or city may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections 275.50 to 275.59 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

Sec. 39. Laws 1986, chapter 441, section 15, is amended to read:

Sec. 15. **EFFECTIVE DATE.**

Except as otherwise specifically provided, section 1 is effective for distributions received and levies certified in 1987 and subsequent years, except that the change from the commissioner of finance to the St. Louis county auditor shall be

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effective for distributions in 1986 and subsequent years. Sections 4, 10, 12, and 13 are effective for distributions in 1987 and subsequent years, except that the changes in paragraph 3 of section 298.28, subdivision 1, are effective for distributors in 1988 and subsequent years. Sections 2, 3, and 4 are effective for taxes levied in 1986, payable in 1987, and thereafter. Sections 5 and 6 are effective for gross earnings derived after December 31, 1986. Sections 7 and 8 are effective for purchases and use made after May 1, 1986, provided that the first refunds for construction materials and supplies due as a result of the exemption under section 8 may not be paid by the commissioner before July 15, 1987. Except as otherwise provided, section 9 is effective for ores mined or produced after December 31, 1986.

Sec. 40. **CORRECTION.** Subdivision 1. **DRAFTING ERROR.** Minnesota Statutes 1984, section 424A.001, subdivision 7, as added by Laws 1986, chapter 359, section 19, is amended to read:

Subd. 7. **FIDUCIARY RESPONSIBILITY.** In the discharge of their respective duties, the officers and trustees shall be held to the standard of care enumerated in section 11A.09.

Each member of the board is a fiduciary. No fiduciary of a relief association shall cause a relief association to engage in a transaction if the fiduciary knows or should know that a transaction constitutes one of the following direct or indirect transactions:

- (1) sale or exchange or leasing of any real property between the relief association and a board member;
- (2) lending of money or other extension of credit between the relief association and a board member or member of the relief association;
- (3) furnishing of goods, services, or facilities between the relief association and a board member ~~or member of the relief association;~~ or
- (4) transfer to a board member, or use by or for the benefit of a board member, of any assets of the relief association. Transfer of assets does not mean the payment of relief association benefits or administrative expenses permitted by law.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective the day after final enactment.

Sec. 41. **CORRECTION.** Subdivision 1. **REPEALER.** Laws 1986, chapter 399, article 2, is repealed.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective the day following final enactment.

Sec. 42. **CORRECTION.** Subdivision 1. **AMENDMENT.** Minnesota Statutes 1984, section 487.191, is amended to read:

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**487.191 MERGER WITH DISTRICT COURTS.**

Except in the second, third, fourth, and seventh judicial districts, one year following certification to the secretary of state of intention to reorganize the trial courts by a majority of the district judges and a majority of the county or county municipal judges of a judicial district, there shall be one general trial court of the judicial district to be known as the district court, which shall also be a probate court. In the second, third, fourth, and seventh judicial districts, the judicial district reorganization shall become effective three months after certification to the secretary of state of intention to reorganize the trial courts by a majority of the district judges and a majority of the county judges of the second, third, fourth, and seventh judicial districts.

Upon the effective date of a judicial district reorganization, the district court, except in the second and fourth districts, shall also exercise the powers, duties, and jurisdiction conferred upon courts by chapters 260, 484, 487, 491, 492, 493, and 525.

Upon the effective date of a judicial district reorganization of the second or fourth districts, the district court shall also exercise the powers conferred upon courts by chapters 488A, 492, and 493.

Notwithstanding any other law, the county or county municipal judges of the district in office on the effective date of a reorganization shall be district judges and shall continue in office for the balance of the term for which they were elected or appointed and shall be entitled to run for reelection district-wide as incumbent judges of the district court. If a reorganization plan from the fourth judicial district is certified to the secretary of state prior to July 1, 1986, all candidates for judgeships in the fourth judicial district shall file and run for the office of district judge as if a reorganization plan, filed pursuant to this section, were in effect.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective one day after final enactment.

Sec. 43. **CORRECTION.** Subdivision 1. **CLARIFICATION.** Laws 1986, chapter 455, section 21, subdivision 1, is amended to read:

Subdivision 1. **CREATION.** The Minnesota joint underwriting association is created to provide insurance coverage to any person or entity unable to obtain insurance through ordinary methods if the insurance is required by statute, ordinance, or otherwise required by law, or is necessary to earn a livelihood or conduct a business and serves a public purpose. Prudent business practice or mere desire to have insurance coverage is not a sufficient standard for the association to offer insurance coverage to a person or entity. The association shall be specifically authorized to provide insurance coverage to day care providers, foster parents, foster homes, developmental achievement centers, group homes, and sheltered workshops for mentally, emotionally, or physically handi-

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

capped persons, and citizen participation groups established pursuant to the housing and community redevelopment act of 1974, Public Law Number 93-383. Because the activities of certain persons or entities present a risk that is so great, the association shall not offer insurance coverage to any person or entity the board of directors of the association determines is outside the intended scope and purpose of the association because of the gravity of the risk of offering insurance coverage. The association shall not offer environmental impairment liability or product liability insurance; ~~or~~. The association shall not offer coverage for activities that are conducted substantially outside the state of Minnesota unless the insurance is required by statute, ordinance, or otherwise required by law. Every insurer authorized to write property and casualty insurance in this state shall be a member of the association as a condition to obtaining and retaining a license to write insurance in this state.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective retroactively to March 26, 1986.

