

(b) The director of the state lottery shall by June 30, 1990, transfer from the lottery operations account to the general fund, in addition to any other transfers required by law, \$46,000 to reimburse the general fund for the appropriation to the attorney general under this section.

Sec. 7. COMMISSIONER OF REVENUE.

\$388,000 is appropriated from the general fund to the commissioner of revenue to provide for computer modifications necessary to administer Minnesota Statutes, chapter 349. \$194,000 is for the fiscal year ending June 30, 1990, and \$194,000 is for the fiscal year ending June 30, 1991.

Sec. 8. EFFECTIVE DATE.

Section 2 is effective the day following final enactment. Sections 1 and 3 to 7 are effective July 1, 1989.

Presented to the governor May 30, 1989

Signed by the governor June 2, 1989, 10:55 p.m.

CHAPTER 335—H.F.No. 372

An act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and administrative expenses of state government; providing for the transfer of certain money in the state treasury; fixing and limiting the amount of fees, penalties, and other costs to be collected in certain cases; creating, abolishing, modifying, and transferring agencies and functions; defining and amending terms; providing for settlement of claims; imposing certain duties, responsibilities, authority, and limitations on agencies and political subdivisions; consolidating certain funds and accounts and making conforming changes; changing the organization, operation, financing, and management of certain courts and related offices; amending Minnesota Statutes 1988, sections 3.732, subdivision 1; 3C.035, subdivision 2; 6.48; 6.56; 6.58; 8.15; 8.31, subdivisions 2c and 3; 15.50, subdivision 2; 15A.081, subdivision 1; 16A.10, subdivision 1; 16A.123, by adding a subdivision; 16A.125, subdivision 5; 16A.133, subdivision 1; 16B.24, subdivision 6; 16B.41, subdivision 2; 16B.42, subdivision 4; 16B.48, subdivision 2; 16B.61, subdivision 5; 16B.70; 41A.02, subdivision 4; 41A.05, subdivision 1; 43A.02, subdivision 25; 43A.24, subdivision 2; 44A.0311; 84.025, by adding a subdivision; 84.0272; 84.0274, by adding a subdivision; 84.83, subdivision 1; 84.922, subdivision 3; 84.927, subdivision 1; 84A.51, subdivision 2; 84A.55, subdivision 14; 85.055, subdivision 2; 85.22, subdivisions 1 and 2a; 85A.01, subdivision 1; 85A.02, subdivisions 5, 5a, 5b, 16, 17, and 18; 85A.04, subdivisions 1 and 4; 89.035; 89.036; 89.21; 92.19; 93.335, subdivision 4; 94.09, subdivision 2; 94.342, subdivision 3; 94.343, subdivision 3; 94.344, subdivision 3; 97A.055, by adding a subdivision; 97A.165; 97A.475, subdivisions 2, 3, 6, 7, 8, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 23, 24, 25, 26, 27, 28, 29, 29a, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, and 42; 97A.485, subdivision 7; 97B.301, by adding a subdivision; 105.41, subdivision 1b; 106A.661, subdivision 2; 112.73; 115.03, subdi-

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

vision 1; 115A.03, by adding subdivisions; 115A.14, subdivision 4; 115A.908, subdivision 2; 115B.17, subdivision 7; 115B.20, subdivisions 1, 4, and 6; 115B.22, subdivision 7; 115B.24, subdivision 10; 115B.25, subdivision 7; 115B.26; 115C.02, subdivision 6; 115C.08, subdivision 1; 116.41, subdivision 2; 116C.03, subdivision 2; 116E.03, subdivision 1; 116J.01, subdivisions 3 and 4; 116J.58, subdivision 1; 116J.63, by adding a subdivision; 116J.64, subdivision 6; 116J.68, subdivision 2; 116J.873, subdivision 4; 116J.955, subdivisions 1 and 2; 116J.9673, subdivision 4; 116J.970; 116J.971, subdivisions 3, 6, 7, 8, and 9; 116L.02; 116L.03, subdivisions 2 and 7; 116L.04, subdivision 1; 116N.02, subdivision 6; 116N.08, subdivisions 4 and 8; 116O.02, by adding a subdivision; 116O.03, subdivisions 1, 3, and by adding subdivisions; 116O.04, by adding a subdivision; 116O.05; 116O.06, subdivisions 1 and 5; 116O.08, subdivision 2; 116O.12; 116O.13; 116O.14; 116O.15; 116P.08, subdivision 1; 116P.13; 148B.17; 169.121, subdivision 5a; 169.126, subdivisions 4 and 4a; 176.135, subdivision 1; 190.07; 190.25, subdivision 3; 192.51, subdivision 2; 214.06, subdivision 1; 221.67; 256.482, subdivisions 3, 7, and by adding a subdivision; 260.193, subdivision 8; 270.069; 270.185, subdivision 1; 273.02, subdivisions 5 and 6; 284.28, subdivision 8, 9, and 10; 290.39, subdivision 4; 296.421, subdivision 8; 297.13, subdivision 1; 297.26; 297.32, subdivision 9; 297A.44, subdivision 1; 299D.03, subdivision 7; 300.49, subdivision 1; 302A.011, subdivision 11; 302A.153; 302A.821, subdivisions 4 and 5; 303.13, subdivision 1; 303.21, subdivision 3; 307.08, subdivision 5; 308.06, subdivision 4; 317.67, subdivision 2; 322A.16; 330.11, subdivision 3; 333.055, subdivision 3; 333.20, subdivision 4; 333.22, subdivision 1; 333.23; 336.9-302; 336.9-403; 336.9-405; 336.9-406; 336.9-407; 336.9-413; 349.213, subdivision 1; 352.01, subdivision 2b; 353.01, subdivision 2a; 357.021, subdivisions 1a, 2, 2a, and 4; 357.08; 361.03, by adding a subdivision; 363.01, by adding a subdivision; 363.073, subdivision 1; 373.27, subdivision 3; 383A.65; 402.065; 403.11, subdivision 1; 462.396, subdivision 4; 466.01, subdivision 6; 469.056, subdivision 4; 469.100, subdivision 6; 469.175, subdivisions 2 and 5; 471.699; 471.13, subdivision 4; 473.375, subdivision 17; 473.435, subdivision 2; 473.543, subdivision 5; 473.843, subdivision 2; 473.844, subdivision 1; 473.845, subdivision 1; 473.877, by adding a subdivision; 474A.02, subdivision 5a; 480.01; 480.058; 480.09, subdivision 5; 480.235; 480.241, subdivisions 1 and 2; 480.242; 480A.08, subdivision 3; 484.54, subdivision 2; 484.545, subdivisions 2 and 3; 484.62; 484.64, subdivision 3; 484.65, subdivisions 3 and 7; 484.68, subdivision 5; 485.018, subdivisions 5 and 7; 486.05, as amended; 486.055; 486.06; 487.08, subdivision 5; 487.31, subdivision 1; 488A.14, subdivision 1; 488A.17, subdivision 2; 488A.31, subdivision 1; 488A.34, subdivision 2; 517.08, subdivision 1c; 525.033; 540.152; 543.08; 609.101; 609.5315, subdivision 5; 611.17; 611.21; 611.215, subdivision 2; 611.26, subdivision 2; 611A.61, subdivision 3; 626.861, subdivisions 3 and 4; Laws 1987, chapter 386, articles 2, section 22; 9, section 19; Laws 1988, chapter 686, article 2, sections 5, subdivision 2; and 10; Laws 1989, chapter 144, section 4; proposing coding for new law in Minnesota Statutes, chapters 16A; 16B; 84; 93; 115A; 116; 116J; 192; 290; 357; 473; 480; 611; and 631; proposing coding for new law as Minnesota Statutes, chapter 361A; repealing Minnesota Statutes 1988, sections 11A.22; 16A.133, subdivision 3; 84.0911, subdivisions 1 and 3; 84.0921; 84.98; 85.051; 85A.01, subdivision 1b; 89.04; 93.221; 115A.03, subdivision 3; 115A.04; 115A.05; 115A.06, subdivisions 1 and 3; 115A.11, subdivision 3; 115A.162; 116J.691; 116J.876; 116J.876; 116J.8762; 116J.8763; 116J.8764; 116J.8765; 116J.8766; 116J.8766; 116J.8767; 116J.8768; 116J.8769; 116J.941; 116J.942; 116J.968; 116J.983; 161.52; 190.26; 344.03; 383B.63, subdivisions 4 and 5; 469.012, subdivision 5; 469.121, subdivision 1; 480.242, subdivision 4; 480.245; 486.07; 487.31, subdivision 4; 488A.05; 488A.111; 488A.22; 488A.281; 525.012, subdivisions 1, 2, 3, and 4; 611.07; 611.071; 611.12; 611.214; 611.25, subdivision 2; Laws 1975, chapter 258, section 6, subdivi-

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

sions 1, 3, 4, and 5; Laws 1983, chapter 334, section 7, as amended; Laws 1988, chapter 686, article 1, sections 21 and 37, subdivision 10.

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

ARTICLE 1 STATE DEPARTMENTS

Section 1. STATE DEPARTMENTS; APPROPRIATIONS.

The sums shown in the columns marked "APPROPRIATIONS" are appropriated from the general fund, or another fund named, to the agencies and for the purposes specified in this act, to be available for the fiscal years indicated for each purpose. The figures "1989," "1990," and "1991," where used in this act, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1989, June 30, 1990, or June 30, 1991, respectively.

SUMMARY BY FUND

	1990	1991	TOTAL
General	\$440,863,900	\$486,223,000	\$927,086,900
Special Revenue	40,294,000	41,242,000	81,536,000
Game and Fish	43,549,000	45,674,000	89,223,000
Trunk Highway	12,214,000	24,315,500	36,529,500
Highway User	1,896,000	2,218,000	4,114,000
Workers' Comp.	14,045,000	14,379,000	28,424,000
Environmental Response	3,527,000	3,527,000	7,054,000
Metro Landfill Abatement	1,741,000	1,741,000	3,482,000
Metro Landfill Contingency	719,000	719,000	1,438,000
Minnesota Resources	9,975,000	8,615,000	18,590,000
Motor Vehicle Transfer	3,351,000	3,058,000	6,409,000
Petroleum Cleanup	1,425,000	1,432,000	2,857,000
TOTAL	\$573,599,900	\$633,143,500	\$1,206,743,400
		APPROPRIATIONS	
		Available for the Year	
		Ending June 30	
		1990	1991

Sec. 2. LEGISLATURE

Subdivision 1. Total for this section	\$ 44,630,900	\$ 44,297,500
--	---------------	---------------

Summary by Fund

General	\$ 44,601,800	\$ 44,267,000	
Trunk Highway	\$ 29,000	\$ 30,500	
Subd. 2. Senate		14,494,000	14,494,000
Subd. 3. House of Representatives		19,942,400	19,942,400

\$250,000 the first year and \$250,000 the second year of the house of representatives appropriation is for a management information systems director, development of a long-range strategic information management plan for the house of representatives and enhancement of the budget coordination activity. \$200,000 of this appropriation is to be used for the purchase of computer hardware and software and is not available for expenditure until the successful completion of the strategic information systems plan.

Subd. 4. Legislative Coordinating Commission		6,873,500	6,387,100
--	--	-----------	-----------

Summary by Fund

General	\$ 6,844,500	\$ 6,356,600
Trunk Highway	\$ 29,000	\$ 30,500
(a) Legislative Reference Library		
1990	1991	
\$ 783,000	\$ 803,000	
(b) Revisor of Statutes		
\$3,352,900	\$3,551,100	

Before January 1, 1990, the revisor shall repair the computer facility in the state office building room B19 so the facility can be maintained at its current location until January 1, 1991.

The revisor shall study alternatives for replacing the computer facility and report by January 1, 1990, to the house appropriations committee, the senate finance committee, and the legislative coordinating commission. The report shall include the operational advantages and disadvantages of the various alterna-

tives and a recommendation for a corrective solution.

(c) Legislative Commission on the Economic Status of Women

\$ 197,000 \$ 152,000

\$50,000 the first year is to develop recommendations to the legislature for a coordinated child care system in Minnesota. The report shall be submitted to the legislature by January 1, 1991.

(d) Legislative Commission on Employee Relations

\$ 94,500 \$ 95,500

(e) Great Lakes Commission

\$ 40,500 \$ 40,500

(f) Legislative Commission on Pensions and Retirement

\$ 583,000 \$ 607,100

(g) Legislative Commission on Planning and Fiscal Policy

\$ 100,000 \$ 100,000

(h) Legislative Commission to Review Administrative Rules

\$ 121,500 \$ 124,000

(i) Legislative Commission on Waste Management

\$ 145,200 \$ 149,300

(j) Mississippi River Parkway Commission

\$ 29,000 \$ 30,500

This appropriation is from the trunk highway fund.

(k) Subcommittee on Redistricting

\$ 700,000

(l) Legislative Coordinating Commission General Support

\$ 726,900 \$ 734,100

\$200,000 in the first year and \$200,000 the second year are appropriated to fund

joint house and senate subcommittee or task force projects. Projects funded from this appropriation must involve both the house and senate, be temporary in nature, and focus on key policy issues facing the legislature. The legislative coordinating commission shall develop a project selection process for this appropriation. \$25,000 each year of this appropriation is for the legislative task force on minerals.

\$50,000 the first year and \$50,000 the second year are reserved for unanticipated costs of agencies in this subdivision and subdivision 5. The legislative coordinating commission may transfer necessary amounts from this appropriation to the appropriations of the agencies concerned, and the amounts transferred are appropriated to those agencies to be spent by them. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

\$78,200 the first year and \$82,900 the second year are for the state contribution to the National Conference of State Legislatures.

\$69,000 the first year and \$73,100 the second year are for the state contribution to the Council of State Governments.

\$80,000 appropriated by Laws 1988, chapter 688, article 21, section 17, for soil and water stewardship education does not cancel June 30, 1989, and is available to the legislative coordinating commission until June 30, 1991.

Subd. 5. Legislative Audit
Commission

3,321,000

3,474,000

The amounts that may be spent from this appropriation for each activity are as follows:

(a) Legislative Audit Commission

\$ 15,000

\$ 15,000

cancel but is available for the second year of the biennium.

Subd. 5. State Court Administrator	
\$ 5,488,000	\$ 6,172,000

\$873,000 the first year and \$1,179,000 in the second year are to implement the trial court information system in the third, sixth, and ninth judicial districts.

\$250,000 the first year and \$250,000 the second year are for distribution to the second and fourth judicial districts for the housing calendar consolidation project.

\$32,000 the first year is a one-time appropriation for a computer integrated courtroom project in the second judicial district.

\$204,000 is a one-time appropriation for the court to install and operate video taping equipment in at least three district courts and the court of appeals.

\$520,000 the second year is for the county costs of the trial court information system.

Subd. 6. State Law Library	
\$ 807,000	\$ 1,039,000

Subd. 7. Base Cut	
\$ (99,000)	\$ (101,000)

The base cut must be allocated among the agency's programs by the agency head.

Sec. 4. COURT OF APPEALS	4,285,000	4,519,000
--------------------------	-----------	-----------

\$235,000 the first year and \$588,000 the second year are for costs related to three new judges, to be added July 1, 1989, July 1, 1990, and December 1, 1990.

Sec. 5. TRIAL COURTS	25,362,000	27,410,000
----------------------	------------	------------

\$4,200,000 the first year is for the costs of the state takeover of the trial court and county court costs in the eighth judi-

cial district and is available for either year of the biennium.

\$420,000 the first year is for transfer to the department of finance for the purposes of a contingent account for the eighth district project to be allocated through the regular legislative advisory commission process.

\$1,500,000 the second year is for district court administrative costs.

\$4,328,000 the second year is for law clerk salaries.

\$140,000 the second year is for insurance for law clerks.

Nothing in this act shall be construed to build into the base level for the 1992-1993 biennium any court costs which have not been appropriated for in this act. It is the intent of the legislature to continue the state takeover of trial court costs.

Sec. 6. BOARD ON JUDICIAL STANDARDS	163,000	163,000
Approved Complement - 2		
Sec. 7. BOARD OF PUBLIC DEFENSE	2,665,000	19,485,000
Approved Complement - 31		

During the biennium, legal assistance to Minnesota prisoners shall serve the civil legal needs of persons confined to state institutions.

None of this appropriation shall be used to pay for lawsuits against public agencies or public officials to change social or public policy.

\$100,000 the first year is a one-time appropriation for the costs of the weighted case load study of the public defender system and public defense services.

\$16,910,000 the second year is for the costs of felony and gross misdemeanor public defense services statewide and all public defense costs in the second and fourth judicial districts.

Takeover of the costs of public defense services shall be considered a part of the base level funding for the 1992-1993 biennium. Nothing in this act shall be construed to build into the base level for the 1992-1993 biennium any additional costs of the public defense system which have not been appropriated in this act.

Sec. 8. GOVERNOR AND LIEUTENANT GOVERNOR

2,961,000

2,861,000

This appropriation is to fund the offices of the governor and lieutenant governor.

\$20,000 the first year and \$20,000 the second year are for personal expenses connected with the office of the governor.

\$89,000 the first year and \$95,000 the second year are for membership dues of the National Governors Association.

\$2,000 the first year is a one-time appropriation to the governor's residence council for repairs and replacements in the governor's residence. * (This item of section 8 was vetoed by the governor.)

\$100,000 the first year is for a grant to the board of regents of the University of Minnesota. It is for the establishment and operation of a midwest native plant center at the University Landscape Arboretum in conjunction with the National Wildflower Research Center to facilitate information exchange and research of native wildflowers and plants.

Sec. 9. SECRETARY OF STATE

Subdivision 1. Total
Appropriation

2,918,000

3,029,000

\$77,000 the first year and \$77,000 the second year are for an account the auditor may bill for costs associated with conducting single audits of federal funds. During the biennium, this account may be used only when no other billing mechanism is feasible.

\$218,000 the first year and \$218,000 the second year must be subtracted from the amount that would otherwise be payable as local government aid under Minnesota Statutes, chapter 477A, in order to reimburse the general fund for the services of the government information division and the parts of the constitutional office that are related to the government information function.

\$80,000 the first year and \$80,000 the second year must be subtracted from the total police and fire state aid otherwise payable to police and firefighters' relief associations under Minnesota Statutes, sections 69.011 to 69.051, for the costs and expenses incurred by the state auditor in making a review of the audits and examinations of relief associations. The amount subtracted shall be divided proportionally according to the estimated costs of the audits or examinations of the police and firefighters' relief associations as determined by the state auditor.

Notwithstanding any other law to the contrary, the state auditor shall continue to audit the Minnesota state high school league and review any private audits done for the league.

Sec. 11. STATE TREASURER

597,000

572,000

Approved Complement - 12

\$25,000 the first year is a one-time appropriation for a study of the information system needs of the state treasurer's office.

Sec. 12. ATTORNEY GENERAL

Subdivision 1. Total
Appropriation

18,815,000

18,105,000

Approved Complement - 341.6

General - 313.8

Federal - 9.8

Special Revenue - 18

Summary by Fund

General	\$ 17,919,000	\$ 17,209,000
Special Revenue	\$ 896,000	\$ 896,000

The amounts that may be spent from this appropriation for each activity are specified in the following subdivisions.

Subd. 2. Government Services
 \$ 3,428,000 \$ 3,430,000

Subd. 3. Public Resources
 \$ 2,254,000 \$ 2,254,000

Subd. 4. Human Resources
 \$ 2,699,000 \$ 2,699,000

Summary by Fund

	1990	1991
General	\$ 1,983,000	\$ 1,803,000
Special Revenue	\$ 896,000	896,000

The commissioner of human services shall analyze the effect of Laws 1988, chapter 689, article 2, sections 163 to 168, on accelerating the resolution of long-term care rate appeals and report findings to the legislature by December 1, 1989. The commissioner shall make recommendations, based on the findings and any other relevant information, for additional measures to resolve these appeals.

\$180,000 is appropriated to the special project account created in Minnesota Statutes, section 256.01, subdivision 2, paragraph (15), for the state share of attorney general costs incurred in the resolution of long-term care appeals. The maximum balance of the account shall remain at \$1,000,000 as provided by Laws 1987,

chapter 403, article 4, section 14, until June 30, 1991, and then must return to \$400,000.

Subd. 5. Law Enforcement

\$ 2,832,000 \$ 2,827,000

Subd. 6. Business Regulation

\$ 2,799,000 \$ 2,799,000

**Subd. 7. Legal Policy and
Administration**

\$ 4,795,000 \$ 4,268,000

\$50,000 the first year and \$50,000 the second year are for a special account for unanticipated legal expenses. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

\$500,000 the first year is for moving costs and increased rents.

\$70,000 the first year and \$70,000 the second year are for the Alliance for a Drug Free America project. The attorney general shall take all steps necessary to ensure women and men are fairly represented among the participants in the alliance.

The attorney general, with the assistance of the commissioner of employee relations and all state agencies that employ civil service attorneys, shall study the activities performed by the civil service attorneys and make recommendations to the legislature by January 8, 1990, on the classification and the appointing authority for the positions.

\$30,000 the first year is to support activities celebrating the bicentennial of the constitution.

\$200,000 the first year and \$200,000 the second year is a general increase.

Subd. 8. Base Cut

\$ (172,000) \$ (172,000)

The base cut must be allocated among the agency's programs by the agency head.

Notwithstanding Minnesota Statutes, section 8.06, or other law, a state agency that is current with its billings from the attorney general for legal services may contract with the attorney general for additional legal and investigative services.

Sec. 13. INVESTMENT BOARD	1,692,000	1,692,000
---------------------------	-----------	-----------

Approved Complement - 25

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

Sec. 14. ADMINISTRATIVE HEARINGS	2,999,000	2,999,000
----------------------------------	-----------	-----------

Approved Complement - 77.5

Revolving - 25.5

Workers' Compensation - 52

This appropriation is from the workers' compensation special compensation fund for considering workers' compensation claims.

Notwithstanding Laws 1987, chapter 404, section 15, the required reduction in the approved complement of the office of administrative hearings by four workers' compensation judges and two workers' compensation support staff must not occur until the commissioner of finance has determined that the office can reasonably hold a hearing within six months of the date when a claim petition is filed with the department of labor and industry and the current incumbents no longer hold those positions.

Sec. 15. ADMINISTRATION

Subdivision 1. Total Appropriation	24,016,000	23,720,000
------------------------------------	------------	------------

	1990	1991
Approved Complement -	878.1	878.1
General -	204.6	204.6
Special Revenue -	30.0	30.0
Gift -	1	1
Revolving -	642.5	642.5

Summary by Fund

General	\$17,507,000	\$ 17,208,000
Special Revenue	\$ 6,509,000	\$ 6,512,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Operations Management
 \$ 3,977,000 \$ 3,978,000

\$792,000 in contributed capital is transferred from the department's plant management fund to the printing services fund.

The department shall study and submit a report to the legislature by January 1, 1990, on the feasibility of adding aircraft to the central motor pool fleet. This study shall include an analysis of similar programs in other states, cost effectiveness of adding aircraft to the fleet, the cost effectiveness of consolidating agency aircraft fleets, and specific recommendations for future actions. This study shall also include an analysis of the University of Minnesota's aircraft fleet.

Subd. 3. Information Management
 \$ 5,836,000 \$ 5,759,000

Summary by Fund

General	\$ 1,678,000	\$ 1,601,000
Special Revenue	\$ 4,158,000	\$ 4,158,000

The appropriation from the special revenue fund is for recurring costs of 911 emergency telephone service.