Sec. 44. **CORRECTION.** Subdivision 1. **DRAFTING ERROR.** Laws 1986, chapter 398, article 2, section 3, subdivision 2, is amended to read:

Subd. 2. **HOMESTEAD DESIGNATION NOTICE.** (a) The following notice must be included in the foreclosure notice of property containing a homestead that is served on the mortgagor under section 580.04. The notice must be in 10 point capitalized letters.

"PART OF THE PROPERTY TO BE SOLD CONTAINS YOUR HOUSE. YOU MAY DESIGNATE THE AREA OF A HOMESTEAD TO BE SOLD AND REDEEMED SEPARATELY.

YOU MAY DESIGNATE THE HOUSE YOU OCCUPY AND ANY AMOUNT OF THE PROPERTY AS A HOMESTEAD. THE DESIGNATED HOMESTEAD PROPERTY MUST CONFORM TO THE LOCAL ZONING ORDINANCES AND BE COMPACT SO THAT IT DOES NOT UNREASONABLY REDUCE THE VALUE OF THE REMAINING PROPERTY.

YOU MUST PROVIDE THE PERSON FORECLOSING ON THE PROPERTY, THE SHERIFF, AND THE COUNTY RECORDER WITH A COPY OF THE LEGAL DESCRIPTION OF THE HOMESTEAD YOU HAVE DESIGNATED BY TEN BUSINESS DAYS BEFORE THE DATE THE PROPERTY IS TO BE SOLD."

(b) The following notice must be served with the summons and complaint in an action to foreclose a mortgage of property containing a homestead under chapter 581. The notice must be in 10 point capitalized letters.

"PART OF THE PROPERTY TO BE SOLD CONTAINS YOUR HOUSE. YOU MAY DESIGNATE THE AREA OF A HOMESTEAD TO BE SOLD AND REDEEMED SEPARATELY.

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

YOU MAY DESIGNATE THE HOUSE YOU OCCUPY AND ~~UP TO 80 ACRES~~ ANY AMOUNT OF THE PROPERTY AS A HOMESTEAD. THE DESIGNATED HOMESTEAD PROPERTY MUST CONFORM TO THE LOCAL ZONING ORDINANCES AND BE COMPACT SO THAT IT DOES NOT UNREASONABLY REDUCE THE VALUE OF THE REMAINING PROPERTY.

YOU MUST PROVIDE THE COURT WITH A LEGAL DESCRIPTION OF THE HOMESTEAD YOU HAVE DESIGNATED.”

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective March 22, 1986.

Sec. 45. **CORRECTION.** Subdivision 1. **INCORRECT REFERENCE.** Laws 1986, chapter 398, article 6, section 2, subdivision 2, is amended to read:

Subd. 2. **ADMINISTRATION.** “Administration” means the Minnesota rural finance administration created in section ~~3~~ 4.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective March 22, 1986.

Sec. 46. **CORRECTION.** Subdivision 1. **DRAFTING ERROR.** Laws 1986, chapter 398, article 29, section 1, subdivision 7, is amended to read:

Subd. 7. **AVTI AND UNIVERSITY OF MINNESOTA TECHNICAL COLLEGES TUITION SUPPLEMENT.** \$1,350,000 is appropriated from the general fund to the state board of vocational technical education, for the biennium ending June 30, 1987, for the following services in proportions deemed necessary by the board to the ~~agricultural area~~ agricultural area vocational technical institutes and the University of Minnesota two-year technical colleges for:

(1) reduced tuition costs for existing farm business management and small business management programs; and

(2) additional farm business management programs and workshops.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective March 22, 1986.

Sec. 47. **CORRECTION.** Subdivision 1. **POSITION EXTENSION.** Notwithstanding any other law to the contrary, four workers' compensation fund positions in the department of labor and industry are continued for fiscal year 1987.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective the day after final enactment.

Sec. 48. **CORRECTION.** Subdivision 1. **LIMITATION NECESSARY.** Laws 1986, chapter 358, section 12, is amended to read:

Sec. 12. Minnesota Statutes 1984, section 82.24, subdivision 2, is amended to read:

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

Subd. 2. **LICENSEE ACTING AS PRINCIPAL.** Any licensed real estate broker or salesperson acting in the capacity of principal in the sale or rental of interests in real estate owned or rented by him shall deposit in a Minnesota bank or trust company, any foreign bank which authorizes the commissioner to examine its records of the deposits, or an industrial loan and thrift company organized under chapter 53 with deposit liabilities, in a trust account, those parts of all payments received on contracts that are necessary to meet any amounts concurrently due and payable on any existing mortgages, contracts for deed or other conveyancing instruments, and reserve for taxes and insurance or any other encumbrance on the receipts. The deposits must be maintained until disbursement is made under the terms of the encumbrance and proper accounting on the property made to the parties entitled to an accounting. The provisions of this subdivision relating to rental of interests in real estate apply only to single family residential property.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective August 1, 1986.

Sec. 49. **CORRECTION.** Minnesota Statutes 1984, section 298.22, subdivision 3, is amended to read:

Subd. 3. Whenever the commissioner of iron range resources and rehabilitation has made determinations required by subdivision 1 and has determined that distress and unemployment exists or may exist in the future in any county by reason of the removal of the natural resources or a possible limited use thereof in the future and the decrease in employment resulting therefrom and he deems that the acquirement of real estate or personal property is necessary and proper in the development of the remaining resources, he may acquire such property or interests therein by gift, purchase or lease. The commissioner may purchase insurance to protect any property acquired from loss or damage by fire, or to protect the commissioner from any liability the commissioner may incur by reason of ownership of the property, or both. If after such property is acquired it is necessary in the judgment of the commissioner to acquire a right of way for access to projects operated on property acquired, by gift, purchase or lease, said right of way may be acquired by condemnation in the manner provided by law.

Sec. 50. **CORRECTION.** Subdivision 1. **OMITTED EFFECTIVE DATE.** 1986 Regular Session H.F. No. 1886, section 21, is amended to read:

Sec. 21. **EFFECTIVE DATES.**

Subdivision 1. Sections 1 and 2 are effective the day after the governing bodies of the city of Minneapolis and Hennepin county comply with Minnesota Statutes, section 645.021, subdivision 3.

Subd. 2. Sections 3 to 8 are effective for assessments in 1986 and thereafter.

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Subd. 3. Section 9 is effective retroactive to August 1, 1985.

Subd. 4. Sections 10 and 11 are effective for assessments prepared after the date of final enactment of this act.

Subd. 5. Sections 15 to 20 are effective the day after the governing body of the city of Minneapolis complies with Minnesota Statutes, section 645.021, subdivision 3.

Subd. 6. Sections 12 to 14 are effective the day following final enactment.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective the day following final enactment.

Sec. 51. **CORRECTION.** Subdivision 1. Minnesota Statutes 1985 Supplement, section 256.969, subdivision 2, as amended by Laws 1986, chapter 420, section 6, is amended to read:

Subd. 2. **RATES FOR INPATIENT HOSPITALS.** Rates paid to inpatient hospitals shall be based on a rate per admission until the commissioner can begin to reimburse hospitals for services under the medical assistance and general assistance medical care programs based upon a diagnostic classification system appropriate to the service populations. On July 1, 1984, the commissioner shall begin to utilize to the extent possible existing classification systems, including medicare. The commissioner may incorporate the grouping of hospitals with similar characteristics for uniform rates upon the development and implementation of the diagnostic classification system. Prior to implementation of the diagnostic classification system, the commissioner shall report the proposed grouping of hospitals to the senate health and human services committee and the house health and welfare committee. Effective August 1, 1985, the computation of the base year cost per admission and the computation of the relative values of the diagnostic categories must include identified outlier cases and their weighted costs up to the point that they become outlier cases, but must exclude costs and days beyond that point. Claims paid for care provided on or after August 1, 1985, ~~may~~ shall be adjusted to reflect a recomputation of rates. The commissioner ~~shall~~ may reconstitute the diagnostic categories to reflect actual hospital practices, the specific character of specialty hospitals, or to reduce variances within the diagnostic categories after notice in the state register and a 30 day comment period. After May 1, 1986, acute care hospital billings under the medical assistance and general assistance medical care programs must not be submitted until the recipient is discharged. However, the commissioner shall establish monthly interim payments with inpatient hospitals that have individual patient lengths of stay in excess of 30 days regardless of diagnosis-related group. For purposes of establishing interim rates, the commissioner is exempt from the requirements of chapter 14. Medical assistance and general assistance medical care reimbursement for treatment of mental illness shall be reimbursed based upon diagnosis classifications. The commissioner may selectively contract with hospitals for services within the diagnostic classifications relating to mental

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illness and chemical dependency under competitive bidding when reasonable geographic access by recipients can be assured. No physician shall be denied the privilege of treating a recipient required to utilize a hospital under contract with the commissioner, as long as the physician meets credentialing standards of the individual hospital.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective the day following final enactment.

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### ARTICLE 3

Section 1. Minnesota Statutes 1985 Supplement, section 524.2-109, is amended to read:

#### 524.2-109 MEANING OF CHILD AND RELATED TERMS.

If, for purposes of intestate succession, a relationship of parent and child must be established to determine succession by, through, or from a person:

(1) An adopted person is the child of an adopting parent and not of the natural parents except that adoption of a child by the spouse of a natural parent has no effect on the relationship between the child and that natural parent. If a parent dies and a child is subsequently adopted by a stepparent who is the spouse of a surviving parent, any rights of inheritance of the child or the child's issue from or through the deceased parent of the child which exist at the time of the death of that parent shall not be affected by the adoption.

(2) In cases not covered by clause (1), a person ~~born out of wedlock~~ is a ~~child of the mother.~~ That person is also a child of the father, if:

(i) ~~the natural parents participated in a marriage ceremony before or after the birth of the child, even though the attempted marriage is void; or~~

(ii) ~~the paternity is established by an adjudication or by acknowledgment, consent, or agreement pursuant to sections 257.51 to 257.74 before the death of the father or is established thereafter by clear and convincing proof, except that the paternity established under this clause is ineffective to qualify the father or his kindred to inherit from or through the child unless the father has openly treated the child as his, and has not refused to support the child~~ is the child of the person's parents regardless of the marital status of the parents and the parent and child relationship may be established under the parentage act, sections 257.51 to 257.74.