\$201,100 the first year and \$205,800 the second year must be subtracted from the amount that would otherwise be payable to local government aid under Minnesota Statutes, chapter 477A, in order to fund the local government records program and the intergovernmental information systems activity.

\$1,000,000 in contributed capital is transferred from the computer services fund to the telecommunications fund.

The commissioner shall study the feasibility of contracting for disaster recovery services from nonstate sources.

Notwithstanding any law to the contrary, legislators' telephone records are private data.

Subd. 4. Property Management

\$ 7,823,000 \$ 7,826,000

Summary by Fund

General	\$ 5,472,000	\$ 5,472,000
Special Revenue	\$ 2,351,000	\$ 2,354,000

\$175,000 the first year and \$175,000 the second year from the program's total appropriation are for capitol area repairs and replacements. Any unencumbered balance remaining in the first year does not cancel and is available for the second year.

\$3,582,000 the first year and \$3,582,000 the second year are for office space costs of the legislature and veterans organizations, for ceremonial space, and for statutorily free space.

The commissioner shall make provisions in the master plan of agency relocations for the relocation of the legislative auditor's office within the capitol complex according to the relocation requirements indicated by the legislative auditor.

\$89,000 the first year and \$92,000 the second year are appropriated from the money received as a result of litigation or settlements of alleged violations of federal petroleum pricing regulations for use in an expansion of the state of Minnesota's energy conservation activity. This appropriation is not available until a work plan has been reviewed by the legislative commission on Minnesota resources. Any unencumbered balance at the end of the first year does not cancel and is made available for the second year.

Subd. 5. Administrative Management

\$ 4,985,000 \$ 4,757,000

\$3,000 the first year and \$2,000 the second year are for the state employees' band.

The management analysis activity shall periodically provide the legislature with a list indicating the studies being conducted by the activity and any future studies scheduled at the time that the list is submitted.

\$274,000 is available the first year of the biennium as a grant to the Thief River Falls Area Technical Institute for radio and television equipment used in the mass communications curriculum. \$139,000 of this amount is to be used for radio equipment and \$135,000 is to be used for television equipment. Any unencumbered balance at the end of the first year does not cancel and is available for the second year.

\$229,000 the first year and \$229,000 the second year are for block grants to public television stations.

\$704,000 the first year and \$704,000 the second year are for matching grants to public television stations. \$300,000 of

the biennial appropriation is a one-time grant and shall not be included in the 1992-1993 budget base.

\$1,135,600 the first year and \$1,135,600 the second year are for public television equipment needs. Equipment grant allocations shall be made after considering the recommendations of the Minnesota Public Television Association.

\$266,000 the first year and \$266,000 the second year are for operational grants to public educational radio stations, which must be allocated after considering the recommendations of the Association of Minnesota Public Educational Radio Stations under Minnesota Statutes, section 139.19. \$150,000 of the biennial appropriation is a one-time grant and shall not be included in the 1992-1993 budget base.

\$215,900 the first year and \$215,900 the second year are for public educational radio stations, which must be allocated after considering the recommendations of the Association of Minnesota Public Educational Radio Stations for equipment needs.

\$100,000 the first year and \$100,000 the second year are for equipment grants to affiliate stations of Minnesota Public Radio, Incorporated. Equipment grant allocations must be made after consideration of the recommendations of Minnesota Public Radio, Incorporated.

If an appropriation for either year for grants to public television or radio stations is not sufficient, the appropriation for the other year is available for it.

Subd. 6. Information Policy Office	
\$ 1,557,000	\$ 1,562,000

\$150,000 in the first year is for distributive computing model grants to be divid-

ed equally among the Motley-Staples school district, Ortonville Independent School District No. 62, and the Minneapolis public school district. The grants are to establish experimental computer centers to demonstrate the effectiveness of a distributive computing model for a wide range of computer applications in the field of education, including financial management. For purposes of this section, the reporting requirements of Minnesota Statutes, section 121.936, subdivision 1, and the data standards of Minnesota Statutes, section 121.932, subdivision 5, must be maintained, but all other requirements, except financial obligations, shall be waived. The information policy office shall evaluate the models and report to the legislature in January 1991.

Notwithstanding any law to the contrary, no statutory changes affecting reporting and data collection requirements for local units of government may be enforced until the state agency most responsible for administration of the change has filed a computer impact statement with the information policy office. This statement must indicate the proposed data processing costs associated with the pending change.

Subd. 7. Interagency Projects
Special Revenue \$ 1,000,000

This appropriation is for the planning and initial start-up costs associated with establishing a statewide telecommunications access and routing system (STARS). \$750,000 shall be transferred from the computer services revolving fund to the STARS revolving fund. Following the initial planning and development stages of this project the amount appropriated shall be reimbursed by agencies and educational institutions using the system and be used as contributed capital for the

statewide telecommunications access routing system revolving account.

Notwithstanding any law to the contrary, any direct appropriation made to educational institutions for usage costs associated with the STARS network must only be used by the educational institutions for payment of usage costs of the network as billed by the commissioner of administration. The post-secondary appropriations may be shifted between systems as required by unanticipated usage patterns. Such intersystem transfers are to be requested by the appropriate system and may be made only after review and approval by the commissioner of finance, in consultation with the commissioner of administration.

The commissioner may not enter into any contract implementing the STARS network without the recommendation of both the chair of the house appropriations committee and the chair of the senate finance committee. The commissioner shall report to the chairs of the senate finance committee and the house appropriations committee on the status of the contract award process of the STARS network not later than February 15, 1990.

Notwithstanding any law to the contrary, higher education institutions must not purchase interconnective computer technology without securing approval of the information policy office prior to the acquisition.

Subd. 8. Base Cut
\$ (162,000) \$ (162,000)

The base cut must be allocated among the agency's programs by the agency head.

Sec. 16. CAPITOL AREA
ARCHITECTURAL AND PLANNING BOARD

		229,000	229,000
	1990 1991		
Approved Complement -	5 5		

Any unencumbered balance of the appropriation for the first year does not cancel and is available for use in the second year.

Sec. 17. FINANCE

Subdivision 1. Total	8,531,000	8,531,000
Appropriation		
Approved Complement - 128		

The amounts that may be spent from this appropriation for each activity are specified below.

\$235,000 the first year and \$235,000 the second year are for enhancements and technical support for the biennial budget system. This appropriation shall only be expended upon receipt of the recommendations of the chair of the house appropriations committee and the chair of the senate finance committee. These recommendations are advisory only. If the appropriation for either year is insufficient the appropriation for the other year is available for use.

Beginning with the biennial budget submitted for the 1992-1993 biennium all change level requests involving data processing equipment or staff shall include a summary of the recommendations made on the change level request in the budget document by the information policy office in the department of administration.

As a continuation of the fund consolidation effort begun this biennium, the commissioner shall study the remaining special revenue funds in state government and make recommendations to the legislature by January 1, 1990, for any additional consolidations that should be accomplished. Special emphasis in this study shall be placed on those funds for which agencies are currently given open appropriation authority such as enterprise funds.

Any increase in complement with the exception of federal positions, approved by the commissioner of finance as temporary positions, shall be reflected in the governor's budget recommendations to the legislature as change request items. These positions are not permanent positions until the legislature has approved the change request items.

Subd. 2. Base Cut
\$ (169,000) \$ (169,000)

The base cut must be allocated among the agency's programs by the agency head.

Sec. 18. EMPLOYEE RELATIONS

Subdivision 1. Total			
Appropriation		10,426,000	9,620,000
	1990	1991	
Approved Complement -	178.5	169.5	
General -	119	112	
Special Revenue -	46	44	
Trust -	13.5	13.5	

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Administration
\$1,929,000 \$1,929,000

\$55,000 the first year and \$55,000 the second year must be subtracted from the amount that would otherwise be payable as local government aid under Minnesota Statutes, chapter 477A, to offset the cost of the local government pay equity function of the department.

Subd. 3. Benefits
\$ 676,000 \$ 199,000

Subd. 4. Labor Relations
\$ 484,000 \$ 484,000

The commissioner shall prepare a report evaluating the impacts on state agencies resulting from the current schedule for negotiating collective bargaining agree-

ments. The report shall include, but not be limited to, the effects on agencies leaving positions vacant, laying employees off, and scaling back or eliminating programs in order to fully fund contract settlements. The report shall also evaluate alternative collective bargaining arrangements and discuss the advantages and disadvantages of each.

The commissioner shall consult with the chairs of the appropriations committee, the state departments division, and the government operations committee and with exclusive representatives of state employee units in developing the report. The report shall be submitted to these committees and the legislative commission on employee relations by April 1, 1990.

Subd. 5. Personnel

\$7,413,000	\$7,084,000
-------------	-------------

Of the increased amount appropriated for staffing information systems in fiscal year 1991, all but \$578,000 is a one-time appropriation. Any unencumbered balance remaining in the first year does not cancel and is available for the second year of the biennium.

\$100,000 the first year and \$100,000 the second year are for career development grants. Any recipient of a grant must as part of the grant agreement agree in writing to repay the state if the recipient voluntarily leaves state service within one year of completing the career development training.

During the biennium, the commissioner shall study the costs, benefits, and alternatives of the state's participation in the Workers' Compensation Reinsurance Association. The commissioner shall report the findings of the study to the legislature by January 15, 1991.

\$121,000 the first year and \$132,000 the second year are for a pilot project to begin an education and training program to retrain current state employees to meet changing staffing needs caused by expanded use of data processing equipment in the workplace. This program will focus on identifying educational opportunities for providing improved technical skills necessary for current employees to make a satisfactory transition into a data processing based work environment and to allow managers the flexibility to reassign employees to reflect changing staffing needs. The commissioner shall coordinate the development of this program with the information policy office. The commissioner shall ensure that employees are given the maximum opportunity possible to change civil service classifications, employment conditions, positions, and appointing authorities after satisfactory completion of the retraining program. Agency heads shall also be granted the authority to require individual employees to participate in this retraining program as a condition of continued employment. None of the appropriation is available until the information policy office has approved the retraining program. During the biennium, the information policy office shall continue to monitor and make recommendations to the commissioner of employee relations regarding this training.

Notwithstanding Minnesota Statutes, section 79.34, subdivision 1, the University of Minnesota shall pay its portion of workers' compensation reinsurance premiums directly to the workers' compensation reinsurance association.

Until June 30, 1991, the commissioner of employee relations may use FICA savings generated from the dependent care expense account program to pay for the administrative costs of the program.

\$324,000 the first year and \$324,000 the second year are for payment of peace officer survivor benefits under Minnesota Statutes, section 176B.04. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Subd. 6. Base Cut
 \$ (76,000) \$ (76,000)

The base cut must be allocated among the agency's programs by the agency head.

Sec. 19. REVENUE

Subdivision 1. Total			
Appropriation		65,431,000	65,510,000
	1990	1991	
Approved Complement -	1218.2	1168.2	
General -	1180.2	1130.2	
Highway User -	38	38	

Summary by Fund

General	\$63,754,000	\$63,828,000
Highway User	\$ 1,595,000	\$ 1,600,000
Metro Landfill		
Abatement	\$ 41,000	\$ 41,000
Metro Landfill		
Contingency	\$ 41,000	\$ 41,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Revenue Administration
 \$19,092,000 \$18,819,000

The amount appropriated for the sales tax processing module is available for either year of the biennium and is a one-time expenditure.

The commissioner shall report quarterly on the progress made and the money spent on the sales tax module and the taxpayer accounts system. The report shall be made to the chairs of the house appropriations and senate finance subcommittees, the house appropriations sub-

committee on information and data processing, and the comparable subcommittee in the senate.

Of the 55 positions removed from the base for fiscal year 1991, not more than eight may be reduced from the taxpayer services program.

Subd. 3. Tax Policy

\$3,088,000 \$3,051,000

Subd. 4. Taxpayer Service

\$11,089,000 \$11,251,000

Summary by Fund

General	\$ 9,412,000	\$ 9,569,000
Highway User	\$ 1,595,000	\$ 1,600,000
Metro Landfill		
Abatement	\$ 41,000	\$ 41,000
Metro Landfill		
Contingency	\$ 41,000	\$ 41,000

\$35,000 the first year and \$35,000 the second year must be subtracted from the total police and fire state aid otherwise payable to police and firefighters' relief associations under Minnesota Statutes, sections 69.011 to 69.051, and deposited in the general fund for the costs and expenses incurred by the department in collecting and distributing state aid to police and firefighters' relief associations.

\$55,000 the first year and \$55,000 the second year must be subtracted from the total taconite production tax revenues distributed to local units of government. These amounts shall be deposited in the general fund for the costs and expenses incurred by the department in collecting and distributing taconite production tax revenues.

Of the amount appropriated, \$340,000 and four positions are for additional telephone taxpayer assistance.

The department shall during its regular audits of charitable gambling activity include in their findings reports on the potential gender bias in activities funded from the proceeds of charitable gambling. The findings shall be reported to the legislature in January of 1991.

\$30,000 the first year and \$30,000 the second year are for state-paid tuition for required assessor training.

Subd. 5. Operations

\$10,061,000 \$10,134,000

Subd. 6. Tax Compliance

\$22,719,000 \$22,875,000

Subd. 7. Base Cut

\$ (618,000) \$ (620,000)

The base cut must be allocated among the agency's programs by the agency head.

*** (Section 19, subdivision 7, was vetoed by the governor.)**

Sec. 20. TAX COURT	436,000	437,000
--------------------	---------	---------

Approved Complement - 6

Sec. 21. NATURAL RESOURCES

Subdivision 1. Total

Appropriation		
	1990	1991
Agency Approved	132,129,000	134,228,000
Full-Time Equivalency	2,543	2,543

Summary by Fund

General	\$62,230,000	\$63,129,000
All-Terrain	\$ 744,000	\$ 794,000
Con. Con.	\$ 250,000	\$ 250,000
Forest Management	\$ 5,938,000	\$ 5,967,000
Nongame Wildlife	\$ 1,257,000	\$ 1,269,000
Snowmobile	\$ 4,473,000	\$ 4,561,000
State Park M. & O.	\$ 5,545,000	\$ 5,684,000
Water Recreation	\$ 8,528,000	\$ 8,848,000
Wild Rice	\$ 30,000	\$ 30,000
Wildlife Acquis.	\$ 1,233,000	\$ 1,233,000
Game and Fish	\$40,901,000	\$41,588,000
Permanent School	\$ 325,000	\$ 200,000
Trunk Highway	\$ 675,000	\$ 675,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

The full-time equivalency in this subdivision shall be the base for the 1992-1993 biennium. The commissioner of finance, in consultation with the commissioner of natural resources and the chairs of the house appropriations and senate finance committees, shall identify the amount appropriated from the funds in this subdivision for salary obligations based on the 1990 base level as adjusted by the appropriations in this act.

Subd. 2. Mineral Resources Management
\$ 4,779,000 \$ 4,809,000

The commissioner is authorized one complement position in the unclassified service from the mineral lease account.

(a) Mineral Resources
\$ 4,779,000 \$ 4,809,000

\$185,000 the first year and \$185,000 the second year are for minerals research. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

\$307,000 the first year and \$307,000 the second year are for iron ore cooperative research, of which \$200,000 the first year and \$200,000 the second year are available only as matched by \$1 of nonstate money for each \$1 of state money. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

\$122,000 the first year and \$122,000 the second year are for industrial minerals development. The commissioner may match this state money with money from nonstate sources. Any unencumbered balance remaining in the first year does

not cancel but is available for the second year.

\$750,000 the first year and \$750,000 the second year are for mineral diversification. Any unencumbered balance remaining in the first year does not cancel but is available for the second year. \$70,000 the first year is for development of products made from Minnesota clay, including kaolin clay. Any unencumbered balance remaining in the first year does not cancel and is available for the second year of the biennium.

Any income received from state oil and gas leases on property owned by the department of natural resources in the state of Montana shall be deposited in the minerals lease account and be made available for litigation costs. After completion of the litigation, any remaining funds received from the leases shall remain in the mineral lease account and be available for mineral diversification.

(b) Mineland Reclamation

\$ 408,000 \$ 408,000

Subd. 3. Water Resources Management

\$ 6,774,500 \$ 6,655,000

Summary by Fund

General	\$ 6,692,500	\$ 6,573,000
Water Recreation	\$ 82,000	\$ 82,000

\$7,500 in the first year is for construction of an outlet control structure to stabilize the level of Johnson Lake in Aitkin county.

The board of water and soil resources is authorized to make grants to counties for comprehensive local water planning and implementation of priority actions identified in approved plans and sealing of abandoned wells.

\$1,100,000 the first year and \$1,100,000 the second year are available for shoreland management grants to include \$125,000 each year of the biennium total for a grant to the North Shore Management Board. Pursuant to existing law and department rules, the metropolitan area shall be considered in distribution of these funds.

\$150,000 the first year is to conduct the stream maintenance program under Minnesota Statutes, section 105.475. Any unencumbered balance remaining in the first year does not cancel and is available for the second year of the biennium.

Subd. 4. Forest Management

\$ 24,941,500 \$ 26,453,000

Summary by Fund

General	\$18,260,500	\$19,745,000
Con. Con.	\$ 250,000	\$ 250,000
Forest Management	\$ 5,756,000	\$ 5,783,000
Trunk Highway	\$ 675,000	\$ 675,000

The divisions of forestry and fish and wildlife must coordinate the harvesting of trees in order to ensure optimum wildlife habitat benefits and water quality of adjacent streams or lakes.

\$765,000 the first year and \$765,000 the second year are for emergency fire fighting and are not subject to transfer. If the appropriation for either year is insufficient, the appropriation for the other year is available for it. If these appropriations are insufficient, the amount necessary to pay for emergency firefighting expenses during the biennium is appropriated from the general fund. No more than \$400,000 the first year and \$410,000 the second year are available for pre-suppression costs.

\$120,000 the first year and \$120,000 the second year from the general fund under

Minnesota Statutes, section 89.04, may be used for grants to the board of water and soil resources for cost-sharing with landowners in the state forest improvement program.

\$1,687,000 the first year and \$2,497,000 the second year are available for county forest management grants. \$200,000 each year of this amount shall be used for employment of Minnesota conservation corps in forested counties of Minnesota.

\$250,000 the first year and \$350,000 the second year are for grants to the University of Minnesota College of Natural Resources. \$400,000 of this amount is for hybrid aspen and hybrid larch research and development at the North Central Experiment Station at Grand Rapids. \$200,000 of this amount is for expansion of the paper science and engineering program.

\$7,500 the first year is for a grant to the Thief River Falls Technical Institute for a pilot project on aspen tree planting on conservation reserve lands.

The commissioner shall study and report to the legislature by January 1, 1991, the sources of state payments to counties for forestry related activities. The report shall identify the amounts paid by counties from various sources, the statutes directing the payments, and provide a comparison of the actual state payments to the amount individual counties would have received for these lands under the payment in lieu of taxes formulas.

\$100,000 the first year of this appropriation is to be used as a grant to the Natural Resources Research Institute for a study of aspen thinning. The institute shall submit a report to the chairs of the environment and natural resources and

economic development committees of the house and senate by January 15, 1991.

Subd. 5. Parks and Recreation
Management

\$17,096,000 \$17,419,000

Summary by Fund

General	\$10,979,000	\$11,164,000
State Park		
Maintenance and		
Operation	\$ 5,545,000	\$ 5,684,000
Water Recreation	\$ 572,000	\$ 571,000

\$572,000 the first year and \$571,000 the second year are from the water recreation account for state park development projects. If the appropriation in either year is insufficient, the appropriation for the other year is available for it.

The commissioner shall study and report to the legislature by July 1, 1990, the feasibility of providing a lapidary site or sites within a state park or forest area. The study shall identify the need for such sites, potential site locations, and projected costs associated with creation of such a program.

The commissioner shall develop a program to celebrate the 100th anniversary of the state park system. The activities planned for this celebration must focus on Itasca State Park, but shall be a systemwide recognition of the unique natural and cultural resources preserved within the park system. The commissioner shall coordinate this effort with the commissioner of trade and economic development as part of the celebrate 1990 program.

Subd. 6. Trails and Waterways

\$ 9,213,000 \$ 9,663,000

Summary by Fund

General	\$ 1,137,000	\$ 1,157,000
All-Terrain	\$ 556,000	\$ 606,000

Snowmobile	\$ 3,471,000	\$ 3,541,000
Water Recreation	\$ 3,626,000	\$ 3,935,000
Game and Fish	\$ 423,000	\$ 424,000

\$1,748,000 the first year and \$1,748,000 the second year are for snowmobile grants-in-aid.

\$35,000 appropriated in Laws 1988, chapter 686, article 1, section 11, for lease of the Paul Bunyan Trail does not cancel on June 30, 1989, and is available to the commissioner for this lease agreement until June 30, 1991.

\$250,000 the second year is available from the water recreation account for a safe harbor program on Lake Superior. This appropriation is not available until the satisfactory completion of the legislative commission on Minnesota resources' north shore harbor study project.

Subd. 7. Fish and Wildlife

Management

\$30,757,000	\$31,148,000
--------------	--------------

Summary by Fund

General	\$ 2,712,000	\$ 2,638,000
Nongame Wildlife	\$ 1,081,000	\$ 1,219,000
Water Recreation	\$ 394,000	\$ 394,000
Wild Rice	\$ 30,000	\$ 30,000
Wildlife Acquis.	\$ 715,000	\$ 715,000
Game and Fish	\$25,825,000	\$26,152,000

\$685,700 in the first year and \$685,700 the second year are appropriated from the game and fish fund for payments to counties in lieu of taxes on acquired wildlife lands and is not subject to transfer.

\$769,000 the first year and \$777,000 the second year are from the nongame wildlife management account in the special revenue fund for the purpose of nongame wildlife management. Any unencumbered balance remaining in the first

year does not cancel but is available the second year.

\$30,000 the first year and \$30,000 the second year are available from the wild rice account for a cooperative agreement with the Cuyuna Development Corporation for an economic development project on wild rice and grains. This project is to be accomplished in consultation with Aitkin Growth, Inc.

\$50,000 the first year and \$50,000 the second year are available for a grant to Aitkin Growth, Inc. for the development of projects for added value to wild rice and other grains. Any unencumbered balance at the end of the first year shall not cancel, but shall be available for the second year.

\$127,900 the first year and \$127,900 the second year are available for deer and bear management to include emergency deer feeding. If the appropriation for either year is insufficient, the appropriation for the other year is available. The commissioner shall study the costs associated with emergency deer feeding and shall include the effect that the feeding project has on the deer population. This study shall be completed by January 1, 1991, and include a comparison of Minnesota's emergency deer feeding program to emergency deer feeding programs in other states.

Any balance remaining in the \$80,000 appropriation made for elk management in Laws 1987, chapter 404, section 22, does not cancel and is made available until June 30, 1991.

The commissioner shall seek to qualify money appropriated for reinvest in Minnesota, payments associated with Indian treaty agreements, and projects funded by legislative commission on Minnesota

resources funds for federal matching funds available under the Wallop-Breaux program.

The commissioner shall make the development of fishing piers on the Mississippi river in areas easily accessible to inner city populations shall be a priority in allocating the funds used to construct fishing piers for the 1990-1991 biennium.

\$100,000 the first year is from the game and fish fund to construct two barrier reefs on the south shore of Lake of the Woods for fish habitat improvement.