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

Sec. 2. Minnesota Statutes 1985 Supplement, section 524.2-202, is amended to read:

**524.2-202 AUGMENTED ESTATE.**

The augmented estate means the estate reduced by funeral and administration expenses, the homestead, family allowances and exemptions, liens, mortgages, and enforceable claims, to which is added the sum of the following amounts:

(1) The value of property, other than the homestead, transferred by the decedent at any time during the marriage, to or for the benefit of any person other than the surviving spouse, to the extent that the decedent did not receive adequate and full consideration in money or money's worth for the transfer, if the transfer is of any of the following types:

(i) any transfer under which the decedent retained at the time of death the possession or enjoyment of, or right to income from, the property;

(ii) any transfer to the extent that the decedent retained at the time of death a power, either alone or in conjunction with any other person, to revoke or to consume, invade or dispose of the principal for his or her own benefit;

(iii) any transfer whereby property is held at the time of decedent's death by decedent and another with right of survivorship;

(iv) any transfer made within one year of death of the decedent to the extent that the aggregate transfers to any one donee in the year exceeds \$30,000.

Any transfer is excluded if made with the written consent or joinder of the surviving spouse. Property is valued as of the decedent's death except that property given irrevocably to a donee during lifetime of the decedent is valued as of the date the donee came into possession or enjoyment if that occurs first. ~~Nothing in this section shall cause any life insurance, accident insurance, joint annuity, or pension or profit-sharing plan payable to a person other than the surviving spouse to be included in the augmented estate.~~

(2) The value of property, other than the homestead, owned by the surviving spouse at the decedent's death, plus the value of property transferred by the spouse at any time during marriage to any person other than the decedent which would have been includable in the spouse's augmented estate if the surviving spouse had predeceased the decedent, to the extent the owned or transferred property is derived from the decedent by any means other than testate or intestate succession or as an obligation of support without a full consideration in money or money's worth. For purposes of this clause:

(i) Property derived from the decedent includes, but is not limited to, any beneficial interest of the surviving spouse in a trust created by the decedent during the decedent's lifetime; any property appointed to the spouse by the

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decedent's exercise of a general or special power of appointment also exercisable in favor of others than the spouse; any proceeds of insurance, including accidental death benefits, on the life of the decedent attributable to premiums paid by the decedent; any lump sum immediately payable and the commuted value of the proceeds of annuity contracts under which the decedent was the primary annuitant attributable to premiums paid by the decedent; the commuted value of amounts payable after the decedent's death under any public or private pension, disability compensation, benefit, or retirement plan or account, excluding the federal social security system, by reason of service performed, disabilities incurred, or deposits made by the decedent; any property held at the time of decedent's death by decedent and the surviving spouse with right of survivorship; any property held by decedent and transferred by contract to the surviving spouse by reason of the decedent's death; and the value of the share of the surviving spouse resulting from rights in community property in this or any other state formerly owned with the decedent. ~~The augmented estate does not include the proceeds of life insurance payable upon the death of the decedent, in lump sum or in the form of an annuity, accident insurance, joint annuity or pension or profit-sharing plan; nor does it include premiums paid therefor by the decedent or any other person.~~

(ii) Property owned by the spouse at the decedent's death is valued as of the date of death. Property transferred by the spouse is valued at the time the transfer became irrevocable, or at the decedent's death, whichever occurred first. Income earned by included property prior to the decedent's death is not treated as property derived from the decedent.

(iii) Property owned by the surviving spouse as of the decedent's death of the kind described in clause (2)(i) is presumed to have been derived from the decedent except to the extent that the surviving spouse establishes that it was derived from another source. All other property owned by the surviving spouse as of the decedent's death, or previously transferred by the surviving spouse, is presumed not to have been derived from the decedent except to the extent that an interested party establishes that it was derived from the decedent.

(3) The value of property paid to, or for the benefit of, a person other than the surviving spouse as a result of the decedent's death if the property is any of the following types:

(i) proceeds of insurance, including accidental death benefits, but excluding (1) insurance required by a judgment and decree or court order; (2) credit life insurance; (3) insurance required by the terms of a contract; (4) insurance obtained for the purpose of discharging any other liability, contingent or fixed, to the extent the proceeds are used to discharge the liability; or (5) insurance obtained for a bona fide business purpose;

(ii) a lump sum immediately payable, or the commuted value of the proceeds of annuity contracts under which the decedent was the primary annuitant attributable to premiums paid by the decedent during the marriage; or

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(iii) the commuted value of amounts payable after the decedent's death under any public or private pension, disability compensation, benefit, or retirement plan or account, excluding the federal social security system, by reason of service performed, disabilities incurred, or deposits made by the decedent, attributable to premiums or contributions paid by the decedent during the marriage.

For purposes of this clause, premiums paid by the decedent's employer, the decedent's partner, a partnership of which the decedent was a member, or the decedent's creditors, are deemed to have been paid by the decedent.

Unless the payer of the property has received written notice of intention to file a petition for the elective share, the property may be paid, upon request and satisfactory proof of the decedent's death, to the designated beneficiary of the property. Payment made discharges the payer from all claims for the amounts paid. This does not extend to payments made after the payer has received written notice of intention to file a petition for the elective share. Unless the notice is withdrawn by the surviving spouse, the surviving spouse must concur in any demand for withdrawal.

For an insurer, the written notice of intention to file a petition for the elective share must be mailed to its home office by registered mail, return receipt requested, or served upon the insurer in the same manner as a summons in a civil action. Upon receipt of written notice of intention to file a petition for the elective share, an insurer may pay any amounts owed by it specified in clause (3) to the court in which the probate proceedings relating to the estate of the decedent are venued, or if no proceedings have been commenced, to the court having jurisdiction of decedents' estates located in the county of the insured's residence. The court shall hold the funds and, upon its determination under section 524.2-205, subsection (d), shall order its disbursement in accordance with the determination. If no petition is filed in the court within the specified time under section 524.2-205, subsection (a), or if filed, the demand for an elective share is withdrawn under section 524.2-205, subsection (c), the court shall order disbursement to the designated beneficiary. Payment made to the court discharges the insurer from all claims for the amounts paid.

Upon petition to the probate court by the designated beneficiary, the court may order that all or part of the property be paid to the designated beneficiary in an amount and subject to conditions consistent with this section.

Sec. 3. Minnesota Statutes 1985 Supplement, section 524.2-205, is amended to read:

#### 524.2-205 PROCEEDING FOR ELECTIVE SHARE; TIME LIMIT.

(a) The surviving spouse may elect to take an elective share in the augmented ~~net~~ estate by filing in the court and mailing or delivering to the personal representative, if any, a petition for the elective share within nine months after the date of death, or within six months after the probate of the decedent's will,

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whichever limitation last expires. However, nonprobate transfers, described in section 524.2-202, clauses (1) and (3), shall not be included within the augmented estate for the purpose of computing the elective share, if the petition is filed later than nine months after death. The court may extend the time for election as it sees fit for cause shown by the surviving spouse before the time for election has expired.

(b) The surviving spouse shall give notice of the time and place set for hearing to persons interested in the estate and to the distributees and recipients of portions of the augmented net estate whose interests will be affected by the taking of the elective share.

(c) The surviving spouse may withdraw his demand for an elective share at any time before entry of an order by the court determining the elective share.

(d) After notice and hearing, the court shall determine the amount of the elective share and shall order its payment from the assets of the augmented net estate or by contribution as appears appropriate under section 524.2-207. If it appears that a fund or property included in the augmented net estate has not come into the possession of the personal representative, or has been distributed by the personal representative, the court nevertheless shall fix the liability of any person who has any interest in the fund or property or who has possession thereof, whether as trustee or otherwise. The proceeding may be maintained against fewer than all persons against whom relief could be sought, but no person is subject to contribution in any greater amount than he would have been if relief had been secured against all persons subject to contribution.

(e) The order or judgment of the court may be enforced as necessary in suit for contribution or payment in other courts of this state or other jurisdictions.

(f) Whether or not an election has been made under subsection (a), the surviving spouse may elect statutory rights in the homestead by filing in the manner provided in this section a petition in which the spouse asserts the rights provided in section 525.145, provided that:

(1) when the homestead is subject to a testamentary disposition, the filing must be within nine months after the date of death, or within six months after the probate of the decedent's will, whichever limitation last expires; or

(2) where the homestead is subject to other disposition, the filing must be within nine months after the date of death.

The court may extend the time for election for cause shown by the surviving spouse before the time for filing has expired.

Sec. 4. Minnesota Statutes 1985 Supplement, section 525.145, is amended to read:

#### 525.145 DESCENT OF HOMESTEAD.

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

(1) Where there is a surviving spouse the homestead, including a manufactured home which is the family residence, shall descend free from any testamentary or other disposition thereof to which the spouse has not consented in writing or by election to take under the will as provided by law, as follows:

(a) if there be no surviving child or issue of any deceased child, to the spouse;

(b) if there be children or issue of deceased children surviving, then to the spouse for the term of the spouse's natural life and the remainder in equal shares to the children and the issue of deceased children by right of representation.

(2) Where there is no surviving spouse and the homestead has not been disposed of by will it shall descend as other real estate.

(3) Where the homestead passes by descent or will to the spouse or children or issue of deceased children, it shall be exempt from all debts which were not valid charges thereon at the time of decedent's death except that the homestead shall be subject to a claim filed pursuant to section 246.53 for state hospital care or 256B.15 for medical assistance benefits. If the homestead passes to a person other than a spouse or child or issue of a deceased child, it shall be subject to the payment of the items mentioned in section 524.2-101. No lien or other charge against any homestead which is so exempted shall be enforced in the probate court, but the claimant may enforce the lien or charge by an appropriate action in the district court.

(4) For purposes of this section, except as provided in section 524.2-301, the surviving spouse is deemed to consent to any testamentary or other disposition of the homestead to which the spouse has not previously consented in writing unless the spouse files in the manner provided in section 524.2-205, subsection (f), a petition that asserts the homestead rights provided to the spouse by this section.