\$250,000 the first year and \$250,000 the second year are general fund base adjustments to the scientific and natural areas and county biological survey activities. \$150,000 each year shall be directed to the county biological survey. One unclassified position is authorized in the general fund for this activity. \$100,000 each year is for the scientific and natural areas activity.

\$100,000 the first year and \$100,000 the second year are available on a matching basis for private nonprofit organizations including, but not limited to, sporting groups and lake associations to conduct fish rearing and stocking for the department. The commissioner shall develop a process for the distribution of funds to organizations submitting proposals for this program. Notwithstanding any rules, regulations, or policies of the department to the contrary, the commissioner shall obtain a portion of the fish used for this pilot from private fish hatcheries. The commissioner shall ensure that fish obtained from private hatcheries comply with the health and genetic standards applied to fish raised by the department's hatcheries. Grant projects selected for this program must meet eli-

gibility requirements for federal reimbursement from Wallop-Breaux funds.

The commissioner shall contract with a private consultant outside state service to conduct a study of the cost-effectiveness of this program and the potential for continuation beyond the biennium. The study shall also include an analysis of the costs associated with the operation of a state fish hatchery to include at least building maintenance, personnel, supplies, and expenses as compared to the costs of private hatchery operations. The study shall be submitted to the legislature on or before January 1, 1991, analyzing the results of the project and making specific recommendations for future actions relative to public and private ventures. A work plan must be submitted and reviewed by the legislative commission on Minnesota resources for the project. Should the appropriation from either year be insufficient, the appropriation from the other year shall be made available.

\$250,000 the first year and \$250,000 the second year is from the water recreation account for the development of a program to control the spread of purple loosestrife and Eurasian water milfoil on Minnesota public waters.

\$1,025,000 the first year and \$1,025,000 the second year are appropriated from the general fund to the commissioner of natural resources for the reinvest in Minnesota programs of game and fish, critical habitat, and wetlands, established under Minnesota Statutes, section 40.43. Any unencumbered balance for the first year does not cancel but is available for use the second year.

Subd. 8. Enforcement
 \$12,631,000 \$12,952,000

Summary by Fund

General	\$ 2,246,000	\$ 2,246,000
All-Terrain	\$ 152,000	\$ 152,000

Snowmobile	\$ 282,000	\$ 282,000
Water Recreation	\$ 1,972,000	\$ 1,972,000
Game and Fish	\$ 7,979,000	\$ 8,300,000

\$1,124,300 the first year and \$1,124,300 the second year are from the water recreation account for grants to counties for boat and water safety.

The undercover operations unit within this division shall submit an annual finance report to the chair of the house appropriations committee and the chair of the senate finance committee by January 1 of each year detailing the expenditures for the previous fiscal year and projecting the expenditures for the forthcoming fiscal year.

Subd. 9. Field Operations Support
 \$10,136,000 \$ 9,294,000

Summary by Fund

General	\$ 5,401,000	\$ 4,669,000
Game and Fish	\$ 3,792,000	\$ 3,807,000
Snowmobile	\$ 11,000	\$ 11,000
Water Recreation	\$ 354,000	\$ 354,000
Permanent School	\$ 325,000	\$ 200,000
Wildlife Acquis.	\$ 253,000	\$ 253,000

\$832,000 the first year and \$492,000 the second year are for land sale costs under Minnesota Statutes, section 92.67, subdivision 3. Any unencumbered balance remaining in the first year does not cancel and is available for the second year.

The three complement positions for the department of natural resources lake-shore lease sale program are funded only until June 30, 1991.

If the appropriation made under Minnesota Statutes, section 92.46, subdivision 1, paragraph (d), for fiscal year 1990 is not expended, it is available for use in fiscal year 1991.

\$500,000 is appropriated from the general fund as contributed capital for the professional services revolving account established to provide engineering and real estate management services to the department's operating unit. Positions established within this account are in the unclassified service.

Subd. 10. Regional Operations Support

\$ 4,751,000 \$ 5,022,000

Summary by Fund

General Fund	\$ 3,818,000	\$ 4,077,000
Game and Fish	\$ 708,000	\$ 719,000
Water Recreation	\$ 225,000	\$ 226,000

Subd. 11. Special Services and Programs

\$ 5,099,000 \$ 4,928,000

Summary by Fund

General	\$ 3,769,000	\$ 3,698,000
Forest Management	\$ 182,000	\$ 184,000
Nongame Wildlife	\$ 176,000	\$ 50,000
Snowmobile	\$ 180,000	\$ 198,000
Water Recreation	\$ 487,000	\$ 493,000
Wildlife Acquis.	\$ 265,000	\$ 265,000
Game and Fish	\$ 40,000	\$ 40,000

\$85,000 the first year and \$85,000 the second year are for a grant to the Mississippi headwaters board for up to 50 percent of the cost of implementing the comprehensive plan for the upper Mississippi within areas under its jurisdiction.

\$18,000 the first year and \$18,000 the second year are for department operating and administrative expenses associated with the Mississippi headwaters board grant and the implementation of the plan in areas along the river that are not included within the jurisdiction of the Mississippi headwaters board.

exhibit. This is a one-time appropriation and is available for the biennium.

\$65,000 the first year is a one-time appropriation for a contract with a post-secondary educational institution for horticultural activities and greening of the zoo.

\$1,200,000 appropriated by Laws 1988, chapter 686, article 1, section 12, item (b), to renovate the water and filtration systems that serve the beluga whale facility, does not cancel on June 30, 1989, and is available until expended.

Sec. 23. POLLUTION CONTROL AGENCY

Subdivision 1. Total Appropriation

	1990	1991	25,934,000	25,115,000
Approved Complement -	631.5	638.5		
General -	190.5	190.5		
Special Revenue -	115.5	132.5		
Federal -	207.5	196.5		
Environmental -	56	56		
Metro Landfill				
Contingency -	2	2		
Motor Vehicle Transfer -	18	18		
Building -	23	23		
Petroleum Cleanup -	19	20		

Summary by Fund

General	\$ 11,632,000	\$ 10,667,000
Special Revenue	\$ 3,817,000	\$ 4,249,000
Environmental	\$ 3,527,000	\$ 3,527,000
Metro Landfill		
Abatement	\$ 1,700,000	\$ 1,700,000
Metro Landfill		
Contingency	\$ 678,000	\$ 678,000
Petroleum Cleanup	\$ 1,425,000	\$ 1,432,000
Motor Vehicle		
Transfer	\$ 3,155,000	\$ 2,862,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Water Pollution Control		
\$ 5,522,000		\$ 4,211,000

Summary by Fund

General	\$ 4,252,000	\$ 2,752,000
Special Revenue	\$ 1,270,000	\$ 1,459,000

\$225,000 the first year is from the general fund to be transferred to the department of trade and economic development for the capital cost component grant program established under Minnesota Statutes, section 116.18, subdivision 3b, for the purpose of providing full grants to those municipalities awarded partial capital cost component grants in 1989.

This appropriation is only available upon certification by the pollution control agency that the construction plans for the affected projects meet established requirements and the appropriate construction security bonds have been obtained by the contractor for each project.

The total state stop payment amount that is withheld from communities completing wastewater treatment facility construction under the state-federal matching grants program must not exceed ten percent of the total state grant amount.

Notwithstanding any law to the contrary, agricultural land and land capable of being used as farmland in vegetable processing operations that is reasonably necessary to meet the requirements of pollution control laws or rules shall not be subject to the land ownership prohibitions of Minnesota Statutes, section 500.221.

Notwithstanding any other law to the contrary, municipalities on the needs list for state reimbursement of wastewater treatment facilities shall not have their position on the state needs list changed in any way as a result of local funding of wastewater treatment facilities under Minnesota Statutes, section 116.18, subdivision 3c.

Subd. 3. Air Pollution Control

\$ 3,047,000 \$ 3,515,000

Summary by Fund

General	\$ 1,891,000	\$ 1,891,000
Special Revenue	\$ 608,000	\$ 604,000

Motor Vehicle

Transfer	\$ 548,000	\$ 1,020,000
----------	------------	--------------

\$548,000 the first year and \$1,020,000 the second year are available as a loan from the motor vehicle transfer fund to the vehicle emissions inspection account for the vehicle emissions inspection program. The loan shall be repaid from vehicle emissions inspection receipts. The authorized complement is increased by six positions the first year and by no more than 16 positions the second year. Of the complement for the second year no more than 15 shall be inspection waiver officers and not more than one shall be an inspection waiver officer supervisor. The agency shall allot no more than one waiver officer for each inspection station made operational during the biennium. Should the number of inspection stations made operational be less than 15, the total authorized complement shall be adjusted downward accordingly.

Subd. 4. Groundwater and Solid
Waste Pollution Control

\$ 7,813,000	\$ 8,313,000
--------------	--------------

Summary by Fund

General	\$ 2,553,000	\$ 3,053,000
Environmental Response	\$ 2,890,000	\$ 2,890,000
Metro Landfill Abatement	\$ 1,700,000	\$ 1,700,000
Metro Landfill Contingency	\$ 670,000	\$ 670,000

All money in the environmental response, compensation, and compliance fund not otherwise appropriated, is appropriated to the pollution control agency for the purposes described in the environmental response and liability act, Minnesota Statutes, section 115B.20, subdivision 2,

paragraphs (a), (b), (c), and (d). This appropriation is available until June 30, 1991.

All money in the metropolitan landfill abatement fund not otherwise appropriated is appropriated to the pollution control agency for payment to the metropolitan council and may be used by the council for the purposes of Minnesota Statutes, section 473.844. The council may not spend the money until the legislative commission on waste management has made its recommendations on the budget and work program submitted by the council.

\$1,000,000 the first year and \$1,500,000 the second year are appropriated from the general fund for transfer to the environmental response, compensation, and compliance fund.

Any unencumbered balance from the metropolitan landfill contingency fund remaining in fiscal year 1990 does not cancel but is available for fiscal year 1991.

Subd. 5. Hazardous Waste Pollution Control

\$ 3,922,000 \$ 4,126,000

Summary by Fund

General	\$ 1,129,000	\$ 1,079,000
Special Revenue	\$ 1,366,000	\$ 1,613,000
Motor Vehicle		
Transfer	\$ 121,000	\$ 121,000
Petroleum Cleanup	\$ 1,306,000	\$ 1,313,000

\$50,000 in the first year is for a grant to the Minnesota emergency responders training academy for hazardous materials handling training.

Subd. 6. Regional Support

\$ 52,000 \$ 52,000

Summary by Fund

Environmental	\$ 41,000	\$ 41,000
---------------	-----------	-----------

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

Motor Vehicle		
Transfer	\$ 2,000	\$ 2,000
Petroleum Cleanup	\$ 9,000	\$ 9,000
Subd. 7. General Support		
\$ 3,131,000	\$ 3,216,000	

Summary by Fund

General	\$ 1,807,000	\$ 1,892,000
Environmental	\$ 596,000	\$ 596,000
Metro Landfill		
Contingency	\$ 8,000	\$ 8,000
Motor Vehicle		
Transfer	\$ 37,000	\$ 37,000
Special Revenue	\$ 573,000	\$ 573,000
Petroleum Cleanup	\$ 110,000	\$ 110,000

The program permit and assessment fees of the pollution control agency shall equal as nearly as possible the amount appropriated from the special revenue fund for the biennium and may not include any amounts to cover the cost items in Minnesota Statutes, section 16A.128, subdivision 1a, except to the extent that the cost items are included in the appropriations.

Beginning with fiscal year 1990, any new fee or fee increase adopted by the pollution control agency under Minnesota Statutes, chapter 14, shall be subject to legislative approval during the next biennial budget session following adoption. The commissioner shall submit a report of fee adjustments to the legislature as a supplement to the biennial budget. Any new fee or fee increase shall remain in effect unless the legislature passes a bill disapproving the new fee or fee increase. Any fee or fee increase disapproved by the legislature shall become null and void on July 1 following adjournment.

Subd. 8. Waste Tire Management		
Motor Vehicle		
Transfer	\$ 2,447,000	\$ 1,682,000

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

This appropriation is from the motor vehicle transfer fund for use in cleanup of waste tire dumps, as prioritized by the agency. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

Sec. 24. OFFICE OF WASTE MANAGEMENT	1,655,000	-0-
-------------------------------------	-----------	-----

Summary by Fund

General	\$ 1,655,000	\$ -0-
	1990	1991
Approved Complement -	22	10
General -	12	0
Building -	10	10

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Sec. 25. TRADE AND ECONOMIC DEVELOPMENT

Subdivision 1. Total		
Appropriation	39,745,000	37,817,000
	1990	1991
Approved Complement -	227.7	231.7
General -	188.7	188.7
Special Revenue -	3	3
Motor Vehicle		
Transfer -	3	3
Trunk Highway -	16	16
Federal -	17	21

Summary by Fund

General	\$38,884,000	\$36,956,000
Motor Vehicle		
Transfer	\$ 196,000	\$ 196,000
Trunk Highway	\$ 665,000	\$ 665,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

The following accounts within the special fund are abolished: 1991 sports festival, amateur athletic facilities, sport

event lead network, Minnesota Olympic development, and the celebrate 1990 program.

All funds received by the department as a result of interagency agreements for the celebrate 1990 program shall be deposited as nondedicated receipts to the general fund. The commissioner of finance shall add a like amount from the general fund to the appropriations in this section. This is a one-time appropriation.

Subd. 2. Minnesota Trade Office	
\$2,307,000	\$2,319,000

There is appropriated funding for a trade office in Canada.

The department may not extend the lease agreement for space in the world trade center without the written approval of both the chair of the house appropriations committee and the chair of the senate finance committee. The department shall present a proposed lease agreement to the chairs of the house appropriations and senate finance committees in time for the department to find alternative space should the lease agreement not be approved.

Subd. 3. Business Promotion	
\$4,413,000	\$4,313,000

Summary by Fund

General	\$4,217,000	\$4,117,000
Motor Vehicle Transfer	\$ 196,000	\$ 196,000

\$170,000 the first year and \$170,000 the second year are for the Minnesota motion picture board. This appropriation is available only upon receipt by the board of \$1 in matching contributions of money or in kind from nonstate sources for every \$3 provided by this appropriation.

Funding for administration of the cele-

brate 1990 program is a one-time appropriation to be used for administration of the 1990 program only.

\$800,000 the first year and \$800,000 the second year are for a grant to Minnesota Project Outreach.

\$125,000 the first year and \$125,000 the second year are for the state's match for the federal small business development centers. The department shall evaluate the effectiveness of these centers and report to the legislature in January of 1991 on the cost effectiveness of these centers. If funding in one year is insufficient the other year's appropriation is available.

\$1,300,000 the first year and \$1,300,000 the second year is for the Minnesota Jobs Skills Partnership.

Funding for grants through the jobs skills partnership program appropriated by Laws 1987, chapter 386, article 10, section 9, does not cancel and may be used for further grants.

The three positions and their incumbents in the Jobs Skills Partnership are transferred to trade and economic development.

\$150,000 appropriated to the amateur sports commission by Laws 1988, chapter 686, article 1, section 16, item (b), for operation of the Blaine sports facility is available until June 30, 1990.

The commissioner of finance may transfer money from the general fund up to \$225,000 to the national sports center special revenue account under Minnesota Statutes, section 16A.126. The transfer must be repaid to the general fund by the amateur sports commission from proceeds of the operation of the national sports center by June 30, 1991.

Subd. 4. Tourism

\$8,195,000	\$8,095,000
-------------	-------------

Summary by Fund

General	\$7,530,000	\$7,430,000
Trunk Highway	\$ 665,000	\$ 665,000

\$125,000 the first year and \$125,000 the second year is for computer needs at the travel information centers. This appropriation is from the general fund and is a one-time appropriation.

\$40,000 the first year and \$40,000 the second year are from the trunk highway fund for funding of a regional office.

Notwithstanding any law to the contrary, the department of transportation shall provide space free of charge to the office of tourism for travel information centers. The department of transportation shall provide highway maps free of charge for use and distribution through the travel information centers. The department of transportation shall not charge the office of tourism for any regular expenses associated with the operation of the travel information centers.

\$75,000 of this appropriation is to the office of tourism for promoting the cross country ski trails program and providing the public with information about the importance of the program to tourism in Minnesota and the importance of maintenance and development of cross country ski trails. \$100,000 the first year is for a grant to Moscow on the Mississippi for a year-long series of events and exchanges between Minnesota and the Soviet Union. This appropriation is available until expended. In order to develop maximum private sector involvement in tourism, \$2,200,000 the first year and \$2,200,000 the second year of the amounts appropriated for marketing activities are contingent upon receipt of an equal contribution of nonstate sources that have been documented by the com-

missioner of finance. Up to one-third of the match may be given in in-kind contributions.

Subd. 5. Administration

\$ 1,491,000 \$ 1,491,000

Subd. 6. Community Development

\$22,358,000 \$20,618,000

\$5,664,000 the first year and \$5,664,000 the second year are for economic recovery grants. The department of trade and economic development may grant up to \$100,000 from the economic recovery fund to a city of under 600 population that has experienced economic hardship in the last 12 months due to the loss of employment. The grant may be used to establish a revolving loan fund or to undertake public improvements to enhance economic development prospects for the city.

\$500,000 the first year is for a grant to the Duluth zoo. The grant is only available after the commissioner of finance has determined that this grant has been matched with \$500,000 from nonstate sources.

\$1,400,000 the first year is a one-time grant to the Minnesota Advanced Manufacturing Technology Center.

\$5,000,000 the first year and \$6,075,000 the second year are for the targeted neighborhoods revitalization and financing program.

\$2,000,000 the first year and \$3,000,000 the second year are for payment of a grant to the metropolitan council for metropolitan area regional parks maintenance and operation.

\$700,000 the first year is for Minnesota marketplace grants and is available for either year.

\$350,000 appropriated by Laws 1988, chapter 686, article 1, section 14, item (g), for the Minnesota marketplace program does not cancel on June 30, 1989, and is available for the biennium ending June 30, 1991.

\$1,500,000 the first year is a one-time general fund grant to capitalize a tourism loan account in the special revenue fund.

\$1,000,000 the first year is for funding of the celebrate 1990 grants. Only existing applications that have not received funding shall be considered for funding. Funding appropriated in the first year of the biennium for celebrate 1990 grants is available for the second year. This is a one-time appropriation.

\$350,000 the first year and \$350,000 the second year is for the community and neighborhood development organization pilot project. The three complement positions added for this program are in the unclassified service.

Any remaining balance in the energy and economic development fund after the appropriations made in Laws 1987, chapters 386 and 404, section 26, is canceled to the general fund.

A city may grant the funds received under Laws 1988, chapter 686, article 1, section 14, paragraph (o), to an incorporated development society or organization of the state that, in the city's opinion, will use the money for the best interests of the joint consolidated district area in developing the economic and agricultural resources of the area.

\$250,000 the first year and \$250,000 the second year are for community development corporations. This appropriation is only available to the extent that it is matched by a community development

corporation with \$2 of nonstate money for every \$3 of state money.

\$200,000 the first year and \$200,000 the second year are for a grant to the Women's Economic Development Corporation. This is a one-time appropriation.

\$100,000 the first year and \$100,000 the second year are for a grant to the Minnesota cooperation office. This is a one-time appropriation.

\$851,000 the first year and \$2,686,000 the second year are for grants to pay principal and interest due on bonds issued by the city of Minneapolis for the Great River Road Project, the city of St. Paul for the Como Park conservatory, suburban Hennepin regional park district for land acquisition and development, Washington County for land acquisition and development, and the Western Lake Superior Sanitary District. The amounts needed each year for the Western Lake Superior Sanitary District are transferred to the pollution control agency for payment of this grant. These amounts shall be continued in the base and adjusted only for the normal reduction in principal and interest payments.

Notwithstanding any law to the contrary, suburban Hennepin regional park district may issue \$1,700,000 in general obligation bonds to acquire and develop land for a regional park on Lake Minnetonka. Bonds issued under this authority are not included in the net debt of the park district as defined in Minnesota Statutes, section 383B.73, subdivision 2.

Notwithstanding any law to the contrary, Washington County may issue \$1,500,000 in general obligation bonds to acquire and develop land for a regional park on Big Marine Lake.

\$60,000 the first year and \$60,000 the second year are for a grant to the Minnesota High Tech Corridor.

\$50,000 the first year is for a grant to study the feasibility, location, and design of a museum of transportation in St. Paul.

\$500,000 the first year is for a loan to the city of St. Paul for costs relating to the restoration, maintenance, and operation of the St. Paul union depot concourse. The loan must be repaid, without interest, by June 30, 1994.

\$100,000 the first year and \$100,000 the second year are for the small cities federal match.

\$200,000 appropriated by Laws 1988, chapter 686, article 1, section 14, item (e), for a symposium on technical innovation and entrepreneurship is available until December 31, 1989.

\$75,000 the first year and \$75,000 the second year are for a grant to the Minnesota Inventors' Congress. The purposes of this grant include establishment of a focal point for development of an invention support system including an advisory council comprised of representatives from the public and private sectors; coordination of an invention support system, primarily in the form of semi-autonomous regional centers, while protecting, enriching, and promoting existing activities such as the Minnesota Inventors' Congress, the Minnesota Inventors' Hall of Fame, the Inventions and Technology Transfer Corporation, the Inventors' Club, and the Young Inventors' Fair; promotion of invention research, with resultant knowledge to be disseminated to Minnesota educational systems; and development of a fiscal design for the statewide invention sup-

port system. The Minnesota Inventors' Congress shall submit to the commissioner of trade and economic development and to the chairs of the senate finance committee and house appropriations committee by December 31, 1989, an implementation plan for its activities under this grant and shall report to the commissioner of trade and economic development by June 30 of each year on its activities in carrying out the purposes of this grant.

Subd. 7. Policy Analysis, Science,
and Technology

\$ 1,191,000	\$ 1,191,000
--------------	--------------

\$50,000 the first year and \$50,000 the second year are for Quality Council grants.

\$120,000 the first year and \$120,000 the second year are for a grant to Minnesota Project Innovation.

Subd. 8. Base Cut

\$ (210,000)	\$ (210,000)
--------------	--------------

The base cut must be allocated among the agency's programs by the agency head.

Notwithstanding any law to the contrary the Greater Minnesota Corporation may not reduce its commitment to the Minnesota advanced manufacturing technology center project.

\$800,000 of any funds except those designated by law specifically for agricultural related purposes received by the Greater Minnesota Corporation through an appropriation, a transfer from another state fund, investment income, fees, and other charges, repayment of loans, royalty and dividend income and lottery proceeds are transferred to the department of trade and economic development for deposit in the capital access account in the special revenue fund for

the capital access program. * (This item of section 25 was vetoed by the governor.)

Subd. 9. Greater Minnesota Corporation Reallocations

\$1,000,000 the first year of any funds except those designated by law specifically for agricultural related purposes received by the Greater Minnesota Corporation through an appropriation, a transfer from another state fund, investment income, fees, and other charges, repayment of loans, royalty and dividend income and lottery proceeds shall be transferred to Minnesota Project Innovation by October 1, 1989, for the purposes of providing research bridge grants. The commissioner of trade and economic development shall be responsible for coordinating the grant. Upon written notice from the commissioner of trade and economic development, the Greater Minnesota Corporation shall transfer the funds requested to Minnesota Project Innovation. * (This item of section 25 was vetoed by the governor.)