Sec. 5. Minnesota Statutes 1984, section 525.539, is amended by adding a subdivision to read:

Subd. 7. BEST INTERESTS OF THE WARD OR CONSERVATEE. "Best interests of the ward or conservatee" means all relevant factors to be considered or evaluated by the court in nominating a guardian or conservator, including but not limited to:

(1) the reasonable preference of the ward or conservatee, if the court determines the ward or conservatee has sufficient capacity to express a preference;

(2) the interaction between the proposed guardian or conservator and the ward or conservatee; and

(3) the interest and commitment of the proposed guardian or conservator in promoting the welfare of the ward or conservatee and the proposed guardian's

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or conservator's ability to maintain a current understanding of the ward's or conservatee's physical and mental status and needs. In the case of a ward or a conservatorship of the person, welfare includes:

- (i) food, clothing, shelter, and appropriate medical care;
- (ii) social, emotional, religious, and recreational requirements; and
- (iii) training, education, and rehabilitation.

Kinship is not a conclusive factor in determining the best interests of the ward or conservatee but should be considered to the extent that it is relevant to the other factors contained in this subdivision.

Sec. 6. Minnesota Statutes 1984, section 525.544, is amended to read:

**525.544 PLANNING PROVISIONS NOMINATION OR APPOINTMENT OF GUARDIAN OR CONSERVATOR.**

Subdivision 1. BY PROPOSED WARD OR CONSERVATEE. In the petition or in a written instrument executed before or after the petition is filed, ~~the person proposed ward or conservatee may, if at the time of signing the same, he the person~~ has sufficient capacity to form an intelligent preference, nominate a conservator or guardian or give instructions to the conservator or guardian ~~or he may do both.~~ The written instrument shall be executed and attested in the same manner as a will. The court shall appoint the person so nominated as conservator or guardian and shall charge ~~him~~ the person with the instructions, unless the court finds that the appointment of the nominee or the instructions ~~or both~~ are not in the best interests of the ~~person to be placed under conservatorship or guardianship~~ proposed ward or conservatee.

Subd. 2. OTHER CASES. ~~When any person~~ If the proposed ward or conservatee lacks capacity or fails to nominate a conservator or guardian, the court may appoint ~~any a~~ a qualified person if the court finds that the person's appointment is in the best interests of the proposed ward or conservatee. ~~The court shall consider the interest of a prospective guardian or conservator in the welfare of the proposed ward or conservatee. Kinship, while a factor, shall not be conclusive in making the appointment.~~ If the proposed ward or conservatee lacks capacity or fails to give instructions, the court may give ~~such~~ the guardian or conservator powers as required in accordance with section 525.56.

Sec. 7. Minnesota Statutes 1984, section 525.551, subdivision 5, is amended to read:

Subd. 5. FINDINGS. In all cases the court shall ~~find the facts specifically make specific written findings of fact,~~ state separately its conclusions of law ~~thereon,~~ and direct the entry of an appropriate judgment or order.

If upon completion of the hearing and consideration of the record the court

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finds: (a) that the requirements for the voluntary appointment of a conservator or guardian have been met, or (b) (1) that the proposed ward or conservatee is incapacitated as defined in section 525.54; and (2) in need of the supervision and protection of a guardian or conservator; and (3) that no appropriate alternatives to the guardianship or conservatorship exist which are less restrictive of the person's civil rights and liberties, such as those set forth in section 525.54, subdivision 7, it shall enter its order or judgment granting all of the powers set out in section 525.56, subdivision 3, in the case of a guardian of the person, and section 525.56, subdivision 4, in the case of a guardian of the estate, or specifying the powers of the conservator pursuant to section 525.56. The court shall make a finding that appointment of the person chosen as guardian or conservator is in the best interests of the ward or conservatee. Except as provided in section 525.544, subdivision 1, if more than one person has petitioned the court to serve as guardian or conservator, or if the petition is contested, the court shall make a finding that the person to be appointed as guardian or conservator is the most suitable and best qualified person among those who ~~have indicated to the court that they are available and willing to discharge the trust~~ are available before making the appointment. The court's finding as to the best available guardian must specifically address the reasons for the court's determination that the appointment of that person is in the best interests of the ward or conservatee.

The court may enumerate in its findings which legal rights the proposed ward or conservatee is incapable of exercising.

Sec. 8. Minnesota Statutes 1984, section 525.61, is amended to read:

**525.61 RESTORATION TO CAPACITY; MODIFICATION OF GUARDIANSHIP OR CONSERVATORSHIP.**

Subdivision 1. GENERAL. Any adult person who is under guardianship or conservatorship or his guardian or conservator, or any other person may petition the court in which he was so adjudicated to be restored to capacity or to have a guardianship transferred to a conservatorship or to modify the guardianship or conservatorship. Upon the filing of the petition, the court shall fix the time and place for the hearing thereof, notice of which shall be given to the ward or conservatee, guardian or conservator, and to those other persons and in a manner provided in section 525.55.

Subd. 2. RESTORATION TO CAPACITY. To obtain an order of restoration to capacity the petitioner must prove by a preponderance of the evidence that the ward or conservatee is no longer incapacitated as defined in section 525.54, and is able to make provisions for his care or manage his property. If a ward or conservatee has the functional ability to care for himself or for his property, or to make provisions for his care or the care of his property, the fact that he may be impaired to some extent by a mental condition shall not preclude his restoration to capacity. In any proceedings for restoration, the court may

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appoint one person duly licensed by a health related licensing board and one accredited social worker with expertise in evaluating persons who have the disabilities similar to those found to be the reason for the ward's or conservatee's incapacity, to assist in the determination of his mental condition and functional ability to care for himself or his property. The court shall allow and order paid to each health professional and social worker a reasonable sum for his services. Upon the order, the county auditor shall issue a warrant on the county treasurer for the payment thereof.

**Subd. 3. APPOINTMENT OF NEW GUARDIAN OR CONSERVATOR.**  
Upon a motion to remove a guardian or conservator and appoint a new guardian or conservator, the court shall consider whether the existing guardian or conservator has performed the applicable duties and whether the continued appointment of the guardian or conservator is in the best interests of the ward or conservatee. The court shall appoint a new guardian or conservator if it finds that:

(1) the existing guardian or conservator has failed to perform the duties associated with the guardianship or conservatorship or to provide for the best interests of the ward or conservatee; and

(2) the best interests of the ward or conservatee will be better served by the appointment of a new guardian or conservator.

The court's decision must include the specific findings required by section 525.551, subdivision 5.

#### Sec. 9. EFFECTIVE DATE.

Article 3, sections 1 to 4 are effective for estates of decedents dying after December 31, 1986.

Laws 1986, chapter 442, sections 8 and 10 are effective August 1, 1987.

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### ARTICLE 4

Section 1. Minnesota Statutes 1984, section 16A.72, is amended to read:

#### 16A.72 INCOME CREDITED TO GENERAL FUND; EXCEPTIONS.

All income, including fees or receipts of any nature, shall be credited to the general fund, except:

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

- (1) federal aid;
- (2) contributions, or reimbursements received for any account of any division or department for which an appropriation is made by law;
- (3) income to the University of Minnesota;
- (4) income to revolving funds now established in institutions under the control of the commissioners of corrections or human services;
- (5) investment earnings resulting from the master lease program, except that the amount credited to another fund or account may not exceed the amount of the additional expense incurred by that fund or account through participation in the master lease program;
- (6) receipts from the operation of patients' and inmates' stores and vending machines, which shall be deposited in the social welfare fund in each institution for the benefit of the patients and inmates;
- ~~(6)~~ (7) money received in payment for services of inmate labor employed in the industries carried on in the state correctional facilities which receipts shall be credited to the current expense fund of those facilities;
- ~~(7)~~ (8) as provided in sections 16B.57 and 85.22; or
- ~~(8)~~ (9) as otherwise provided by law.

Sec. 2. Minnesota Statutes 1985 Supplement, section 16B.61, subdivision 3, is amended to read:

Subd. 3. **SPECIAL REQUIREMENTS.** (a) **SPACE FOR COMMUTER VANS.** The code must require that any parking ramp or other parking facility constructed in accordance with the code include an appropriate number of spaces suitable for the parking of motor vehicles having a capacity of seven to 16 persons and which are principally used to provide prearranged commuter transportation of employees to or from their place of employment or to or from a transit stop authorized by a local transit authority.

(b) **SMOKE DETECTION DEVICES.** The code must require that all dwellings, lodging houses, apartment houses, and hotels as defined in section 299F.362 comply with the provisions of section 299F.362.

(c) **DOORS IN NURSING HOMES AND HOSPITALS.** The state building code may not require that each door entering a sleeping or patient's room from a corridor in a nursing home or hospital with an approved complete standard automatic fire extinguishing system be constructed or maintained as self-closing or automatically closing.

(d) A licensed day care center serving fewer than 30 preschool age persons

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and which is located in a below ground space in a church building is exempt from the state building code requirement for a ground level exit when the center has more than two stairways to the ground level and its exit.

(e) **MINED UNDERGROUND SPACE.** Nothing in the state building codes shall prevent cities from adopting regulations governing the excavation, construction, reconstruction, alteration and repair of mined underground space pursuant to sections 472B.03 to 472B.07, or of associated facilities in the space once the space has been created, provided the intent of the building code to establish reasonable safeguards for health, safety, welfare, comfort, and security is maintained.

(f) No provision of the code or any appendix chapter of the code may require stairways of existing multiple dwelling buildings of two stories or less to be enclosed.

Sec. 3. Minnesota Statutes 1984, section 44A.01, subdivision 1, is amended to read:

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

(b) The initial voting members are appointed by the governor with the advice and consent of the senate ~~for a term expiring.~~ The terms of five of the initial voting members shall expire the first Monday in January 1987. The terms of the remaining four initial voting members shall expire the first Monday in January 1989. A vacancy is filled in the same manner as the appointment.

(c) Legislator members are two members of the senate appointed under the rules of the senate and two members of the house of representatives appointed by the speaker. Except for the initial members, who are to be appointed following enactment, they are appointed at the beginning of each regular session of the legislature for two-year terms. A legislator who remains a member of the body from which he was appointed may serve until a successor is appointed and qualifies. A vacancy in a legislator member's term is filled for the unexpired portion of the term in the same manner as the original appointment.