\$150,000 the first year of any funds except those designated by law specifically for agricultural related purposes received by the Greater Minnesota Corporation through an appropriation, a transfer from another state fund, investment income, fees, and other charges, repayment of loans, royalty and dividend income, and lottery proceeds shall be transferred by August 1, 1989, to the Western Five Community Development Corporation for the purpose of establishing a statewide system of aiding small businesses in preparing proposals for and negotiating federal government procurement contracts. The Western Five Community Development Corporation shall cooperate with the other community development corporations in the state to develop this statewide sys-

tem. Responsibilities of the community development corporations may include preparation and negotiation of federal government procurement proposals on behalf of small businesses and administration of federal government procurement contracts. This funding must be matched on a dollar-for-dollar basis from nonstate sources. * (This item of section 25 was vetoed by the governor.)

Sec. 26. AMATEUR SPORTS
COMMISSION

603,000

428,000

Approved Complement - 7

\$20,000 of the appropriation is for establishing and promoting programs for rinkette hockey.

\$175,000 the first year is appropriated to the amateur sports commission for a grant to a joint recreation board made up of three or more municipalities for feeder hills. This appropriation is to be matched with \$50,000 from sources other than the state general fund. This appropriation is available until June 30, 1991.

Notwithstanding any law to the contrary, the Minnesota state high school league shall develop a plan to establish a two-class state high school hockey championship tournament. The high school league shall report to the legislature on its plan no later than August 15, 1990. Beginning in the 1990-1991 school year the high school league shall conduct a two-class high school hockey championship. The requirement supersedes any inconsistent provision of H.F. No. 654 notwithstanding the date and time of day of final enactment.

The amateur sports commission may not enter into any agreement obligating it or the state to share in the operation of any amateur sports facility. The commission may not enter into any agree-

ment that would commit the commission or the state into sharing in the profit or loss of any amateur sports facility. This section does not apply to the national sports center at Blaine.

Sec. 27. HOUSING FINANCE AGENCY

Subdivision 1. Total Appropriation	12,583,000	12,584,000
------------------------------------	------------	------------

Approved Complement - 134

Spending limit on cost of general administration of agency programs:

1990	1991
\$7,130,000	\$7,560,000

This appropriation is for transfer to the housing development fund for the programs specified.

\$225,000 the first year and \$225,000 the second year are for housing programs for the elderly under Minnesota Statutes, section 462A.05, subdivision 24.

\$2,115,000 the first year and \$2,115,000 the second year are for home ownership assistance under Minnesota Statutes, section 462A.21, subdivision 8.

\$1,887,000 the first year and \$1,887,000 the second year are for tribal Indian housing programs under Minnesota Statutes, section 462A.07, subdivision 14, of which \$125,000 the first year and \$125,000 the second year are for a demonstration program to make off-reservation loans in combination with bond proceeds from the agency.

\$233,000 the first year and \$233,000 the second year are for urban Indian housing programs under Minnesota Statutes, section 462A.07, subdivision 15, to be distributed by the agency without regard to any allocation formula.

\$4,842,000 the first year and \$4,842,000

the second year are for housing rehabilitation and accessibility loans under Minnesota Statutes, section 462A.05, subdivisions 14a and 15a.

\$569,000 the first year and \$569,000 the second year are for temporary housing programs under Minnesota Statutes, sections 462A.05, subdivision 20; and 462A.21.

Notwithstanding any law to the contrary, in the event that the housing finance agency assumes servicing responsibility for its home improvement loans, energy loans, and rehabilitation loans, the agency may apply for an increase in its complement and administrative cost ceiling through the regular legislative advisory commission process.

Subd. 2. Urban and Rural Homesteading

\$187,000 the first year and \$188,000 the second year are for a pilot project for grants to establish a rural and urban homesteading program.

Subd. 3. Governor's Housing Commission

\$1,500,000 the first year and \$1,500,000 the second year are for low-income rental housing. This appropriation may not be used for housing loans or rental subsidies in neighborhoods eligible to participate in the targeted neighborhoods revitalization and financing program.

\$750,000 the first year and \$750,000 the second year are for the housing preservation program.

\$50,000 the first year and \$50,000 the second year are for capacity building grants.

\$25,000 the first year and \$25,000 the second year are for the home equity conversion loan counseling program.

\$25,000 the first year and \$25,000 the second year are for transfer to the commissioner of jobs and training for accessible housing information grants.

\$25,000 the first year and \$25,000 the second year are for the home sharing program.

\$100,000 the first year and \$100,000 the second year are for the acquisition, rehabilitation, or construction of transitional housing units. The commissioner of the Minnesota housing finance agency may transfer up to \$100,000 of this amount to the commissioner of jobs and training for the transitional housing program established under Minnesota Statutes, section 268.38.

\$50,000 the first year and \$50,000 the second year is for the acquisition, rehabilitation, or construction of affordable housing units for migrant laborers. To the greatest extent possible, this amount must be combined with nonpublic money from nonprofit organizations, interested persons, and private entities engaged in the business of producing and processing agricultural products.

Sec. 28. STATE PLANNING
AGENCY

	1990	1991	6,505,000
Approved Complement -	113	113	
General -	80.5	80.5	
Special Revenue -	4.5	4.5	
Revolving -	22	22	
Federal -	6	6	

Summary by Fund

General	\$ 5,630,000	\$ 6,030,000
Special Revenue	\$ 475,000	\$ 475,000

\$377,000 the first year and \$377,000 the second year are for regional planning grants to regional development commissions organized under Minnesota Statutes, sections 462.381 to 462.396.

Until June 30, 1991, for state and federal grants distributed by state agencies to regions of the state not having a regional development commission, the state agency administering the grant program may assess the program for administrative costs incurred by the agency that normally are incurred by the commission.

\$22,000 the first year and \$22,000 the second year are for the Council of Great Lakes Governors.

During the biennium any seminars or training sessions regarding federal issues for federal budgeting that are conducted by the Washington office shall be made available to legislators and legislative staff. The Washington office shall notify the legislature regarding the timing of such seminars.

The commissioner shall contract with an independent consultant to explore future directions for Minnesota in land management information systems. This study shall examine interagency cooperation, public and private venture potential, the status of geographic information systems planning as it applies to Minnesota, the role that the land management information center should play in future development of an overall system, and development of a long-range strategy for Minnesota's role in providing the appropriate services to agencies and political subdivisions. The study shall also explore the activities of other states and nations in the area of geographic information systems. The study must be accomplished in conjunction with the information policy office and be compatible with the long-range information management architecture being developed by the information policy office. A final report shall be submitted to the legislature by January 1, 1991, indicating recommendations for future actions.

The state planning agency shall study the effects on the state's transportation systems, methods of storage, public safety systems, and state health concerns of any incinerator to be constructed in Minnesota that is designed to burn hazardous wastes. The report shall include specific recommendations and shall be delivered to the legislature and the affected state agencies by January 1, 1991.

\$500,000 the second year is for one-third of the state's membership fee in the Great Lakes Protection Fund. The governor may enter as a signatory party in the Great Lakes Protection Fund. The fund is created as a permanent endowment to advance the principles, goals, and objectives of the Great Lakes Toxic Substance Control Agreement, executed by the eight Great Lakes governors in May 1986, and to ensure the continuous development of needed scientific information, new cleanup technologies, and innovative methods of managing pollution problems as a cooperative effort in the Great Lakes region.

The governor may enter the state as a signatory party in the Great Lakes Protection Fund, subject to approval by the legislature. After approval, the governor shall do all things necessary or incidental to participate in the Great Lakes Protection Fund, as spelled out in its bylaws and articles of incorporation.

If congressional consent to the Great Lakes Protection Fund carries with it conditions that materially change the provisions agreed to by the party states, the state reserves the option to terminate further participation in the fund.

\$100,000 the first year and \$100,000 the second year are for demonstration grants under the youth employment and housing program to eligible organizations as

defined in Minnesota Statutes, section 268.361, subdivision 4. \$75,000 each year is for a grant to an eligible organization in the city of Bemidji.

\$250,000 the first year and \$250,000 the second year is for the Way to Grow school readiness program. \$125,000 the first year and \$125,000 the second year must be used for a project located within a city of the first class located within the metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision 2. \$125,000 the first year and \$125,000 the second year must be used for a project located within a city of the second class located within the metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision 2. This is intended to be a nonrecurring appropriation and must not be included in the budget base for the 1992-1993 biennium.

The state planning agency shall study the administrative costs of local units of government and shall report to the legislature by January 1, 1990, on the level and growth of administrative costs and alternatives for controlling future growth.

\$100,000 the first year and \$100,000 the second year are for the Minnesota environmental education board. Any appropriations for the board made by S.F. No. 262 serve to reduce these appropriations.

Sec. 29. MINNESOTA FUTURE RESOURCES FUND

Subdivision 1. Total Appropriation	9,975,000	8,615,000
---------------------------------------	-----------	-----------

Approved Complement - 36.8

The appropriations in this section are from the Minnesota future resources fund.

The amounts that may be spent from

this appropriation for each activity are more specifically described in the following subdivisions.

For all appropriations in this section, if the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Subd. 2. Legislative Commission on Minnesota Resources	340,000	340,000
---	---------	---------

For the biennium ending June 30, 1991, the commission shall review the work programs and progress reports required under this section.

Subd. 3. Department of Natural Resources	2,189,000	2,089,000
---	-----------	-----------

Approved Complement - 21

The amounts that may be spent from this appropriation for each activity are as follows:

(a) Acquisition of Private Exploration Data	\$ 75,000	\$ 75,000
--	-----------	-----------

Approved Complement - 2

To acquire and catalog private drill core and other materials, microfilm appropriate data, and make all this information permanently available for public use.

(b) St. Louis County Tract Index	\$ 40,000	\$ 40,000
----------------------------------	-----------	-----------

This appropriation is for a grant to St. Louis county to develop a computerized tract index system that will make it possible to easily determine severed mineral ownership on tracts with potential mineral development possibilities. This appropriation is contingent upon a \$100,000 match from St. Louis county.

(c) Groundwater Sensitivity	\$362,000	\$362,000
-----------------------------	-----------	-----------

Approved Complement - 1

To provide guidelines describing where contamination has or is likely to reach the groundwater supply as determined by hydrogeologic conditions, water use, land use, or other factors and make these tools available for appropriate state and local action.

(d) River Bank and Meander Management

\$100,000 \$100,000

This project shall address the need to reduce losses due to river flooding by developing comprehensive information on river reaches prone to channel shifts and low-cost erosion and sedimentation control techniques.

(e) Development of Forest Soil Interpretations

\$ 25,000 \$ 25,000

This appropriation is for a grant to Beltrami county to develop a system of forest soil interpretations and characteristics in which the information from county soil surveys is put into a computerized format, thus insuring optimum utilization of the survey information in forested counties.

(f) Urban Forestry

\$ 50,000 \$ 50,000

Approved Complement - 1

To accelerate the community forestry assistance program.

(g) Impacts of Forest Road Systems

\$ 85,000 \$ 85,000

To determine how present and planned forest road networks expansion and upgrading will impact forest uses.

(h) Statewide Public Recreation Map

\$285,000 \$285,000

Approved Complement - 3

To publish and provide for sale a state-wide series of recreational maps displaying the location of various public recreational opportunities, including county-managed facilities. When this project is completed, the map project is expected to be self-sustaining. This project is to serve as a pilot for the development of a comprehensive geographic information system in the department.

(i) Camper Survey
 \$ 15,000 \$ 15,000

For a cooperative matching program contingent upon the office of tourism providing \$30,000 and the Minnesota Association of Campground Owners providing \$10,000 to better understand and market camping in Minnesota.

(j) American Youth Hostel
 Pilot Program
 \$130,000 \$130,000

Approved Complement - 2

To establish as a demonstration project an American Youth Hostel facility at an appropriate site. Consultation with the Minnesota historical society is expected.

The commissioner may contract for the operation of the pilot youth hostel project without complying with the competitive bidding requirements of Minnesota Statutes, chapter 16B.

(k) Trails Planning and Management
 \$ 64,000 \$ 64,000

Approved Complement - 1

To prepare a statewide trail plan that coordinates the appropriate agencies, including the department of transportation's rail banking program, and addresses the issue of acquisition and development priorities, procedures, and responsibilities for linear corridor opportunities.

(l) Trail Right-of-Way Protection
 \$ 75,000 \$ 75,000

To provide for innovative ways of obtaining public opportunity to use high priority linear corridors for recreation, with emphasis on less than fee interests, and for appropriate betterments.

(m) Ridgeline Hiking Trail
 \$ 78,000 \$ 78,000

Approved Complement - 1

This appropriation is for a grant to the Superior Hiking Trail Association for planning, development, and limited use of easement acquisition of at least a segment of the trail between Gooseberry Falls and Two Harbors. The use of conservation corps resources is strongly encouraged. Up to \$70,000 is available to the department for planning and administrative assistance. Available federal and private money is appropriated.

(n) North Shore Harbors Study
 \$100,000 \$ -0-

This appropriation is for a grant to the North Shore Management Board to determine the best location for protected harbors on the north shore of Lake Superior.

(o) Duluth Area Breakwater

The appropriation for this purpose in Laws 1987, chapter 404, section 30, subdivision 3, item (g), remains available until June 30, 1991.

This carryforward appropriation is contingent upon additional funding of \$500,000 from the city of Duluth and state and federal money necessary for total funding of a breakwater and public access on Lake Superior within the city of Duluth.

In the event that the required match from the city of Duluth is not provided, this appropriation shall be made available for implementation of the north shore harbor study funded in this section.

(p) Mississippi River Interpretive
 Center Planning
 \$ 30,000 \$ 30,000

This appropriation is for a grant to the city of Winona to plan for an upper Mississippi river interpretive center as outlined in the state historic interpretive center plan.

(q) Urban Fishing Program
 \$175,000 \$175,000

Approved Complement - 1

To expand urban fishing opportunities and awareness.

(r) North American Waterfowl Plan
 Coordination
 \$100,000 \$100,000

Approved Complement - 1

To coordinate the implementation of waterfowl and wetland protection and enhancement programs and to survey lakes.

(s) Swan Lake Area Wildlife Project

Approved Complement - 2

The appropriation for this purpose in Laws 1987, chapter 404, section 30, subdivision 3, item (j), remains available until June 30, 1991.

The appropriation may be spent for acquisition, habitat development, management, and evaluation. Matching money is appropriated.

(t) County Biological Survey
 \$ 75,000 \$ 75,000

Approved Complement - 2

To continue and expand assessment of Minnesota's rare natural resources in a systematic county-by-county manner.

(u) Purple Loosestrife Research
 \$100,000 \$100,000

To initiate cooperative research with the University of Minnesota to document

the genetic diversity and study the biology and ecology of Minnesota purple loosestrife populations to enhance the use of nonchemical control methods and evaluate the potential use of biological control agents, thereby providing alternatives to chemical control methods. Matching money is appropriated.

(v) Local Volunteer Coordination
 \$ 25,000 \$ 25,000

This appropriation is for a grant to Polk county central cities community center to improve coordination between volunteer groups and resource managers, which can act as a model for other agencies. Matching money is appropriated.

(w) Accelerated Land Exchange
 \$100,000 \$100,000

Approved Complement - 2

To complete for presentation to the land exchange board a package for exchange of school trust fund lands in state parks and accelerate the exchange of school trust fund lands in the BWCA and other state units.

(x) Alternative Dispute Resolution
 \$ 60,000 \$ 60,000

Approved Complement - 1

To increase the understanding and utilization of alternative dispute resolution techniques.

(y) LAWCON Administration
 \$ 40,000 \$ 40,000

Approved Complement - 1

The appropriation is for administration of the federal land and water conservation fund.

Subd. 4. Pollution Control Agency	1,466,000	1,466,000
-----------------------------------	-----------	-----------

Approved Complement - 12.8

Two of these positions are for contractual work with the department of natural resources in the groundwater sensitivity program.

The amounts that may be spent from this appropriation for each activity are as follows:

(a) Redesign Ambient Groundwater
Monitoring Program
\$ 98,000 \$ 98,000

Approved Complement - 1.5

To examine the current ambient groundwater monitoring program's shortcomings, analyze state and local groundwater quality information needs, and recommend an improved design for the state-wide monitoring program.

(b) Minnesota River Basin Water
Quality Monitoring
\$350,000 \$350,000

Approved Complement - 2

A joint effort of federal, state, and local government units that will assess mainstem, major tributary, and groundwater nonpoint source inputs to the Minnesota river for the purpose of targeting future water quality management programs. Equal match of state dollars is required, including local units of government coordinated through the south central planning project, who will provide in-kind service or local money to assist in data gathering. Matching money is appropriated.

(c) PCB's and Mercury in Public Waters
\$250,000 \$250,000

Approved Complement - 1

To identify the sources and pathways of PCB's and mercury to the St. Louis river and Mississippi river systems, Sand Point,

and Crane Lake to develop processes and procedures to reduce the sources and conditions causing mercury accumulation in fish.

(d) Biological Manipulation of Waste-water Treatment Ponds

\$ 73,000 \$ 73,000

Approved Complement - 1

To determine what factors cause daphnia to thrive in some sewage stabilization ponds and not in others, in order to decrease sewage treatment costs.

(e) Municipal Solid Waste Materials Recovery

\$200,000 \$200,000

Approved Complement - 1

To determine the changes municipal solid waste undergoes when incinerated and to measure how removing specific waste streams from municipal solid waste will affect the operation of incinerators.

(f) Medical Waste Incinerator Evaluation

\$125,000 \$125,000

Approved Complement - 1

To evaluate air and ash pollutants from medical waste incinerators to determine the variety and quantity of the pollutants and to determine what standard pollution control strategies are necessary and cost effective.

(g) Dioxin From Incinerator Emissions

\$148,000 \$148,000

Approved Complement - 1

To monitor and study the pathways dioxin travels from a waste incinerator into the human food chain, in order to evaluate and improve the existing health

risk assessment model currently used in the environmental review and permitting process for incinerators.

(h) Household Batteries Recycling and Disposal

\$ 45,000 \$ 45,000

Approved Complement - 1

To study the impacts of battery management on the environment, alternative management methods or other identified research needs regarding the disposal of household batteries.

(i) Ash as Soil Amendment

\$ 50,000 \$ 50,000

Approved Complement - .3

To research and promote the beneficial use of solid waste incinerator ash in agriculture.

(j) Health Risk Assessment Modeling for Composting

\$ 40,000 \$ 40,000

To develop a health risk assessment model for municipal waste compost and compare risks with other waste management methods.

(k) Contaminants in Minnesota Wildlife

\$ 87,000 \$ 87,000

Approved Complement - 1

To determine the amount and extent of toxic contaminants in Minnesota wildlife.

**Subd. 5. Department of Trade and Economic Development
Recreation Grants Program**

\$1,250,000 \$ -0-

The appropriation is for acquisition and development of recreation open space projects requested by local units of government. Priority is for projects that

receive federal grants. This appropriation is for grants of up to 50 percent of the total cost, or 50 percent of the local share if federal money is used. The per project limit for state grants is \$400,000. During the biennium, notwithstanding any other law to the contrary, grants are not contingent upon the matching of federal grants. State grants are limited to one per local unit for the biennium.

One-half of this appropriation is for projects outside the metropolitan area.

Subd. 6. State Planning Agency	280,000	280,000
--------------------------------	---------	---------

The amounts that may be spent from this appropriation for each activity are as follows:

(a) Statewide Land Use Update		
	\$225,000	\$225,000

The appropriation is for a grant to the International Coalition to do a statewide land use update of all land and water resources.

(b) Hydrologic Model Applications		
	\$ 55,000	\$ 55,000

The appropriation is for a grant to the International Coalition to produce a state-of-the-art tool for water decision making that combines standard watershed modeling and geographic information systems technology.

Subd. 7. Department of Health	369,000	369,000
-------------------------------	---------	---------

Approved Complement - 2

The amounts that may be spent from this appropriation for each activity are as follows:

(a) Pesticide Breakdown Products Survey		
	\$165,000	\$165,000

Approved Complement - 1

To identify the occurrence and level of pesticide breakdown products in selected public and private water wells.

(b) Abandoned Well and Monitoring
Well Technologies
\$100,000 \$100,000

To research and apply technical methods used in the petroleum industry to remove obstructions from wells so that they can be properly abandoned, and to research and develop methods of detecting leaking monitoring wells.

(c) Indoor Air Quality Assessment
Protocol
\$ 54,000 \$ 54,000

Approved Complement - 1

To develop a method for assessing and mitigating indoor air quality problems in homes, and to transfer this information to the private sector for implementation.

(d) Community Lead Abatement -
Project
\$ 50,000 \$ 50,000

The appropriation is for a grant to the community lead abatement project to determine the benefits of cleanup of lead contaminated exterior and interior dust on children's blood levels.

Subd. 8. Department of Agriculture 295,000 295,000

Approved Complement - 1

The amounts that may be spent from this appropriation for each activity are as follows:

(a) Pesticide Use Survey
\$ 45,000 \$ 45,000

Approved Complement - 1

To develop an accurate map of pes-

The appropriation is for a project to interpret and preserve historic trails for public use and tourism.

(e) Heirloom Seeds
 \$ 20,000 \$ 20,000

To provide a gardening and "heirloom seeds" interpretation for the Oliver H. Kelly farm. A by-product of this proposal will be the sale of "heirloom seeds." It is anticipated that sale of seeds will allow the program to be self-supporting. Matching money is appropriated.

(f) Preservation of Historic
 Shipwrecks
 \$ 37,000 \$ 37,000

To comply with federal law, a process must be developed to complete an extensive literature search of North Shore wrecks and gather available field data. Results will yield a plan for further exploration and historical designation of important wrecks.

(g) Implement Plan for Archaeological
 Resources.
 \$ 50,000 \$ 50,000

To develop a project with the Institute for Minnesota Archaeology and with the state archaeologist that will further aid in the development and identification of the state's archaeological resources. The project must be in accordance with Minnesota Statutes, sections 138.31 to 138.42 and 307.08.

Subd. 10. Science Museum of Minnesota	255,000	255,000
--	---------	---------

The amounts that may be spent from this appropriation for each activity are as follows:

(a) Water Education for Minnesota
 \$150,000 \$150,000

For a cooperative effort involving the

To the Natural Resources Research Institute to assist in the development of new methods to produce taconite concentrates acceptable as preferred ore for new steel-making technologies. This appropriation is contingent upon a \$50,000 match from the iron range resources and rehabilitation board.

(d) Program Design for Groundwater Research

\$ 10,000 \$ -0-

To develop plans and proposals to bring increased federal funding to the university for groundwater research, training, and information transfer.

(e) Program Design for Lake Superior Studies

\$ 25,000 \$ 25,000

This appropriation is not available until the university has financed and submitted to the legislative commission on Minnesota resources a report on a study using outside consultants that recommends the appropriate research directions necessary to protect Lake Superior. This appropriation is for a study by the University Natural Resources Research Council to determine the best way to organize the research work within the university structure.

(f) Land Use Impacts on Lake Superior

\$120,000 \$120,000

To the Natural Resources Research Institute to measure and model the impacts of changing land use practices on erosion rates, water quality, and biological communities on the near shore waters of Lake Superior. Matching funds must be applied for and the results reported to the legislative commission on Minnesota resources.

(g) County-Level Groundwater Data Management

\$ 43,000 \$ 43,000

The appropriation is to the Minnesota geological survey to provide tools and training to counties that want an enhanced capability to use the computerized county well index in local water planning.

(h) Chemical Transport in Groundwater
\$150,000 \$150,000

The appropriation is for the civil and mineral engineering department to develop, test, and implement interactive models to simulate groundwater transport of chemicals.