Sec. 4. Minnesota Statutes 1984, section 44A.02, is amended to read:

44A.02 **EXECUTIVE DIRECTOR PRESIDENT.**

Subdivision 1. **SELECTION.** The ~~executive director~~ president of the world

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

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

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

#### Sec. 5. [44A.031] PROMOTIONAL EXPENSES.

The world trade center board may expend money in the world trade center fund, and any other money appropriated by the legislature, for the purpose of promotion of world trade in Minnesota. Promotional expenses include, but are not limited to, expenses for the food, lodging and travel of consultants and speakers hired by the board, and publications and other forms of advertising. Promotional expenditures may be made in the same manner as expenditures made by private persons, firms, corporations, or associations for similar purposes, and are not subject to regulation by the commissioner of employee relations.

Sec. 6. Minnesota Statutes 1984, section 44A.07, subdivision 1, is amended to read:

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

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

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

(3) establish and charge fees for services and programs provided without regard to chapter 14 and section 16A.128;

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- (4) establish membership requirements for Minnesota world trade center operations without regard to chapter 14;
- (5) establish satellite operations of the Minnesota world trade center;
- (6) maintain active membership in the world trade center association;
- (7) create an international communication network to coordinate international trade information and activities;
- (8) compile international trade information from, among other places, the United States Department of Commerce and private sources, and provide marketing information to business persons;
- (9) assist public and private universities or colleges to develop undergraduate or graduate level education programs to train persons regarding export trading; and
- (10) coordinate the international trading activities of state and local agencies and organizations.

Sec. 7. **[44A.08] SERVICE INFORMATION; CLASSIFICATION OF DATA.**

Subdivision 1. SERVICE INFORMATION. Information, including data bases, purchased by the board or developed by the board for sale pursuant to section 44A.07, is not subject to chapter 13.

Subd. 2. CLASSIFICATION OF DATA. For purposes of this subdivision, "business transaction" means a transaction between parties other than the board. The following data received or developed by the board is private with respect to data on individuals and nonpublic with respect to data not on individuals:

(1) Data relating to the financial condition of individuals or businesses receiving or performing services by or on behalf of the board.

(2) At the request of either party to the transaction data on business transactions.

(3) At the request of the person or business seeking the information, the identities of persons or businesses requesting business or trade information from the board, and the nature of the trade information.

Sec. 8. **[138.97] LABOR INTERPRETATIVE CENTER.**

Subdivision 1. PUBLIC POLICY. The legislature declares that it is an important purpose and function of state government to preserve and interpret the story of the worker and their institutions in Minnesota and enrich the people's knowledge of the many contributions of the labor movement and how the history of working people in Minnesota has shaped the state's history.

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Subd. 2. ESTABLISHMENT. There is established a labor interpretative center as a part of the Minnesota historical society's state history center within the state capitol complex as defined in Minnesota Statutes, section 15.50, subdivision 2.

Subd. 3. GOVERNANCE. The center shall be developed during its planning phase under the guidance of a labor interpretative task force whose chair is appointed by the governor. The chair shall select the members of the task force. The task force shall complete its work within 18 months of the effective date of this section. The task force shall dissolve after the 18 months or when its work is completed, whichever is sooner. An advisory council shall be appointed by the director of the Minnesota historical society after the dissolution of the task force to assist the director with the operation of the center.

Subd. 4. ADMINISTRATION. The center shall be administered by an administrator appointed by the director of the Minnesota historical society. The administrator will be chosen solely on the basis of training, experience, and proven competence in the field of American labor history.

Subd. 5. PROGRAM. The program of the labor interpretative center may be carried out by exhibit, audio-visual programs, research, publication, and public programs, or other activities as recommended by the advisory council.

Subd. 6. OPERATION. The operation of the center shall be consistent with statutes and policies governing the Minnesota historical society.

Subd. 7. FUNDING. The cost for capital improvements for the labor interpretative center are not part of the total cost of the state history center for the purpose of the cost limitation specified in Laws 1985, first special session chapter 15, section 11.

Sec. 9. Minnesota Statutes 1984, section 169.44, is amended by adding a subdivision to read:

Subd. 1d. OPTIONAL SYSTEM. In addition to equipment required under subdivision 1a and notwithstanding the provisions of sections 169.64, a school bus may be equipped with a driver-activated student control warning system which includes a high-intensity red flashing signal, an audible warning signal and a green all-clear signal, and may activate such a system whenever the use of the stop signal arm and flashing red signals is required under subdivision 2.

Sec. 10. Minnesota Statutes 1984, section 299F.011, is amended by adding a subdivision to read:

Subd. 4b. The uniform fire code shall not require stairways of existing multiple dwelling buildings of two stories or less to be enclosed. For the purposes of this subdivision the term "stories" has the meaning given it in the state building code.

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**Sec. 11. CLOQUET WATER SUPPLY; APPROPRIATION.**

Notwithstanding any other law to the contrary, \$200,000 of the appropriation made available by Laws 1982, Third Special Session chapter 1, article 2, section 2, subdivision 4, clause (d), for the construction or alteration of the Cloquet water supply is available to June 30, 1988.

**Sec. 12. APPROPRIATION.**

The appropriation in Laws 1985, First Special Session chapter 10, section 4, subdivision 10, to the crime victims reparations board, is available in either year of the biennium.

**Sec. 13. REPEALER.**

Subdivision 1. Laws 1986, chapter 452, section 20, is repealed.

Subd. 2. Subdivision 1 is effective the day following final enactment.

**Sec. 14. EFFECTIVE DATE.**

Sections 2 and 10 are effective the day following final enactment.

Approved April 11, 1986

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