(i) Lake Aeration Techniques and Hydrologic Forecasting
\$414,000 \$414,000

The appropriation is for the St. Anthony Falls Hydraulics Laboratory to conduct engineering and hydraulics research in three water resource areas: (1) \$338,000 to optimize lake aeration techniques; (2) \$440,000 to develop forecast methods for: groundwater, hydropower effects on water quality, operation of wastewater treatment ponds, and for ice-induced flooding; and (3) \$50,000 to test several new techniques for measurement of ice in rivers and lakes.

(j) Wetland Plant Communities
\$ 45,000 \$ 45,000

The appropriation is for the College of Natural Resources for research to identify the optimal mix of plants that remove nutrients from wetlands. A grant application must be submitted to the National Science Foundation and the Environmental Protection Agency to supplement this appropriation and the results reported to the legislative commission on Minnesota resources.

(k) Water Filter for Iron Removal
\$ 14,000 \$ 14,000

The appropriation is to the Institute of Technology for the development of a cost-effective membrane system for removing iron from water so the processed water can be used in a variety of industrial and domestic situations where high iron content is undesirable. A grant application must be submitted to the National Science Foundation to supplement this appropriation and the results reported to the legislative commission on Minnesota resources.

(l) Simulation of Future Forestry

Economy

\$ 50,000

\$ 50,000

The appropriation is to the College of Natural Resources to develop methods and evaluate opportunities for supporting forest land economic development in Minnesota from a statewide strategic viewpoint.

(m) Oak Wilt Research

\$ 44,000

\$ 44,000

The appropriation is to the College of Natural Resources for research aimed at biological control of oak wilt using a special fungus, improvement of root barriers to limit spread of the disease, and an educational program on how best to control oak wilt. If this work results in a patent and subsequent royalties, the university shall repay 50 percent of the royalties received, net of patent servicing costs, until the entire appropriation is repaid, into the Minnesota future resources fund.

(n) Lignin-Based Engineering Plastics

\$ 54,000

\$ 54,000

The appropriation is to the College of Natural Resources for fabricating engineering plastics based upon industrial by-product lignins and corresponding raw materials from wheat straw. If this work results in a patent and subsequent royal-

ties, the university shall repay 50 percent of the royalties received, net of patent servicing costs, until the entire appropriation is repaid, into the Minnesota future resources fund.

(o) High Flotation Tire Research
\$ 20,000 \$ 20,000

The appropriation is to the College of Natural Resources in cooperation with the Mille Lacs Area Community Development Corporation for a grant to study the impact of high flotation tires on soil and regeneration of aspen and evaluate the economic feasibility of installing and using this equipment.

(p) Aquaculture Development
and Education
\$100,000 \$100,000

The appropriation is to the College of Natural Resources for development of aquaculture demonstration projects and education.

(q) Sonar Measurement of Fish
Population
\$ 30,000 \$ 30,000

The appropriation is to the College of Biological Sciences to develop electronic procedures for measuring the abundance of fish in lakes and for preparing lake maps.

(r) Accelerated Soil Survey
\$600,000 \$600,000

The appropriation is to the agricultural experiment station for the seventh biennium of a seven-biennium effort to provide the appropriate detailed survey based on the adopted federal, state, and local cost share. It may be spent only in counties where the survey was under way or the agreement signed and survey scheduled by July 1, 1988.

(s) Test Emissions from Densified-RDF
\$ 75,000 \$ 75,000

mation system's geographic and summary data bases according to published data compatibility guidelines. Costs associated with this data delivery must be borne by the activity receiving funding under this section. This requirement applies to all projects funded under this section, including but not limited to, projects under subdivision 3, clauses (c), (e), (g), (h), (k), (r), and (t), subdivision 4, clauses (a) and (b), subdivision 5, clauses (a) and (b), subdivision 7, clause (a), subdivision 8, clause (h), subdivision 9, clause (c), subdivision 10, clauses (a), (g), (h), and (r), subdivision 11, clause (b).

Subd. 15. Work Programs

It is a condition of acceptance of the appropriations made by this section that the agency or entity receiving the appropriation must submit work programs and semiannual progress reports in the form determined by the legislative commission on Minnesota resources. None of the money provided in this section may be spent unless the commission has approved the pertinent work program.

Subd. 16. Complement Temporary

Persons employed by a state agency and paid by an appropriation in this section are in the unclassified civil service, and their continued employment is contingent upon the availability of money from the appropriation. When the appropriation has been spent, their positions must be canceled and the approved complement of the agency reduced accordingly. Part-time employment of persons is authorized.

Sec. 30. LABOR AND INDUSTRY

Subdivision 1. Total

Appropriation		16,793,000	16,581,000
	1990	1991	
Approved Complement -	351	351	
General -	69	69	

Special Revenue -	40	40
Federal -	38.5	38.5
Workers' Compensation -	203.5	203.5

Summary by Fund

General	\$ 5,936,000	\$ 5,969,000
Worker's Comp.	\$ 9,320,000	\$ 9,075,000
Special Revenue	\$ 1,537,000	\$ 1,537,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Employment Standards
\$ 937,000 \$ 937,000

Subd. 3. Workers' Compensation
Regulation and Enforcement
\$ 6,491,000 \$ 6,400,000

This appropriation is from the special compensation fund.

Fee receipts collected as a result of providing direct computer access to public workers' compensation data on file with the commissioner must be deposited in the general fund.

Funding for the file administration improvements is contingent on the department agreeing to participate in the information policy office's optical disk scanning study. The file administration improvements appropriation is a one-time appropriation.

Subd. 4. Workers' Compensation
Special Compensation Fund
\$ 2,500,000 \$ 2,500,000

Subd. 5. Code Enforcement
\$ 1,511,000 \$ 1,511,000

This appropriation is from the special revenue fund.

Subd. 6. OSHA
\$ 1,307,000 \$ 1,310,000

Subd. 7. General Support
\$ 2,336,000 \$ 2,288,000

Summary by Fund

General	\$ 815,000	\$ 845,000
Workers' Comp.	\$ 1,400,000	\$ 1,321,000

\$225,000 the first year and \$225,000 the second year are for labor education and advancement program grants. Notwithstanding Laws 1983, chapter 301, section 32, the commissioner of labor and industry shall develop and implement an application process for organizations seeking to receive funding from the labor education advancement program. Criteria for selection of grant recipients shall include but not be limited to the number of minority people served and the ability of organizations to match the state money with nonstate resources.

Subd. 8. Information Management Services

\$ 1,832,000 \$ 1,757,000

Summary by Fund

General	\$ 377,000	\$ 377,000
Workers' Comp.	\$ 1,429,000	\$ 1,354,000
Special Revenue	\$ 26,000	\$ 26,000

Funding is included from the special workers' compensation fund in this appropriation for computer system restructuring.

Sec. 31. WORKERS' COMPENSATION COURT OF APPEALS

1,094,000 1,058,000

Approved Complement - 22

This appropriation is from the workers' compensation special compensation fund.

Sec. 32. MEDIATION SERVICES

1,775,000 1,780,000

Approved Complement - 25

\$287,000 the first year and \$287,000 the second year are for grants to area labor-management committees. The unencumbered balance remaining in the first year does not cancel but is available for the second year.

Sec. 33. PUBLIC EMPLOYMENT RELATIONS BOARD

65,000 65,000

Approved Complement - 1

Sec. 34. MILITARY AFFAIRS

Subdivision 1. Total		
Appropriation	8,461,000	9,454,000
Approved Complement - 340.8		
General - 137.8		
Federal - 203		

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Maintenance of Training Facilities

\$ 5,559,000	\$ 5,559,000
--------------	--------------

\$100,000 the first year and \$100,000 the second year are for six general fund positions to support the federal construction program.

Notwithstanding any law to the contrary the department of military affairs may use up to \$1,450,000 of the proceeds from the sale of the Minneapolis armory for roof repairs, window replacements, and boiler replacements at state armories. If the adjutant general determines that the sale of the Minneapolis armory will occur during the biennium, the adjutant general may transfer funds from the regular armory maintenance funding into the repairs and replacements of roofs, windows, and boilers at state armories.

The adjutant general shall seek to include in the governor's capital bonding requests for 1990 and 1991 funding for roof replacements and window replacements at state armories.

Subd. 3. General Support

\$ 1,399,000	\$ 1,393,000
--------------	--------------

\$75,000 the first year and \$75,000 the second year are for expenses of military forces ordered to active duty under Min-

nesota Statutes, chapter 192. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Subd. 4. Enlistment Incentives
 \$ 1,572,000 \$ 2,571,000

\$1,070,000 the first year and \$2,225,000 the second year are for the tuition reimbursement program.

\$477,000 the first year and \$321,000 the second year are for the reenlistment bonus program.

If appropriations for either year of the biennium are insufficient, the appropriation from the other year is available.

The amounts appropriated for tuition assistance and bonuses in Laws 1988, chapter 686, article 1, section 21, do not cancel and are available for the purposes for which they were appropriated. Funding for the tuition assistance and reenlistment bonus programs are available until expended. If funding for either year of the biennium is insufficient, the other year's appropriation is available.

Subd. 5. Base Cut
 \$ (69,000) \$ (69,000)

The base cut must be allocated among the agency's programs by the agency head.

Sec. 35. VETERANS AFFAIRS		3,090,000	2,590,000
	1990	1991	
Approved Complement -	38	38	

\$300,000 is appropriated for the commissioner of veterans affairs for the purposes of creating a Minnesota Vietnam veterans memorial on the capitol mall. This appropriation is available until expended. The capitol area architectural and planning board shall conduct a selection process to award the contracts for design and construction of the memo-

rial. The capitol area architectural and planning board shall also select a site for the memorial. No contract for construction shall be entered into by the board until after the board has received recommendations on the cost, design, and placement of the memorial from the chairs of the house appropriations and senate finance committees.

During the biennium, in administering veterans benefits programs the commissioner shall ensure that veterans participate in all federally funded benefit programs to the maximum extent possible before receiving assistance under state funded programs.

\$1,088,000 the first year and \$1,088,000 the second year are for emergency financial and medical needs of veterans. For the biennium ending June 30, 1991, the commissioner shall limit financial assistance to veterans and dependents to six months, unless recipients have been certified as ineligible for other benefit programs. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

\$200,000 is appropriated for a grant to the Vineland Center.

\$30,000 the first year and \$30,000 the second year are for bronze star grave markers.

Sec. 36. HUMAN RIGHTS	2,902,000	2,902,000
Approved Complement - 69.5		
General - 68		
Federal - 1.5		

\$140,000 the first year is a one-time appropriation for development of an information system, and is available either year of the biennium.

Sec. 37. INDIAN AFFAIRS COUNCIL	313,000	313,000
Approved Complement - 6		
General - 6		
Federal - 0		
Sec. 38. COUNCIL ON AFFAIRS OF SPANISH-SPEAKING PEOPLE	190,000	190,000
Approved Complement - 4		
Sec. 39. COUNCIL ON BLACK MINNESOTANS	176,000	176,000
Approved Complement - 3.5		
Sec. 40. COUNCIL ON ASIAN-PACIFIC MINNESOTANS	153,000	153,000
Approved Complement - 3		
Sec. 41. COUNCIL ON PEOPLE WITH DISABILITIES	520,000	520,000
Approved Complement - 10		

Notwithstanding any law to the contrary the two incumbents transferred from the council on technology for people with disabilities to the Minnesota council on disabilities shall continue in their same positions with the same responsibilities. The department of employee relations shall reclassify the positions within the disabilities council to reflect the transfers.

\$50,000 the first year and \$50,000 the second year are for general support grants, in consultation with the state board of the arts, to statewide handicapped arts organizations regardless of the size of their operating budgets. The state arts board is encouraged to support handicapped arts organizations by providing technical and grant assistance as well as assisting them in seeking partnership opportunities with the private sector.

Sec. 42. SALARY SUPPLEMENT	40,722,000	88,992,000
Subdivision 1. Appropriations		

Except as limited by the direct appropriations made in this section, the amounts necessary to pay compensation and economic benefit increases covered by this section are appropriated from the various funds in the state treasury from which salaries are paid to the commissioner of finance for the fiscal years ending June 30, 1990, and June 30, 1991. In the case of salaries that are paid from one fund, but that fund is reimbursed by another fund, the amounts necessary to make these reimbursements are also appropriated.

- (a) General Fund

\$29,964,000	\$60,836,000
--------------	--------------
- (b) Game and Fish Fund

\$ 1,369,000	\$ 2,807,000
--------------	--------------
- (c) Trunk Highway Fund

\$11,520,000	\$23,620,000
--------------	--------------
- (d) Highway User Tax Distribution Fund

\$ 301,000	\$ 618,000
------------	------------
- (e) Workers' Compensation

\$ 532,000	\$ 1,147,000
------------	--------------

Subd. 2. Increases Covered

The compensation and economic benefit increases covered by this section are those paid to classified and unclassified employees and officers in the executive, judicial, and legislative branches of state government, and to employees of the Minnesota Historical Society who are paid from state appropriations, if the increases are required by existing law or authorized by law during the 1989 session of the legislature or by appropriate resolutions for employees of the legislature, or are given interim approval by the legislative commission on employee relations under Minnesota Statutes, sections 3.855 and 43A.18 or 179A.22, subdivision 4.

The commissioner of finance shall transfer to the appropriations for agencies in the legislative and judicial branches and for the constitutional officers the amounts certified as necessary for each agency by its chief financial officer. For the purposes of this paragraph, the secretary of the senate is the chief financial officer for the senate, the chair of the legislative coordinating commission for legislative commissions, the chief justice of the supreme court for agencies in the judicial branch, and the elected constitutional officer for each constitutional office.

Within the provisions of the managerial plan approved under Minnesota Statutes, section 43A.18, an agency may not authorize aggregate increases for its managers that exceed an average of five percent in each year of the biennium ending June 30, 1991. A salary increase given in a lump sum is included within this limit. If an agency has fewer than three managers, it may exceed this average by one percent.

The metropolitan council or a metropolitan commission or board may not authorize aggregate performance increases for its managers that exceed an average of five percent in each year of the biennium ending June 30, 1991. A salary increase given in a lump sum is included within this limit. If an agency has fewer than three managers, it may exceed this average by one percent.

The commissioner of employee relations shall study the compensation levels of managers, officials, and administrators of the state, cities, counties, towns, school districts, metropolitan and regional agencies, and retirement funds, and the increases granted them during the period from January 1, 1985, to January 1, 1990, and shall report to the leg-

islature by January 1, 1991, on how to establish appropriate compensation levels and how to impose appropriate controls on aggregate compensation increases. The term "managers, officials, and administrators" means employees reported in those classes as reported by the employer to the Equal Employment Opportunity Commission, but does not include any employees who are represented for the purposes of collective bargaining by an exclusive representative under Minnesota Statutes, chapter 179A.

Subd. 3. Notice

During the biennium, the commissioner of finance shall transfer the necessary amounts to the proper accounts. The commissioner shall adjust the allocation to each agency for any disparities among agencies in health insurance costs. The commissioner shall promptly notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount transferred to each appropriation account, showing the adjustments that were made.

Sec. 43. GENERAL CONTINGENT ACCOUNTS

1,450,000

750,000

The appropriations in this section must be spent with the approval of the governor after consultation with the legislative advisory commission under Minnesota Statutes, section 3.30.

The appropriations in this section must be spent with the approval of the governor after consultation with the legislative advisory commission under Minnesota Statutes, section 3.30.

If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

Summary by Fund

General	\$ 250,000	\$ 250,000
Special Revenue	\$ 500,000	\$ -0-
Workers' Comp.	\$ 100,000	\$ 100,000

Sec. 44. TORT CLAIMS	319,000	319,000
----------------------	---------	---------

To be spent by the commissioner of finance.

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Summary by Fund

General	\$ 303,000	\$ 303,000	
Game and Fish	\$ 16,000	\$ 16,000	

Sec. 45. MINNESOTA STATE RETIREMENT SYSTEM	7,943,000	8,468,000
---	-----------	-----------

The amounts estimated to be needed for each program are as follows:

(a) Legislators
 \$ 2,258,000 \$ 2,371,000

Under Minnesota Statutes, sections 3A.03, subdivision 2; 3A.04, subdivisions 3 and 4; and 3A.11.

(b) Judges
 \$ 5,500,000 \$ 5,900,000

Under Minnesota Statutes, sections 490.106; and 490.123, subdivision 1.

(c) Constitutional Officers
 \$ 168,000 \$ 180,000

Under Minnesota Statutes, sections 352C.031, subdivision 5; 352C.04, subdivision 3; and 352C.09, subdivision 2.

(d) State Employee Supplemental Benefits
 \$ 17,000 \$ 17,000

Under Minnesota Statutes, section 352.73.

If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

Sec. 46. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION	14,000	14,000
---	--------	--------

This appropriation is for supplemental benefits under Minnesota Statutes, section 353.83.

If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

Sec. 47. MINNEAPOLIS EMPLOYEES RETIREMENT FUND

10,415,000

10,475,000

The appropriation is to the commissioner of finance for payment to the Minneapolis employees retirement fund under Minnesota Statutes, section 422A.101, subdivision 3.

If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

The senate and house committees on governmental operations shall review the appropriation for the second year and the state's obligation under Minnesota Statutes, section 422A.101, subdivision 3, and provide their recommendations to their respective houses during the 1990 regular session.

Sec. 48. POLICE AND FIRE AMORTIZATION AID

6,017,000

6,017,000

The appropriation is to the commissioner of revenue for state aid to amortize the unfunded liability of local police and salaried firefighters' relief associations, under Minnesota Statutes, section 423A.02. If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

The reduction in amortization aid for police and fire relief associations applies only to police and fire relief association funds in cities of the first class with over 300,000 population. The reduction should be allocated among funds based

on the respective amounts of unfunded accrued liability. Amortization aid shall be distributed for all other police and fire relief associations in the normal manner.

Sec. 49. PRE-1973 RETIREES 5,995,000 5,707,000

This appropriation is to the commissioner of finance for payment under section 50. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

This appropriation is void if another law to pay a similar benefit to the same group is enacted at the 1989 regular session.

Sec. 50. POSTRETIREMENT ADJUSTMENT; LUMP SUM PAYMENTS.

Subdivision 1. COVERED RETIREMENT FUNDS. The following retirement funds shall pay the postretirement adjustment provided for in this section:

- (1) public employees retirement fund;
- (2) public employees police and fire fund;
- (3) teachers retirement fund;
- (4) state patrol retirement fund;
- (5) state employees retirement fund of the Minnesota state retirement system; and
- (6) Minneapolis employees retirement fund.

Subd. 2. ENTITLEMENT. A person receiving a retirement annuity, disability benefit, or surviving spouse's annuity or benefit from a retirement fund named in subdivision 1 is entitled to receive the postretirement adjustment provided for in this section if the annuity or benefit the person is receiving is:

- (1) an annuity or benefit from the fund named in subdivision 1, clause (4), computed under the laws in effect before June 1, 1973;
- (2), (3), or (5), computed under the laws in effect before July 1, 1973;
- (3) an annuity from the fund named in subdivision 1, clause (6), computed under the laws in effect before March 5, 1974;

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

(4) a "\$2 bill and annuity" annuity from the fund named in subdivision 1, clause (6); or

(5) an annuity or benefit from the fund named in subdivision 1, clause (5), computed under the metropolitan transit commission-transit operating division employees retirement fund document in effect before January 1, 1978.

Subd. 3. AMOUNT OF ADJUSTMENT. Each retirement fund named in subdivision 1 shall pay the postretirement adjustments provided for in this section to each person eligible for an annuity or benefit on November 30, 1989, or November 30, 1990, and entitled to an adjustment under subdivision 2. An adjustment for an individual recipient must be a lump sum payment in an amount equal to \$25 in 1989 and \$25 in 1990 for each full year of allowable service credited to the recipient by the fund. Adjustments are payable on December 1, 1989, to recipients eligible for an annuity or benefit on November 30, 1989, and on December 1, 1990, to recipients eligible for an annuity or benefit on November 30, 1990. Nothing in this section authorizes a fund to pay an adjustment to an estate. Notwithstanding Minnesota Statutes, section 356.18, a fund shall pay the adjustments provided for in this section without being requested to do so unless an intended recipient files a written notice with the fund requesting that the adjustment not be paid.

Subd. 4. TERMINAL AUDIT. Each retirement fund named in subdivision 1, as soon as practical after payment of the December 1, 1990, postretirement adjustment, shall calculate the amount of any appropriation apportioned to it in excess of the amount required to pay the adjustments, report its calculation in writing to the commissioner of finance, and return any excess amount to the general fund. The commissioner of finance shall verify the calculation reported by each fund.

Subd. 5. APPORTIONMENT. The appropriation in section 49 for pre-1973 retirees is apportioned as follows:

	<u>Fiscal Year</u> 1990	<u>Fiscal Year</u> 1991
<u>Public employees retirement fund</u>	<u>\$1,913,000</u>	<u>\$1,778,000</u>
<u>Public employees police and fire fund</u>	<u>90,000</u>	<u>86,000</u>
<u>Teachers retirement fund</u>	<u>1,682,000</u>	<u>1,598,000</u>
<u>State patrol retirement fund</u>	<u>78,000</u>	<u>78,000</u>
<u>State employees retirement fund</u>	<u>1,315,000</u>	<u>1,250,000</u>
<u>Minneapolis employees retirement fund</u>	<u>917,000</u>	<u>917,000</u>

If the apportionment for either year is insufficient, the apportionment for the other is available for it.

Sec. 51. TRANSFERS.

Subdivision 1. GENERAL PROCEDURE. If the appropriation in this act to an agency in the executive branch is specified by program, the agency may transfer unencumbered balances among the programs specified in that section after getting the approval of the commissioner of finance. The commissioner shall not approve a transfer unless the commissioner believes that it will carry out the intent of the legislature. The transfer must be reported immediately to

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

the committee on finance of the senate and the committee on appropriations of the house of representatives. If the appropriation in this act to an agency in the executive branch is specified by activity, the agency may transfer unencumbered balances among the activities specified in that section using the same procedure as for transfers among programs.

Subd. 2. CONSTITUTIONAL OFFICERS. A constitutional officer need not get the approval of the commissioner of finance but must notify the committee on finance of the senate and the committee on appropriations of the house of representatives before making a transfer under subdivision 1.

Subd. 3. TRANSFER PROHIBITED. If an amount is specified in this act for an item within an activity, that amount must not be transferred or used for any other purpose.

Sec. 52. ENVIRONMENTAL TRUST FUND CITIZENS' ADVISORY COMMITTEE.

The governor, speaker of the house, and the senate majority leader shall each appoint one additional person to the environmental trust fund citizens' advisory committee for a term that expires on January 1, 1991. The purpose of adding three new members to the advisory committee is to address the gender imbalance of the existing committee.

Sec. 53. LEGISLATIVE TASK FORCE ON MINERALS.

Subdivision 1. MEMBERSHIP. The legislative task force on minerals consists of five members of the senate, including members of the minority caucus, appointed by the subcommittee on committees of the committee on rules and administration, and five members of the house of representatives, including members of the minority caucus, appointed by the speaker. The task force shall elect a chair or cochair from its members.

Subd. 2. DUTIES. The task force must study issues relating to the environmentally sound development of the minerals industry including but not limited to:

(1) establishment in state government of a focused mineral development function, the purpose of which would be the advancement of environmentally sound mineral development in the state;

(2) economic competitiveness of the state for mineral development in the context of state economic policies, tax structure, and industry financial incentives;

(3) practices and programs of state agencies related to minerals that may act as impediments to mineral development without effectively serving a useful state interest;

(4) effectiveness and appropriateness of the state's involvement in mineral resource programs, such as technical research, technology development, data collection, mapping, and the distribution of information; and

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

(5) appropriate roles for the state in educational and professional programs relating to the state's mineral resources and related scientific and technical disciplines.

Sec. 54. STUDY OF GROWING COSTS.

In preparing for the 1992-1993 budget, the governor shall provide for studies of major state expenditure programs that are likely to grow substantially in cost in upcoming years. Programs to be studied include, but are not limited to:

- (1) state aids to local government;
- (2) property tax relief;
- (3) medical assistance and other health care programs;
- (4) income maintenance;
- (5) infrastructure improvements; and
- (6) elementary and secondary education.

The following issues shall be studied in respect to the selected programs:

- (1) methods to control program costs;
- (2) methods to improve program accountability, efficiency, and value; and
- (3) desirable redistributions of service delivery and revenue raising responsibilities between units of state and local government.

In preparing these studies, assistance shall be sought from persons and organizations knowledgeable about the programs. It is understood that appropriate committees of the legislature will work with and assist in the performance of the studies.

The governor shall submit recommendations for reform in program content and program delivery with the budget in January 1991.

Sec. 55. Minnesota Statutes 1988, section 3C.035, subdivision 2, is amended to read:

Subd. 2. COSTS. Agencies shall include in their budgets amounts to pay for bill drafting services provided by the revisor of statutes. The revisor shall assess agencies for the actual cost of bill drafting services rendered to them on ~~requests delivered to the revisor by or after November 1 and until the annual session adjourns.~~ The revisor shall assess agencies for double the actual cost of bill drafting services rendered to them ~~on requests delivered to the revisor after November 1.~~ The revisor shall also assess an agency for the actual cost or double the actual cost, as appropriate, for drafting a request that a senator or representative submits to the revisor's office on behalf of the agency. The

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

revisor may not assess a department or agency for the costs related to drafting affecting an agency if the request for drafting originated from within the legislature. Receipts from the assessment must be deposited in the state treasury and credited to the general fund.

Sec. 56. Minnesota Statutes 1988, section 8.15, is amended to read:

8.15 ATTORNEY GENERAL COSTS.

The attorney general in consultation with the commissioner of finance shall assess executive branch agencies a fee for legal services rendered to them. The budget requests of all executive branch agencies submitted to the legislature in each odd-numbered year must show the actual or estimated amount assessed, paid, and requested for each year. The assessment against appropriations from other than the general fund must be the full amount of the fee. The assessment against appropriations supported by fees must be included in the fee calculation. Unless appropriations are made for fee supported costs, no payment by the agency is required. The assessment against appropriations from the general fund not supported by fees must be one-half of the fee. Receipts from assessments must be deposited in the state treasury and credited to the general fund.

The attorney general in consultation with the commissioner of finance shall assess political subdivisions fees to cover half the cost of legal services rendered to them.

Sec. 57. Minnesota Statutes 1988, section 15.50, subdivision 2, is amended to read:

Subd. 2. (a) The board shall prepare, prescribe, and from time to time amend a comprehensive use plan for the capitol area, herein called the area which shall initially consist of that portion of the city of Saint Paul comprehended within the following boundaries: Beginning at the point of intersection of the centerline of the Arch-Pennsylvania freeway and the centerline of Marion Street, thence southerly along the centerline of Marion Street extended to the south line of the right-of-way of Interstate Highway 94, a point 50 feet south of the south line of Concordia Avenue, thence easterly southeasterly along a line extending 50 feet from the south line to the centerline of Concordia Avenue to a point 125 feet from the west line of John Ireland Boulevard, thence southwesterly along a line extending 125 feet from the centerline west line of John Ireland Boulevard to the south line of Dayton Avenue, thence northeasterly from the south line of Dayton Avenue to the west line of John Ireland Boulevard, thence northeasterly to the centerline of the junction of Dayton Avenue, Kellogg Boulevard, the intersection of Old Kellogg Boulevard and Summit Avenue, thence easterly along the centerline of Summit Avenue to the centerline of Sixth Street, thence southeasterly along the centerline of Sixth Street to the centerline of College Avenue, thence northeasterly along the centerline of College Avenue extended to the centerline of Rice Street, thence northwesterly along the centerline of Rice Street to the centerline of Summit Avenue, thence northerly along a line extended to the north line of the right-of-way of Interstate Highway 94;

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

thence easterly along the north line to thence northeasterly along the centerline of Summit Avenue to the south line of the right-of-way of the Fifth Street ramp, thence southeasterly along the right-of-way of the Fifth Street ramp to the east line of the right-of-way of Interstate Highway 35-E, thence northeasterly along the east line of the right-of-way of Interstate Highway 35-E to the south line of the right-of-way of Interstate Highway 94, thence easterly along the south line of the right-of-way of Interstate Highway 94 to the west line of St. Peter Street, thence southerly to the south line of Eleventh Street, thence easterly along the south line of Eleventh Street to the centerline west line of Cedar Street, thence southeasterly along the centerline west line of Cedar Street to the centerline of Tenth Street, thence northeasterly along the centerline of Tenth Street to the centerline of Minnesota Street, thence northwesterly along the centerline of Minnesota Street to the centerline of Eleventh Street, thence northeasterly along the centerline of Eleventh Street to the centerline of Jackson Street, thence northwesterly along the centerline of Jackson Street to the centerline of the Arch-Pennsylvania freeway extended, thence westerly along the centerline of the Arch-Pennsylvania freeway extended and Marion Street to the point of origin. Pursuant to the comprehensive plan, or any portion thereof, the board may regulate, by means of zoning rules adopted pursuant to the administrative procedure act, the kind, character, height, and location, of buildings and other structures constructed or used, the size of yards and open spaces, the percentage of lots that may be occupied, and the uses of land, buildings and other structures, within the area. To protect and enhance the dignity, beauty and architectural integrity of the capitol area, the board is further empowered to include in its zoning rules design review procedures and standards with respect to any proposed construction activities in the capitol area significantly affecting the dignity, beauty and architectural integrity of the area. No person shall undertake these construction activities as defined in the board's rules in the capitol area without first submitting construction plans to the board, obtained a zoning permit from the board and received a written certification from the board specifying that the person has complied with all design review procedures and standards. Violation of the zoning rules is a misdemeanor. The board may, at its option, proceed to abate any violation by injunction. The board and the city of St. Paul shall cooperate in assuring that the area adjacent to the capitol area is developed in a manner that is in keeping with the purpose of the board and the provisions of the comprehensive plan.

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

(c) No public building, street, parking lot, or monument, or other construction shall be built or altered on any public lands within the area unless the plans for the same conforms to the comprehensive use plan as specified in clause (d) and to the requirement for competitive plans as specified in clause (e). No alteration substantially changing the external appearance of any existing public building approved in the comprehensive plan or the exterior or interior design

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

of any proposed new public building the plans for which were secured by competition under clause (e), may be made without the prior consent of the board. The commissioner of administration shall consult with the board regarding internal changes having the effect of substantially altering the architecture of the interior of any proposed building.

(d) The comprehensive plan shall show the existing land uses and recommend future uses including: areas for public taking and use; zoning for private land and criteria for development of public land, including building areas and open spaces; vehicular and pedestrian circulation; utilities systems; vehicular storage; elements of landscape architecture. No substantial alteration or improvement shall be made to public lands or buildings in the area save with the written approval of the board.

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

(f) The board shall not adopt any plan under clause (e) unless it first receives the comments and criticism of an advisory committee of three persons, each of whom is either an architect or a planner, who have been selected and appointed as follows: one by the board of the arts, one by the board, and one by the Minnesota Society of the American Institute of Architects. Members of the committee shall not be contestants under clause (e). The comments and criticism shall be a matter of public information. The committee shall advise the board on all architectural and planning matters. For that purpose:

(1) the committee shall be kept currently informed concerning, and have access to, all data, including all plans, studies, reports and proposals, relating to the area as the same are developed or in the process of preparation whether by the commissioner of administration, the commissioner of trade and economic development, the metropolitan council, the city of Saint Paul, or by any architect, planner, agency or organization, public or private, retained by the board or not retained and engaged in any work or planning relating to the area. A copy of any such data prepared by any public employee or agency shall be filed with the board promptly upon completion;

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

(2) the board may employ such stenographic or technical help as may be reasonable to assist the committee to perform its duties;

(3) when so directed by the board, the committee may serve as, and any member or members thereof may serve on, the jury or as professional advisor for any architectural competition. The board shall select the architectural advisor and jurors for any competition with the advice of the committee; and

(4) the city of St. Paul shall advise the board.

(g) The comprehensive plan for the area shall be developed and maintained in close cooperation with the commissioner of trade and economic development and the planning department and the council for the city of Saint Paul and the board of the arts, and no such plan or amendment thereof shall be effective without 90 days' notice to the planning department of the city of Saint Paul and the board of the arts.

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

(i) The board in consultation with the commissioner of administration shall prepare and submit to the legislature and the governor no later than October 1 of each even-numbered year a report on the status of implementation of the comprehensive plan together with a program for capital improvements and site development, and the commissioner of administration shall provide the necessary cost estimates for the program.

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

(k) The board is the successor of the state veterans' service building commission, and as such may adopt rules and may reenact the rules adopted by its predecessor under Laws 1945, chapter 315, and acts amendatory thereof.

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

(m) The commissioner of administration shall assign quarters in the state

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

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

Sec. 58. Minnesota Statutes 1988, section 15A.081, subdivision 1, is amended to read:

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

Salary Range

Effective

July 1, 1987

\$57,500-\$78,500

Commissioner of finance;

Commissioner of education;

Commissioner of transportation;

Commissioner of human services;

Commissioner of revenue;

Executive director, state board of
investment;

\$50,000-\$67,500

Commissioner of administration;

Commissioner of agriculture;

Commissioner of commerce;

Commissioner of corrections;

Commissioner of jobs and training;

Commissioner of employee relations;

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

Commissioner of health;
Commissioner of labor and industry;
Commissioner of natural resources;
Commissioner of public safety;
Commissioner of trade and economic development;
~~Chair, waste management board;~~
Chief administrative law judge; office of
administrative hearings;
Commissioner, pollution control agency;
Commissioner, state planning agency;
Director, office of waste management;
Executive director, housing finance
agency;
Executive director, public employees
retirement association;
Executive director, teacher's
retirement association;
Executive director, state retirement
system;
Chair, metropolitan council;
Chair, regional transit board;

\$42,500-\$60,000

Commissioner of human rights;
Commissioner, department of public service;
Commissioner of veterans' affairs;
Commissioner, bureau of mediation services;
Commissioner, public utilities commission;

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

Member, transportation regulation board;
Ombudsman for corrections;
Ombudsman for mental health and retardation.

Sec. 59. Minnesota Statutes 1988, section 16A.10, subdivision 1, is amended to read:

Subdivision 1. **BY MAY 1 AND SEPTEMBER 1.** Each even-numbered calendar year the commissioner shall prepare the budget for all agencies, subject to the approval of the governor. The commissioner shall consult with the chairs of the senate finance committee and house of representatives appropriations committee, as well as their respective division chairs, before adopting a format for the biennial budget document. By May 1, the commissioner shall send the proposed budget forms to the appropriations and finance committees ~~and receive.~~ The committees have until June 1 to give the commissioner their advisory recommendations on possible improvements. By September 1, the commissioner shall send each agency enough forms to make its budget estimates. The forms must show actual expenditures and receipts for the two most recent fiscal years, estimated expenditures and receipts for the current fiscal year, and estimates for each fiscal year of the next biennium, and an estimated appropriation balance at the end of the current fiscal year. Estimated expenditures must be classified by funds and character of expenditures and may be subclassified by programs and activities. Agency revenue estimates must show how the estimates were made and what factors were used. Receipts must be classified by funds, programs, and activities. Expenditure and revenue estimates must be based on the law in existence at the time the estimates are prepared.

Sec. 60. Minnesota Statutes 1988, section 16A.123, is amended by adding a subdivision to read:

Subd. 5. DEPARTMENT OF NATURAL RESOURCES COMPLEMENT. (a) Beginning with the biennium ending June 30, 1991, the legislature shall establish complements for the department of natural resources based on the number of full-time equivalent positions and dollars appropriated for salary-related expenditures.

The commissioner of natural resources shall provide a biennial report indicating the distribution of the full-time equivalents for the previous biennium as a supplement to the agency's biennial budget request for succeeding bienniums. The biennial budget document submitted to the legislature by the governor beginning with the 1992-1993 biennium shall indicate, by activity, the number of full-time equivalent positions included as base level and recommended changes. The governor's salary requests for the agency shall include all full-time, part-time, and seasonal dollars requested. Any change level request submitted to the legislature for consideration by the governor as part of the governor's biennial budget containing funding for salaries shall indicate the number of additional full-time equivalent positions and salary dollars requested.

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

Within the full-time equivalent number and amount of salary dollars appropriated for the department, the commissioner shall have the authority to establish as many full-time, part-time, or seasonal positions as required to accomplish the assigned responsibilities for the department. The commissioner shall have the authority to reallocate salary dollars for other operating expenses, but the commissioner shall not have authority to reallocate other operating funds to increase the total amount appropriated for salary-related expenses, including salary supplement, without receiving prior approval according to the process defined in this subdivision.

In the event that the commissioner finds it necessary to exceed the full-time equivalent number or the amount of appropriated dollars and the legislature is not in session, the commissioner shall seek approval of the legislative advisory commission under subdivision 4. Legislative advisory commission approved full-time equivalent positions and dollars shall not become a part of the agency budget base unless authorized by the legislature.

(b) This subdivision does not apply to emergency firefighting crews. Subdivisions 1, 2, and 3 do not apply to the department of natural resources.

Sec. 61. Minnesota Statutes 1988, section 16A.133, subdivision 1, is amended to read:

Subdivision 1. ~~CREDIT UNION; ORGANIZATION; COMPANY PAY-ROLL DIRECT DEPOSIT AND DEDUCTIONS.~~ An agency head may, with in the executive, judicial, and legislative branch may, upon the written request of signed by an employee, directly deposit all or part of an employee's pay in any credit union or financial institution, as defined in section 47.015, designated by the employee. An agency head may, upon written request of an employee, deduct from the pay of the employee a requested amount to be paid to any state employees' credit union, or the Minnesota benefit association, or to any organization contemplated by section 179A.06, of which the employee is a member, or to a company that has contracted to insure the employee for the medical costs of cancer or intensive care. If an employee is a member of or has accounts with more than one such credit union or financial institution or more than one such organization under section 179A.06, or is insured by more than one company, only one credit union or financial institution and one organization and one company may be paid money by direct deposit or by payroll deduction from the employee's pay. No deduction may be made from the salary of an employee for payment to a credit union or organization or company unless 100 employees request deductions for payment to the credit union or organization or company. The 100 employee minimum does not apply to credit unions and organizations which received authorized payroll deduction payments on June 5, 1971.

Sec. 62. Minnesota Statutes 1988, section 16B.24, subdivision 6, is amended to read:

Subd. 6. **PROPERTY RENTAL.** (a) **LEASES.** The commissioner shall rent land and other premises when necessary for state purposes. The commis-

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

sioner may lease land or premises for five years or less, subject to cancellation upon 30 days written notice by the state for any reason except rental of other land or premises for the same use. The commissioner may not rent non-state-owned land and buildings or substantial portions of land or buildings within the capitol area as defined in section 15.50 unless the commissioner first consults with the capitol area architectural and planning board. If the commissioner enters into a lease-purchase agreement for buildings or substantial portions of buildings within the capitol area, the commissioner shall require that any new construction of non-state-owned buildings conform to design guidelines of the capitol area architectural and planning board. Lands needed by the department of transportation for storage of vehicles or road materials may be rented for five years or less, such leases for terms over two years being subject to cancellation upon 30 days written notice by the state for any reason except rental of other land or premises for the same use.

(b) **USE VACANT PUBLIC SPACE.** No agency may initiate or renew a lease for space for its own use in a private building unless the commissioner has thoroughly investigated presently vacant space in public buildings, such as closed school buildings, and found that none is available.

(c) **PREFERENCE FOR CERTAIN BUILDINGS.** For needs beyond those which can be accommodated in state-owned buildings, the commissioner shall acquire and utilize space in suitable buildings of historical, architectural, or cultural significance for the purposes of this subdivision unless use of that space is not feasible, prudent and cost effective compared with available alternatives. Buildings are of historical, architectural, or cultural significance if they are listed on the national register of historic places, designated by a state or county historical society, or designated by a municipal preservation commission.

(d) **RECYCLING SPACE.** Leases for space of 30 days or more for 5,000 square feet or more must require that space be provided for recyclable materials.

Sec. 63. Minnesota Statutes 1988, section 16B.41, subdivision 2, is amended to read:

Subd. 2. **RESPONSIBILITIES.** The office has the following duties:

(a) The office must develop and establish a state information architecture to ensure that further state agency development and purchase of information systems equipment and software is directed in such a manner that individual agency information systems complement and do not needlessly duplicate or needlessly conflict with the systems of other agencies. In those instances where state agencies have need for the same or similar computer data, the commissioner shall ensure that the most efficient and cost-effective method of producing and storing data for or sharing data between those agencies is used. The development of this information architecture must include the establishment of standards and guidelines to be followed by state agencies. The commissioner of administration must establish interim standards and guidelines by August 1, 1987. The office must establish permanent standards and guidelines by July 1,

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

1988. On January 1, 1988, and every six months thereafter, any state agency that has purchased information systems equipment or software in the past six months, or that is contemplating purchasing this equipment or software in the next six months, must report to the office and to the chairs of the house appropriations committee and the senate finance committee on how the purchases or proposed purchases comply with the applicable standards and guidelines.

(b) The office shall assist state agencies in the planning and management of information systems so that an individual information system reflects and supports the state agency's and the state's mission, requirements, and functions.

(c) Beginning July 1, 1988, the office must review and approve all agency requests for legislative appropriations for the development or purchase of information systems equipment or software. Requests may not be included in the governor's budget submitted to the legislature, beginning with the budget submitted in January 1989, unless the office has approved the request.

(d) Each biennium the office must rank in order of priority agency requests for new appropriations for development or purchase of information systems equipment or software. The office must submit this ranking to the legislature at the same time, or no later than 14 days after, the governor submits the budget message to the legislature.

(e) Beginning July 1, 1989, the office must define, review, and approve major purchases of information systems equipment to (1) ensure that the equipment follows the standards and guidelines of the state information architecture; (2) ensure that the equipment is consistent with the information management principles adopted by the information policy council; (3) evaluate whether or not the agency's proposed purchase reflects a cost-effective policy regarding volume purchasing; and (4) ensure the equipment is consistent with other systems in other state agencies so that data can be shared among agencies, unless the office determines that the agency purchasing the equipment has special needs justifying the inconsistency. The commissioner of finance may not allot funds appropriated for major purchases of information systems equipment until the office reviews and approves the proposed purchase.

(f) The office shall review the operation of information systems by state agencies and provide advice and assistance so that these systems are operated efficiently and continually meet the standards and guidelines established by the office.

Sec. 64. **[16B.465] STATEWIDE TELECOMMUNICATIONS ACCESS ROUTING SYSTEM.**

Subdivision 1. CREATION. The statewide telecommunications access routing system provides voice, data, video, and other telecommunications transmission services to state agencies, educational institutions, public corporations, and state political subdivisions. It is not a telephone company for purposes of chapter 237. It shall not resell or sublease any services or facilities to nonpublic

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

entities. The commissioner has the responsibility for planning, development, and operations of a statewide telecommunications access routing system in order to provide cost-effective telecommunications transmission services to system users.

Subd. 2. ADVISORY COUNCIL. The statewide telecommunications access routing system is managed by the commissioner. Subject to section 15.059, subdivisions 1 to 4, the commissioner shall appoint an advisory council to provide assistance in implementing a statewide telecommunications access routing system. The council consists of:

(1) one member appointed by the higher education advisory council established by section 136A.02, subdivision 6;

(2) the system heads, or their designees, of the University of Minnesota, the state university system, the community colleges system, and the board of vocational technical education; and

(3) five members appointed by the governor or the governor's designee or designees, four of whom must be agency heads or their designees or representatives of political subdivisions.

No member of the advisory council may be a vendor of telecommunications equipment or services or an employee or representative of a vendor.

Subd. 3. DUTIES. The commissioner, after consultation with the council, shall:

(1) provide voice, data, video, and other telecommunications transmission services to the state and to political subdivisions through the statewide telecommunications access routing system revolving fund;

(2) appoint a chief executive officer of the system to serve in the unclassified service;

(3) manage vendor relationships, network function, and capacity planning in order to be responsive to the needs of the system users;

(4) set rates and fees for services;

(5) approve contracts relating to the system;

(6) develop the system plan, including plans for the phasing of its implementation and maintenance of the initial system, and the annual program and fiscal plans for the system; and

(7) develop a plan for interconnection of the network with private colleges in the state.

Subd. 4. PROGRAM PARTICIPATION. The commissioner may require the participation of state agencies and the governing boards of the state universities, the community colleges, and the technical institutes, and may request the participation of the board of regents of the University of Minnesota, in the

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

planning and implementation of the network to provide interconnective technologies. The commissioner shall establish reimbursement rates in cooperation with the commissioner of finance to be billed to participating agencies and educational institutions sufficient to cover the operating, maintenance, and administrative costs of the system.

Subd. 5. RULES. The commissioner shall adopt rules for the operation of this program. The rules must require participation of state agencies in the network to provide interconnective technologies. The rules may require the participation of the governing boards of the state universities, the community colleges, and the technical institutes, and may request the participation of the board of regents of the University of Minnesota, in the planning of the program. The commissioner shall establish reimbursement rates in cooperation with the commissioner of the department of finance to be billed to participating agencies and educational institutions sufficient to cover the operating, maintenance, and administrative costs of the system.

Subd. 6. REVOLVING ACCOUNT. The statewide telecommunications access routing system revolving account is a separate account for the department of administration in the state treasury for the receipt of and payment of funds for the statewide telecommunications access routing system established in subdivision 1. Money appropriated to the account and fees for communications services provided by the statewide telecommunications access routing system must be deposited in the account. Money in the account is appropriated annually to the commissioner to operate the statewide telecommunications access routing system.

Subd. 7. EXEMPTION. The system is exempt from the five-year limitation on contracts set by section 16B.07, subdivision 2.

Sec. 65. Minnesota Statutes 1988, section 16B.61, subdivision 5, is amended to read:

Subd. 5. **ACCESSIBILITY.** (a) **PUBLIC BUILDINGS.** The code must provide for making public buildings constructed or remodeled after July 1, 1963, accessible to and usable by physically handicapped persons, although this does not require the remodeling of public buildings solely to provide accessibility and usability to the physically handicapped when remodeling would not otherwise be undertaken.

(b) **LEASED SPACE.** No agency of the state may lease space for agency operations in a non-state-owned building unless the building satisfies the requirements of the state building code for accessibility by the physically handicapped, or is eligible to display the state symbol of accessibility. This limitation applies to leases of 30 days or more for space of at least 1,000 square feet.

(c) **MEETINGS OR CONFERENCES.** Meetings or conferences for the public or for state employees which are sponsored in whole or in part by a state agency must be held in buildings that meet the state building code requirements

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

relating to accessibility for physically handicapped persons. This subdivision does not apply to any classes, seminars, or training programs offered by a state university, the University of Minnesota, or a state community college. Meetings or conferences intended for specific individuals none of whom need the accessibility features for handicapped persons specified in the state building code need not comply with this subdivision unless a handicapped person gives reasonable advance notice of an intent to attend the meeting or conference. When sign language interpreters will be provided, meetings or conference sites must be chosen which allow hearing impaired participants to see their signing clearly.

(d) **EXEMPTIONS.** The commissioner may grant an exemption from the requirements of paragraphs (b) and (c) in advance if an agency has demonstrated that reasonable efforts were made to secure facilities which complied with those requirements and if the selected facilities are the best available for access for handicapped persons. Exemptions shall be granted using criteria developed by the commissioner in consultation with the council on disability.

(e) **SYMBOL INDICATING ACCESS.** The wheelchair symbol adopted by Rehabilitation International's Eleventh World Congress is the state symbol indicating buildings, facilities, and grounds which are accessible to and usable by handicapped persons. In the interests of uniformity, this symbol in its white on blue format is the sole symbol for display in or on all public or private buildings, facilities, and grounds which qualify for its use. The secretary of state shall obtain the symbol and keep it on file. No building, facility, or grounds may display the symbol unless it is in compliance with the rules adopted by the commissioner under subdivision 1. Before any rules are proposed for adoption under this paragraph, the commissioner shall consult with the council on disability. Rules adopted under this paragraph must be enforced in the same way as other accessibility rules of the state building code.

(f) **MUNICIPAL ENFORCEMENT.** Municipalities which have not adopted the state building code may enforce the building code requirements for handicapped persons by either entering into a joint powers agreement for enforcement with another municipality which has adopted the state building code; or contracting for enforcement with an individual certified under section 16B.65, subdivision 3, to enforce the state building code.

(g) **EQUIPMENT ALLOWED.** The code must allow the use of vertical wheelchair lifts and inclined stairway wheelchair lifts in public buildings. An inclined stairway wheelchair lift must be equipped with light or sound signaling device for use during operation of the lift. The stairway or ramp shall be marked in a bright color that clearly indicates the outside edge of the lift when in operation. The code shall not require a guardrail between the lift and the stairway or ramp. Compliance with this provision by itself does not mean other handicap accessibility requirements have been met.

Sec. 66. Minnesota Statutes 1988, section 84.025, is amended by adding a subdivision to read:

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

Subd. 9. PROFESSIONAL SERVICES SUPPORT ACCOUNT. The commissioner of natural resources may bill the various programs carried out by the commissioner for the costs of providing them with professional support services. Receipts must be credited to a special account in the state treasury and are appropriated to the commissioner to pay the costs for which the billings were made.

The commissioner of natural resources shall submit to the commissioner of finance before the start of each fiscal year a work plan showing the estimated work to be done during the coming year, the estimated cost of doing the work, and the positions and fees that will be necessary. This account is exempted from statewide and agency indirect cost payments.

Sec. 67. Minnesota Statutes 1988, section 84.0272, is amended to read:

84.0272 PROCEDURE IN ACQUIRING LANDS.

When the commissioner of natural resources is authorized to acquire lands or interests in lands the procedure set forth in this section shall apply. The commissioner of natural resources shall first prepare a fact sheet showing the lands to be acquired, the legal authority for their acquisition, and the qualities of the land that make it a desirable acquisition. The commissioner of natural resources shall cause the lands to be appraised. An appraiser shall before entering upon the duties of office take and subscribe an oath to faithfully and impartially discharge the duties as appraiser according to the best of the appraiser's ability and that the appraiser is not interested directly or indirectly in any of the lands to be appraised or the timber or improvements thereon or in the sale thereof and has entered into no agreement or combination to purchase the same or any part thereof, which oath shall be attached to the report of the appraisal. The commissioner of natural resources may pay less than the appraised value, but shall not agree to pay more than ten percent above the appraised value, except that if the commissioner pays less than the appraised value for a parcel of land, the difference between the purchase price and the appraised value may be used to apply to purchases at more than the appraised value. The sum of accumulated differences between appraised amounts and purchases for more than the appraised amount may not exceed the sum of accumulated differences between appraised amounts and purchases for less than the appraised amount. New appraisals may be made at the discretion of the commissioner of natural resources.

Sec. 68. Minnesota Statutes 1988, section 84.0274, is amended by adding a subdivision to read:

Subd. 8. EXCEPTION FOR RAILROAD RIGHT-OF-WAY ACQUISITIONS. When the commissioner of natural resources acquires abandoned railroad right-of-way from a railroad, railroad holding company, or similar entity, any or all of the provisions of this section may be waived by mutual agreement of the commissioner and the landowner.

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

Sec. 69. [84.0921] EURASIAN WATER MILFOIL EDUCATION AND MANAGEMENT.

Subdivision 1. DEFINITION. For the purpose of this section, "Eurasian water milfoil" means *myriophyllum spicatum*.

Subd. 2. INVENTORY. The commissioner of natural resources shall inventory and monitor the growth of Eurasian water milfoil on lakes in the state. The commissioner may use volunteers to aid in the inventory effort.

Subd. 3. EDUCATION. The commissioner shall publish and distribute informational materials to lakeshore owners and boaters on the control problems of Eurasian water milfoil.

Subd. 4. MANAGEMENT. The commissioner shall coordinate a control program to manage the growth of Eurasian water milfoil with appropriate local units of government, special purpose districts, and lakeshore associations. Technical assistance may be provided by the commissioner upon request.

Subd. 5. RESEARCH. The commissioner shall initiate cooperative research with the Freshwater Foundation and the University of Minnesota freshwater biological institute to study the use of nonchemical methods, including biological control agents, for control of Eurasian water milfoil.

Sec. 70. [84.98] MINNESOTA CONSERVATION CORPS.

Subdivision 1. ESTABLISHMENT. The Minnesota conservation corps is established and is under the supervision of the commissioner of natural resources.

Subd. 2. PLAN. (a) The commissioner of natural resources shall develop a plan for the Minnesota conservation corps to provide:

(1) equal opportunities of employment for youths with preference given to youths who are economically, socially, physically, or educationally disadvantaged and youths residing in areas of substantial unemployment;

(2) equal opportunity for female and male youths;

(3) summer youth programs and year-round young adult programs;

(4) ways in which exclusive bargaining representatives are to be involved in regard to the planning and implementation of positions and job duties of persons employed in projects;

(5) methods for coordinating the programs of the Minnesota conservation corps with other publicly authorized or subsidized programs in cooperation with the commissioners of education and jobs and training, the governor's job training council, and other state and local youth service and education entities;

(6) programs for participants to be assisted in gaining employment or training upon completing the projects, including, where feasible, in cooperation with the department of jobs and training and educational agencies, arranging for

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

career assessment and planning services designed to enhance participant transition from the Minnesota conservation corps to future employment or education;

(7) a remedial education component utilizing, as resources permit and where feasible, the services of the department of jobs and training and educational agencies including instruction in life skills and basic remedial skills for participants who are deficient in the skills or who have not completed high school;

(8) the manner of allocating the services of Minnesota conservation corps members to the various divisions of the department of natural resources, to other state, local, and federal governmental conservation and natural resource managers, and to federally recognized Indian tribes or bands;

(9) standards of conduct and other operating guidelines for Minnesota conservation corps members; and

(10) a determination of preference for projects that will provide long-term benefits to the public, will provide productive work and public service experience to Minnesota conservation corps members, will be primarily labor intensive, and will provide a significant return on taxpayer investment.

(b) The commissioner shall establish the plan notwithstanding chapter 14. No later than July 1, 1990, the plan established under this paragraph shall be adopted under the rulemaking provisions of chapter 14.

Subd. 3. CRITERIA FOR DETERMINING ECONOMIC, SOCIAL, PHYSICAL, OR EDUCATIONAL DISADVANTAGE. (a) The criteria for determining economic, social, physical, or educational disadvantage shall be determined as provided in this subdivision.

(b) Economically disadvantaged are persons who meet the criteria for disadvantaged established by the department of jobs and training or persons receiving services provided by the department of human services such as welfare payments, food stamps, and aid to families with dependent children.

(c) Socially disadvantaged are persons who have been classified as persons in need of supervision by the court system.

(d) Physically disadvantaged are persons who have been identified as having special needs by public agencies that deal with employment for the disabled.

(e) Educationally disadvantaged are persons who have dropped out of school or are at risk of dropping out of school and persons with learning disabilities or in need of special education classes.

Subd. 4. REQUIREMENTS FOR ELIGIBILITY FOR ENROLLMENT IN THE CORPS. A person is eligible to enroll in the Minnesota conservation corps if the person is:

(1) a permanent resident of the state;

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

(2) unemployed or underemployed;

(3) at least age 15, but not older than age 26 years;

(4) free from medical or behavioral problems that would render an individual unable to adjust to the standards, discipline, or requirements of the corps; and

(5) in the young adult program, the person must have a high school diploma or equivalent, or agree to work towards a high school diploma or equivalent while participating in the program.

Subd. 5. CORPS MEMBER STATUS. Minnesota conservation corps members are not eligible for unemployment compensation or other benefits except workers' compensation, and are not employees of the state within the meaning of section 43A.02, subdivision 21.

Subd. 6. FEES. The commissioner may charge a fee for any service performed by the Minnesota conservation corps.

Subd. 7. LIMITATIONS ON MINNESOTA CONSERVATION CORPS PROJECTS. Each employing agency must certify that the assignment of Minnesota conservation corps members will not result in the displacement of currently employed workers or workers on seasonal layoff or layoff from a substantially equivalent position, including partial displacement such as reduction in hours of nonovertime work, wages, or other employment benefits. Supervising agencies that participate in the program may not terminate, lay off, reduce the seasonal hours, or reduce the working hours of any employee for the purpose of using a corps member with available funds. The positions and job duties of persons employed in projects shall be submitted to affected exclusive representatives prior to actual assignment.

Subd. 8. EXPENDITURE OF CORPS FUNDS. The commissioner shall allocate money received for Minnesota conservation corps work projects. An appropriation from a special revenue fund or account to the commissioner for Minnesota conservation corps programs must be spent for projects that are consistent with the purposes of the fund or account from which the appropriation was made.

Sec. 71. [84.99] WORK CREWS; ALLOCATION OF FUNDS.

The commissioner of natural resources is authorized to provide work crews to the 14 forested counties that operate land departments under chapter 282. Any money appropriated for these crews must be used for forestry-related programs using participants of the Minnesota conservation corps.

The money must be apportioned to the counties in the proportion that each county's managed commercial forest land is to the managed commercial forest land in all 14 counties. If a county does not use all of its share, the commissioner shall reallocate the balance to those of the 14 counties whose Minnesota conservation corps program was not fully supported by the first allocation for

New language is indicated by underline, deletions by strikeout.

either year. The reallocation must be based on the proportion that commercial forest lands in each county to receive the reallocated money is to the managed commercial forest land in all of the counties receiving a reallocation.

Sec. 72. Minnesota Statutes 1988, section 85A.01, subdivision 1, is amended to read:

Subdivision 1. The Minnesota zoological garden is established under the supervision and control of the Minnesota zoological board. The board consists of 30 public and private sector members having a background or interest in zoological societies or zoo management or an ability to generate community interest in the Minnesota zoological garden. ~~Fourteen~~ Fifteen members shall be appointed by the board after consideration of a list supplied by board members serving on a nominating committee, and 15 members shall be appointed by the governor. One member of the board must be a resident of Dakota county and shall be appointed by the governor after consideration of the recommendation of the Dakota county board. Board appointees shall not be subject to the advice and consent of the senate.

To the extent possible, the board and governor shall appoint members who are residents of the various geographic regions of the state. Terms, compensation, and removal of members are as provided in section 15.0575. In making appointments, the governor and board shall utilize the appointment process as provided under section 15.0597 and consider, among other factors, the ability of members to garner support for the Minnesota zoological garden. ~~One member shall be appointed by the Dakota county board who must be a resident of Dakota county and who may be a member of the county board.~~

A member of the board may not be an employee of or have a direct or immediate family financial interest in a business that provides goods or services to the zoo. A member of the board may not be an employee of the zoo.

Sec. 73. Minnesota Statutes 1988, section 85A.02, subdivision 5, is amended to read:

Subd. 5. The board may accept and use gifts, grants or contributions from any nonstate source. Unless otherwise restricted by the terms of a gift or bequest, the board may sell, exchange, or otherwise dispose of, and invest or reinvest the money, securities, or other property given or bequeathed to it from nonstate sources. The principal of these funds, the income from them, and all other revenues received by it from any nonstate source must be placed in the depositories the board determines and is subject to expenditure for the board's purposes, except that expenditures of \$25,000 or more must be approved by the full board. Any additional operating expenses incurred by virtue of capital development projects must be paid for with funds other than state appropriations.

Sec. 74. Minnesota Statutes 1988, section 85A.02, subdivision 5a, is amended to read:

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

Subd. 5a. **EMPLOYEES.** (a) The board shall appoint an administrator who shall serve as the executive secretary and principal administrative officer of the board and, subject to its approval, the administrator shall operate the Minnesota zoological garden and enforce all rules and policy decisions of the board. The administrator must be chosen solely on the basis of training, experience, and other qualifications appropriate to the field of zoo management and development. The board shall set the compensation for the administrator within the limits established for the commissioner of agriculture in section 15A.081, subdivision 1. The administrator shall perform duties assigned by the board and shall serve in the unclassified service at the pleasure of the board. The board administrator, with the participation of the private sector board, shall appoint a development director in the unclassified service or contract with a development consultant to establish mechanisms to foster community participation in and community support for the Minnesota zoological garden. The board may employ other necessary professional, technical, and clerical personnel. Employees of the zoological garden are eligible for salary supplement in the same manner as employees of other state agencies. The commissioner of finance shall determine the amount of salary supplement based on available funds.

(b) The board may contract with individuals to perform professional services and may contract for the purchases of necessary species exhibits, supplies, services, and equipment. The board may also contract for the construction and operation of entertainment facilities on the zoo grounds that are not directly connected to ordinary functions of the zoological garden. The zoo board shall not enter into any final agreement for construction of any entertainment facility that is not directly connected to the ordinary functions of the zoo until after final construction plans have been submitted to the chairs of the senate finance and house appropriations committees for their recommendations.

The zoo may not contract for entertainment during the period of the Minnesota state fair that would directly compete with entertainment at the Minnesota state fair.

Sec. 75. Minnesota Statutes 1988, section 85A.02, subdivision 5b, is amended to read:

Subd. 5b. **EXEMPTIONS.** ~~Except as it determines, and except as provided in subdivisions 46 and 47, The board is not subject to chapters 45, 45A, 46A, and 46B concerning budgeting, payroll, and the purchase of goods or services. The board is not subject to sections 15.057, 15.061, 16A.128, and 16A.28; chapter 16B, except for sections 16B.07, 16B.102, 16B.17, 16B.19, 16B.35, and 16B.55; and chapter 14 concerning administrative procedures, except sections 14.38, subdivision 7, and 14.39 to 14.43 relating to the legal status of rules and the legislative review of rules.~~

Sec. 76. Minnesota Statutes 1988, section 85A.02, subdivision 16, is amended to read:

Subd. 16. The board may acquire by lease-purchase or installment pur-

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

chase contract, transportation systems, facilities and equipment that it determines will substantially enhance the public's opportunity to view, study or derive information concerning the animals to be located in the zoological garden, and will increase attendance at the garden. The contracts may provide for: (1) the payment of money over a 12-year period, or over a longer period not exceeding 25 years if approved by the board; (2) the payment of money from any funds of the board not pledged or appropriated for another purpose; (3) indemnification of the lessor or seller for damage to property or injury to persons due primarily to the actions of the board or its employees; (4) the transfer of title to the property to the board upon execution of the contract or upon payment of specified amounts; (5) the reservation to the lessor or seller of a security interest in the property; and (6) any other terms that the board determines to be commercially reasonable. Property so acquired by the board, and its purchase or use by the board, or by any nonprofit corporation having a concession from the board requiring its purchase, shall not be subject to taxation by the state or its political subdivisions. Each contract shall be subject to the provisions of chapter 16B, relating to competitive bidding, provided that, notwithstanding subdivision 5b, the board is not required to readvertise for competitive proposals for any transportation system, facilities and equipment heretofore selected from competitive proposals ~~taken pursuant to subdivision 18~~.

Sec. 77. Minnesota Statutes 1988, section 85A.02, subdivision 17, is amended to read:

Subd. 17. **ADDITIONAL POWERS.** The board may establish a schedule of charges for admission to or the use of the Minnesota zoological garden or any related facility. The board shall have a policy ~~encouraging the admission of~~ admitting elementary school children at no charge when they are part of an organized school activity. The Minnesota zoological garden must be open to the public without admission charges at least two days each month. However, the zoo may charge at any time for parking, special services, and for admission to special facilities for the education, entertainment, or convenience of visitors. The board may provide for the purchase, reproduction, and sale of gifts, souvenirs, publications, informational materials, food and beverages, and grant concessions for the sale of these items.

Sec. 78. Minnesota Statutes 1988, section 85A.02, subdivision 18, is amended to read:

Subd. 18. **PURCHASING.** The board may contract for supplies, materials, purchase or rental of equipment, and utility services. Except as provided in subdivision 5b, chapter 16B does not apply to these contracts. ~~However, contracts shall be awarded on the basis of competitive bids to the lowest responsible bidder, taking into consideration conformity with the specifications, terms of delivery, and other conditions imposed in the call for bids. Competitive bidding is not required for purchases clearly and legitimately limited to a single source of supply; the purchase price may then be established by direct negotiation. Competitive bids are not required for utility services if no competition exists or if rates are fixed by law or ordinance. The board may contract for consultant, professional, and technical services without regard to sections 16B.17 and 16B.19.~~

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

Sec. 79. Minnesota Statutes 1988, section 92.19, is amended to read:

92.19 ASSIGNMENT; EXTENSIONS OF PAYMENT.

When a certificate or partial interest in a certificate is assigned, the assignment must be ~~executed like a deed of land and acknowledged~~ made by deed or instrument of assignment of an equitable interest of record, executed by the assignor, and consented to by the commissioner. An assignment of a partial interest shall recite that payment in full has been made to the commissioner.

When the assignee satisfies the terms of the assignment and corresponding terms of the certificate, the commissioner shall issue a deed or patent to the assignee. When an extension of time of payment is agreed upon, the agreement must be in writing, executed like a deed, and recorded in the office of the commissioner.

Sec. 80. [93.222] TACONITE IRON ORE SPECIAL ADVANCE ROYALTY ACCOUNT.

The taconite iron ore special advance royalty account is created as an account in the state treasury for disposal of certain mineral lease money received under the terms of extension agreements adopted under section 93.193, relating to state iron ore or taconite iron ore mining leases. The principal of the account is distributed under the terms of the extension agreements to the account or entity entitled by applicable law and lease terms to receive the income from the class of land being leased. Interest accruing from investment of the account remains with the account until distributed as provided in this section. The interest accrued through June 30 under each extension agreement is distributed annually, as soon as possible after June 30, to the account or entity entitled by applicable law and lease terms to receive the income from the class of land being leased in the same proportion that the total acres included in a particular class of land bears to the total acreage of the leased land covered by each extension agreement. Money in the taconite iron ore special advance royalty account is appropriated for distribution as provided in this section.

Sec. 81. Minnesota Statutes 1988, section 94.09, subdivision 2, is amended to read:

Subd. 2. On or before July 1 of each year the head of each department or agency having control and supervision over any state owned land the sale or disposition of which is not otherwise provided for by law, shall certify in writing to the commissioner of administration whether or not there is any state owned land under control and supervision of that department or agency which is no longer needed. If the certification discloses lands no longer needed for a department or agency, the head thereof shall include in such certification a description of the lands, and the reasons why such lands are no longer needed. If the certification is by the commissioner of natural resources, the duties prescribed for the commissioner of administration by this section and sections 94.10 to 94.16 shall be performed by the commissioner of natural resources.

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

Sec. 82. Minnesota Statutes 1988, section 94.342, subdivision 3, is amended to read:

Subd. 3. ~~EXCHANGE RESTRICTIONS~~ CLASS C. Land bordering on or adjacent to any meandered or other public waters and withdrawn from sale by law is Class C land. Class C land may not be given in exchange unless expressly authorized by the legislature or unless through the same exchange the state acquires land on the same or other public waters in the same general vicinity affording at least equal opportunity for access to the waters and other riparian use by the public; provided, that any exchange with the United States or any agency thereof may be made free from this limitation upon condition that the state land given in exchange bordering on public waters shall be subject to reservations by the state for public travel along the shores as provided by section 92.45, unless waived as provided in this subdivision, and that there shall be reserved by the state such additional rights of public use upon suitable portions of such state land as the commissioner of natural resources, with the approval of the land exchange board, may deem necessary or desirable for camping, hunting, fishing, access to the water, and other public uses. In regard to Class B or Class C land that is contained within that portion of the Superior National Forest that is designated as the Boundary Waters Canoe Area Wilderness ~~and is also located within Cook county~~, the condition that state land given in exchange bordering on public waters must be subject to the public travel reservations provided in section 92.45, may be waived by the land exchange board upon the recommendation of the commissioner of natural resources and, if the land is Class B land, the additional recommendation of the county board which has the concurrence of the commissioner of natural resources: in which the land is located.

Sec. 83. Minnesota Statutes 1988, section 94.343, subdivision 3, is amended to read:

Subd. 3. Except as otherwise herein provided, Class A land shall be exchanged only for land of at least substantially equal value to the state, as determined by the commissioner, with the approval of the board. For the purposes of such determination, the commissioner shall cause the state land and the land proposed to be exchanged therefor to be examined and appraised by qualified state appraisers as provided in section 92.12 ~~in like manner as school trust land to be offered for sale 84.0272~~; provided, that in exchanges with the United States or any agency thereof the examination and appraisal may be made in such manner as the land exchange board may direct. The appraisers shall determine the fair market value of the lands involved, disregarding any minimum value fixed for state land by the state constitution or by law, and shall make a report thereof, together with such other pertinent information respecting the use and value of the lands to the state as they deem pertinent or as the commissioner or the board may require. Such reports shall be filed and preserved in the same manner as other reports of appraisal of state lands. The appraised values shall not be conclusive, but shall be taken into consideration by the commissioner and the board, together with such other matters as they deem material, in determining the values for the purposes of exchange.

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

Sec. 84. Minnesota Statutes 1988, section 94.344, subdivision 3, is amended to read:

Subd. 3. Except as otherwise provided, Class B land may be exchanged only for land of substantially equal value or greater value to the state, as determined by the county board, with the approval of the commissioner and the land exchange board. For an exchange involving Class B land for Class A or Class C land, the value of the lands shall be determined by the commissioner, with approval of the land exchange board. For purposes of the determination, the commissioner shall appraise the state and tax-forfeited land proposed to be exchanged in the same manner as ~~school trust~~ Class A land. For all other purposes, the county board shall appraise the state land and the land in the proposed exchange in the same manner as tax-forfeited land to be offered for sale. The appraised values shall not be conclusive, but shall be taken into consideration, together with such other matters as may be deemed material, in determining the values for the purposes of exchange.

Sec. 85. Minnesota Statutes 1988, section 97A.055, is amended by adding a subdivision to read:

Subd. 3. GAME AND FISH FUND FEES. To reduce yearly fluctuations of the game and fish fund balance and to provide improved long-range planning of the fund, the policy of the state is to make fee adjustments as part of the budget process. Agency responsibilities are:

(a) The commissioner of natural resources must make specific requests for fee adjustments for all receipt items in the game and fish fund as a part of the fee report.

(b) The commissioner of finance must review the fee report and make recommendations for each fee. The commissioner of finance must submit a six-year projection on revenues and expenditures to the legislature.

Sec. 86. Minnesota Statutes 1988, section 97A.165, is amended to read:

97A.165 SOURCE OF PAYMENTS FOR INDIAN AGREEMENT.

Money to make payments to the Leech Lake Band, the 1854 treaty area agreement, and White Earth Band special license account under sections 94.16 ~~and~~, 97A.151, subdivision 4, and 97A.157, subdivision 4, is annually appropriated for that purpose in a ratio of ~~60 20~~ percent from the game and fish fund and ~~40~~ 80 percent from the general fund.

Sec. 87. Minnesota Statutes 1988, section 97A.475, subdivision 2, is amended to read:

Subd. 2. **RESIDENT HUNTING.** Fees for the following licenses, to be issued to residents only, are:

- (1) for persons under age 65 to take small game, ~~\$9~~ \$10;

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

- (2) for persons age 65 or over, ~~\$4.50~~ \$5;
- (3) to take turkey, ~~\$12.50~~ \$14;
- (4) to take deer with firearms, ~~\$20~~ \$22;
- (5) family license to take deer with firearms, \$84;
- (6) to take deer by archery, ~~\$20~~ \$22;
- (~~6~~) (7) to take moose, for a party of not more than four persons, ~~\$250~~ \$275;
- (~~7~~) (8) to take bear, ~~\$30~~ \$33; and
- (~~8~~) (9) to take elk, for a party of not more than two persons, ~~\$200~~ \$220.

Sec. 88. Minnesota Statutes 1988, section 97A.475, subdivision 3, is amended to read:

Subd. 3. **NONRESIDENT HUNTING.** Fees for the following licenses, to be issued to nonresidents, are:

- (1) to take small game, ~~\$51~~ \$56;
- (2) to take deer with firearms, ~~\$100~~ \$110;
- (3) to take deer by archery, ~~\$100~~ \$110;
- (4) to take bear, ~~\$150~~ \$165;
- (5) to take turkey, ~~\$30~~ \$33; and
- (6) to take raccoon, bobcat, fox, coyote, or lynx, ~~\$125~~ \$137.50.

Sec. 89. Minnesota Statutes 1988, section 97A.475, subdivision 6, is amended to read:

Subd. 6. **RESIDENT FISHING.** Fees for the following licenses, to be issued to residents only, are:

- (1) to take fish by angling, for persons under age 65, ~~\$9.50~~ \$10.50;
- (2) to take fish by angling, for persons age 65 and over, ~~\$4~~ \$4.50;
- (3) to take fish by angling, for a combined license for a married couple, ~~\$13.50~~ \$15;
- (4) to take fish by spearing from a dark house, ~~\$12~~ \$13; and
- (5) to take fish by angling for a period of 24 hours from the time of issuance, ~~\$4.50~~ \$5.

Sec. 90. Minnesota Statutes 1988, section 97A.475, subdivision 7, is amended to read:

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

Subd. 7. **NONRESIDENT FISHING.** Fees for the following licenses, to be issued to nonresidents, are:

- (1) to take fish by angling, ~~\$18~~ \$20;
- (2) to take fish by angling limited to seven consecutive days, ~~\$15~~ \$16.50;
- (3) to take fish by angling for three consecutive days, ~~\$12~~ \$13.50;
- (4) to take fish by angling for a combined license for a family, ~~\$30.50~~ \$33.50;
- (5) to take fish by angling for a period of 24 hours from the time of issuance, ~~\$4.50~~ \$5; and
- (6) to take fish by angling for a combined license for a married couple, limited to 14 consecutive days, ~~\$22.50~~ \$25.

Sec. 91. Minnesota Statutes 1988, section 97A.475, subdivision 8, is amended to read:

Subd. 8. **MINNESOTA SPORTING.** The commissioner shall issue Minnesota sporting licenses to residents only. The licensee may take fish by angling and small game. The fee for the license is:

- (1) for an individual, ~~\$13.50~~ \$15; and
- (2) for a combined license for a married couple to take fish and for one spouse to take small game, ~~\$19.50~~ \$21.50.

Sec. 92. Minnesota Statutes 1988, section 97A.475, subdivision 11, is amended to read:

Subd. 11. **FISH HOUSES AND DARK HOUSES; RESIDENTS.** Fees for the following licenses are:

- (1) for a fish house or dark house that is not rented, ~~\$8~~ \$9; and
- (2) for a fish house or dark house that is rented, ~~\$18~~ \$20.

Sec. 93. Minnesota Statutes 1988, section 97A.475, subdivision 12, is amended to read:

Subd. 12. **FISH HOUSES; NONRESIDENT.** The fee for a fish house license for a nonresident is ~~\$19.50~~ \$21.50.

Sec. 94. Minnesota Statutes 1988, section 97A.475, subdivision 13, is amended to read:

Subd. 13. **NETTING WHITEFISH AND CISCOES FOR PERSONAL CONSUMPTION.** The fee for a license to net whitefish and ciscoes in inland lakes and international waters for personal consumption is, for each net, ~~\$5~~ \$5.50.

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

Sec. 95. Minnesota Statutes 1988, section 97A.475, subdivision 14, is amended to read:

Subd. 14. **ROUGH FISH; MINNESOTA AND MISSISSIPPI RIVERS.** The fee for a license to take rough fish for domestic use with a set line in the Minnesota and Mississippi rivers is ~~\$13~~ \$14.50.

Sec. 96. Minnesota Statutes 1988, section 97A.475, subdivision 15, is amended to read:

Subd. 15. **LAKE SUPERIOR FISHING GUIDES.** The fee for a license to operate a charter boat and guide anglers on Lake Superior is:

(1) for a resident, ~~\$25~~ \$27.50;

(2) for a nonresident, ~~\$100~~ \$110; or

(3) if another state charges a Minnesota resident a fee greater than \$100 for a Lake Superior fishing guide license in that state, the nonresident fee for a resident of that state is that greater fee.

Sec. 97. Minnesota Statutes 1988, section 97A.475, subdivision 16, is amended to read:

Subd. 16. **RESIDENT HUNTING GUIDES.** The fees for the following resident guide licenses are:

(1) to guide bear hunters, ~~\$75~~ \$82.50; and

(2) to guide turkey hunters, ~~\$20~~ \$22.

Sec. 98. Minnesota Statutes 1988, section 97A.475, subdivision 17, is amended to read:

Subd. 17. **NONRESIDENT BEAR GUIDES.** The fee for a license to guide bear hunters for a nonresident is ~~\$400~~ \$440.

Sec. 99. Minnesota Statutes 1988, section 97A.475, subdivision 18, is amended to read:

Subd. 18. **SHOOTING PRESERVES.** The fee for a shooting preserve license is ~~\$75~~ \$82.50.

Sec. 100. Minnesota Statutes 1988, section 97A.475, subdivision 19, is amended to read:

Subd. 19. **TAXIDERMISTS.** The fee for a taxidermist license, to be issued for a three-year period to residents only, is:

(1) for persons age 18 and older, ~~\$40~~ \$44; and

(2) for persons under age 18, ~~\$25~~ \$27.50.

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

Sec. 101. Minnesota Statutes 1988, section 97A.475, subdivision 20, is amended to read:

Subd. 20. **TRAPPING LICENSE.** The fee for a license to trap fur-bearing animals is:

- (1) for persons over age 13 and under age 18, ~~\$5~~ \$5.50; and
- (2) for persons age 18 and older, ~~\$16~~ \$18.

Sec. 102. Minnesota Statutes 1988, section 97A.475, subdivision 21, is amended to read:

Subd. 21. **FUR BUYING AND SELLING; RESIDENTS.** (a) The fee for a license for a resident to buy and sell raw furs is ~~\$100~~ \$110.

(b) The fee for a supplemental license to buy and sell furs is ~~\$50~~ \$55.

Sec. 103. Minnesota Statutes 1988, section 97A.475, subdivision 23, is amended to read:

Subd. 23. **RAW FUR TANNING.** The fee for a license to tan and dress raw furs to be issued to residents and nonresidents is ~~\$15~~ \$16.50.

Sec. 104. Minnesota Statutes 1988, section 97A.475, subdivision 24, is amended to read:

Subd. 24. **GAME AND FUR FARMS.** The fee for a game and fur farm license is ~~\$15~~ \$16.50.

Sec. 105. Minnesota Statutes 1988, section 97A.475, subdivision 25, is amended to read:

Subd. 25. **MUSKRAT FARMS.** The fee for a muskrat farm license is ~~\$10~~ \$11.

Sec. 106. Minnesota Statutes 1988, section 97A.475, subdivision 26, is amended to read:

Subd. 26. **MINNOW DEALERS.** The fees for the following licenses are:

- (1) minnow dealer, ~~\$70~~ \$77;
- (2) minnow dealer's helper, ~~\$5~~ \$5.50;
- (3) minnow dealer's vehicle, ~~\$10~~ \$11;
- (4) exporting minnow dealer, ~~\$250~~ \$275; and
- (5) exporting minnow dealer's vehicle, ~~\$10~~ \$11.

Sec. 107. Minnesota Statutes 1988, section 97A.475, subdivision 27, is amended to read:

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

Subd. 27. **MINNOW RETAILERS.** The fees for the following licenses, to be issued to residents and nonresidents, are:

- (1) minnow retailer, ~~\$40~~ \$11; and
- (2) minnow retailer's vehicle, ~~\$40~~ \$11.

Sec. 108. Minnesota Statutes 1988, section 97A.475, subdivision 28, is amended to read:

Subd. 28. **NONRESIDENT MINNOW HAULERS.** The fees for the following licenses, to be issued to nonresidents, are:

- (1) exporting minnow hauler, \$525; and
- (2) exporting minnow hauler's vehicle, ~~\$40~~ \$11.

Sec. 109. Minnesota Statutes 1988, section 97A.475, subdivision 29, is amended to read:

Subd. 29. **PRIVATE FISH HATCHERIES.** The fees for the following licenses to be issued to residents and nonresidents are:

- (1) for a private fish hatchery, with annual sales under \$200, ~~\$25~~ \$27.50;
- (2) for a private fish hatchery, with annual sales of \$200 or more, ~~\$50~~ \$55;
and
- (3) To take sucker eggs from public waters for a private fish hatchery, ~~\$150~~ \$165, plus \$3 for each quart in excess of 100 quarts.

Sec. 110. Minnesota Statutes 1988, section 97A.475, subdivision 29a, is amended to read:

Subd. 29a. **FISH FARMS.** The fees for the following licenses to be issued to residents and nonresidents are:

- (1) for a fish farm, ~~\$250~~ \$275; and
- (2) to take sucker eggs from public waters for a fish farm, ~~\$150~~ \$165, plus \$3 for each quart in excess of 100 quarts.

Sec. 111. Minnesota Statutes 1988, section 97A.475, subdivision 30, is amended to read:

Subd. 30. **COMMERCIAL NETTING OF FISH IN INLAND WATERS.** The fee for a license to net commercial fish in inland waters, to be issued to residents and nonresidents, is \$70 plus:

- (1) for each hoop net pocket, ~~75 cents~~ \$1;
- (2) for each 1,000 feet of seine, ~~\$15~~ \$16.50; and

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

(3) for each helper's license, ~~\$5~~ \$5.50.

Sec. 112. Minnesota Statutes 1988, section 97A.475, subdivision 31, is amended to read:

Subd. 31. **COMMERCIAL NETTING OF FISH IN LAKE OF THE WOODS.** The fee for a license to commercially net fish in Lake of the Woods is:

- (1) for each pound net or staked trap net, ~~\$45~~ \$49.50;
- (2) for each fyke net, ~~\$10~~ \$11, plus \$5 for each two-foot segment, or fraction, of the wings or lead in excess of four feet in height;
- (3) for each 100 feet of gill net, ~~\$2.50~~ \$2.75;
- (4) for each submerged trap net, ~~\$15~~ \$16.50; and
- (5) for each helper's license, ~~\$15~~ \$16.50.

Sec. 113. Minnesota Statutes 1988, section 97A.475, subdivision 32, is amended to read:

Subd. 32. **COMMERCIAL NETTING OF FISH IN RAINY LAKE.** The fee for a license to commercially net fish in Rainy Lake is:

- (1) for each pound net, ~~\$45~~ \$49.50;
- (2) for each 100 feet of gill net, ~~\$2.50~~ \$2.75; and
- (3) for each helper's license, ~~\$15~~ \$16.50.

Sec. 114. Minnesota Statutes 1988, section 97A.475, subdivision 33, is amended to read:

Subd. 33. **COMMERCIAL NETTING OF FISH IN NAMAKAN AND SAND POINT LAKES.** The fee for a license to commercially net fish in Namakan Lake and Sand Point Lake is:

- (1) for each 100 feet of gill net, ~~\$1.50~~ \$1.75;
- (2) for each pound, fyke, and submerged trap net, ~~\$15~~ \$16.50; and
- (3) for each helper's license, ~~\$5~~ \$5.50.

Sec. 115. Minnesota Statutes 1988, section 97A.475, subdivision 34, is amended to read:

Subd. 34. **COMMERCIAL SEINE AND SET LINES TO TAKE FISH IN THE MISSISSIPPI RIVER.** (a) The fee for a license to commercially seine rough fish in the Mississippi river from St. Anthony Falls to the St. Croix river junction is:

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

(1) for a seine not exceeding 500 feet, ~~\$25~~ \$27.50; or

(2) for a seine over 500 feet, ~~\$40~~ \$44, plus \$2 for each 100 foot segment or fraction over 1,000 feet.

(b) The fee for each helper's license issued under paragraph (a) is ~~\$5~~ \$5.50.

Sec. 116. Minnesota Statutes 1988, section 97A.475, subdivision 35, is amended to read:

Subd. 35. **COMMERCIAL SEINING OF FISH IN WISCONSIN BOUNDARY WATERS.** The fee for a license to commercially seine fish in the boundary waters between Wisconsin and Minnesota from Taylors Falls to the Iowa border is:

(1) for a seine not exceeding 500 feet, ~~\$25~~ \$27.50; or

(2) for a seine over 500 feet, ~~\$40~~ \$44, plus \$2.50 for each 100 feet over 1,000 feet; and

(3) for each helper's license to be issued to residents and nonresidents, ~~\$5~~ \$5.50.

Sec. 117. Minnesota Statutes 1988, section 97A.475, subdivision 36, is amended to read:

Subd. 36. **COMMERCIAL NETTING IN WISCONSIN BOUNDARY WATERS.** The fee for a license to commercially net in the boundary waters between Wisconsin and Minnesota from Lake St. Croix to the Iowa border is:

(1) for each gill net not exceeding 500 feet, ~~\$13~~ \$14.50;

(2) for each gill net over 500 feet, ~~\$25~~ \$27.50;

(3) for each fyke net and hoop net, ~~\$10~~ \$11;

(4) for each bait net, ~~\$1.50~~ \$1.75;

(5) for each turtle net, ~~\$1.50~~ \$1.75;

(6) for each set line identification tag, ~~\$13~~ \$14.50; and

(7) for each helper's license to be issued to residents and nonresidents, ~~\$5~~ \$5.50.

Sec. 118. Minnesota Statutes 1988, section 97A.475, subdivision 37, is amended to read:

Subd. 37. **COMMERCIAL NETTING OF FISH IN LAKE SUPERIOR.** The fee for a license to commercially net fish in Lake Superior is:

(1) for each gill net, ~~\$70~~ \$77 plus \$2 for each 1,000 feet over 1,000 feet;

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

(2) for a pound or trap net, ~~\$70~~ \$77 plus \$2 for each additional pound or trap net; and

(3) for each helper's license, ~~\$5~~ \$5.50.

Sec. 119. Minnesota Statutes 1988, section 97A.475, subdivision 38, is amended to read:

Subd. 38. **FISH BUYERS.** The fees for licenses to buy fish from commercial fishing licensees to be issued residents and nonresidents are:

(1) for Lake Superior fish bought for sale to retailers, ~~\$50~~ \$55;

(2) for Lake Superior fish bought for sale to consumers, ~~\$10~~ \$11;

(3) for Lake of the Woods, Namakan, Sand Point, and Rainy Lake fish bought for sale to retailers, ~~\$100~~ \$110; and

(4) for Lake of the Woods, Namakan, Sand Point, and Rainy Lake fish bought for shipment only on international boundary waters, ~~\$10~~ \$11.

Sec. 120. Minnesota Statutes 1988, section 97A.475, subdivision 39, is amended to read:

Subd. 39. **FISH PACKER.** The fee for a license to prepare dressed game fish for transportation or shipment is ~~\$13~~ \$14.50.

Sec. 121. Minnesota Statutes 1988, section 97A.475, subdivision 40, is amended to read:

Subd. 40. **FISH VENDORS.** The fee for a license to use a motor vehicle to sell fish is ~~\$25~~ \$27.50.

Sec. 122. Minnesota Statutes 1988, section 97A.475, subdivision 41, is amended to read:

Subd. 41. **TURTLE SELLERS.** The fee for a license to take, transport, purchase, and possess unprocessed turtles for sale is ~~\$50~~ \$55.

Sec. 123. Minnesota Statutes 1988, section 97A.475, subdivision 42, is amended to read:

Subd. 42. **FROG DEALERS.** The fee for the licenses to deal in frogs that are to be used for purposes other than bait are:

(1) for a resident to purchase, possess, and transport frogs, ~~\$70~~ \$77;

(2) for a nonresident to purchase, possess, and transport frogs, ~~\$200~~ \$220;
and

(3) for a resident to take, possess, transport, and sell frogs, ~~\$10~~ \$11.

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

Sec. 124. Minnesota Statutes 1988, section 97A.485, subdivision 7, is amended to read:

Subd. 7. **COUNTY AUDITOR'S COMMISSION.** The county auditor shall retain for the county treasury a commission of four percent of all license fees collected by the auditor and the auditor's subagents, excluding the small game surcharge and issuing fees, and the license to take fish by angling for persons age 65 and over. In addition, the auditor shall collect the issuing fees on licenses sold by the auditor to a licensee.

Sec. 125. Minnesota Statutes 1988, section 97B.301, is amended by adding a subdivision to read:

Subd. 5. FAMILY HUNTING LICENSE. A resident family license may be issued by the commissioner. "Family" is defined as a husband, wife, and their children under the age of 18 residing at home. To hunt with a family license, children must be under the age of 18 and enrolled in school. The individual deer limits in subdivision 1 do not apply to the family license. When hunting with a family license, the total limit for the license is one per family member not to exceed four deer.

Sec. 126. Minnesota Statutes 1988, section 105.41, subdivision 1b, is amended to read:

Subd. 1b. **USE LESS THAN MINIMUM.** ~~No~~ Except for local permits under section 473.877, subdivision 4, a permit is not required for the appropriation and use of less than a minimum amount to be established by the commissioner by rule. Permits for more than the minimum amount but less than an intermediate amount to be specified by the commissioner by rule must be processed and approved at the municipal, county, or regional level based on rules to be established by the commissioner by January 1, 1977. The rules must include provisions for reporting to the commissioner the amounts of water appropriated under local permits.

Sec. 127. Minnesota Statutes 1988, section 115.03, subdivision 1, is amended to read:

Subdivision 1. The agency is hereby given and charged with the following powers and duties:

(a) To administer and enforce all laws relating to the pollution of any of the waters of the state;

(b) To investigate the extent, character, and effect of the pollution of the waters of this state and to gather data and information necessary or desirable in the administration or enforcement of pollution laws, and to make such classification of the waters of the state as it may deem advisable;

(c) To establish and alter such reasonable pollution standards for any waters of the state in relation to the public use to which they are or may be put as it

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

shall deem necessary for the purposes of this chapter and, with respect to the pollution of waters of the state, chapter 116;

(d) To encourage waste treatment, including advanced waste treatment, instead of stream low-flow augmentation for dilution purposes to control and prevent pollution;

(e) To adopt, issue, reissue, modify, deny, or revoke, enter into or enforce reasonable orders, permits, variances, standards, rules, schedules of compliance, and stipulation agreements, under such conditions as it may prescribe, in order to prevent, control or abate water pollution, or for the installation or operation of disposal systems or parts thereof, or for other equipment and facilities;

(1) Requiring the discontinuance of the discharge of sewage, industrial waste or other wastes into any waters of the state resulting in pollution in excess of the applicable pollution standard established under this chapter;

(2) Prohibiting or directing the abatement of any discharge of sewage, industrial waste, or other wastes, into any waters of the state or the deposit thereof or the discharge into any municipal disposal system where the same is likely to get into any waters of the state in violation of this chapter and, with respect to the pollution of waters of the state, chapter 116, or standards or rules promulgated or permits issued pursuant thereto, and specifying the schedule of compliance within which such prohibition or abatement must be accomplished;

(3) Prohibiting the storage of any liquid or solid substance or other pollutant in a manner which does not reasonably assure proper retention against entry into any waters of the state that would be likely to pollute any waters of the state;

(4) Requiring the construction, installation, maintenance, and operation by any person of any disposal system or any part thereof, or other equipment and facilities, or the reconstruction, alteration, or enlargement of its existing disposal system or any part thereof, or the adoption of other remedial measures to prevent, control or abate any discharge or deposit of sewage, industrial waste or other wastes by any person;

(5) Establishing, and from time to time revising, standards of performance for new sources taking into consideration, among other things, classes, types, sizes, and categories of sources, processes, pollution control technology, cost of achieving such effluent reduction, and any nonwater quality environmental impact and energy requirements. Said standards of performance for new sources shall encompass those standards for the control of the discharge of pollutants which reflect the greatest degree of effluent reduction which the agency determines to be achievable through application of the best available demonstrated control technology, processes, operating methods, or other alternatives, including, where practicable, a standard permitting no discharge of pollutants. New sources shall encompass buildings, structures, facilities, or installations from which there is or may be the discharge of pollutants, the construction of which is commenced

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

after the publication by the agency of proposed rules prescribing a standard of performance which will be applicable to such source. Notwithstanding any other provision of the law of this state, any point source the construction of which is commenced after May 20, 1973 and which is so constructed as to meet all applicable standards of performance for new sources shall, consistent with and subject to the provisions of section 306(d) of the Amendments of 1972 to the Federal Water Pollution Control Act, not be subject to any more stringent standard of performance for new sources during a ten-year period beginning on the date of completion of such construction or during the period of depreciation or amortization of such facility for the purposes of section 167 or 169, or both, of the Federal Internal Revenue Code of 1954, whichever period ends first. Construction shall encompass any placement, assembly, or installation of facilities or equipment, including contractual obligations to purchase such facilities or equipment, at the premises where such equipment will be used, including preparation work at such premises;

(6) Establishing and revising pretreatment standards to prevent or abate the discharge of any pollutant into any publicly owned disposal system, which pollutant interferes with, passes through, or otherwise is incompatible with such disposal system;

(7) Requiring the owner or operator of any disposal system or any point source to establish and maintain such records, make such reports, install, use, and maintain such monitoring equipment or methods, including where appropriate biological monitoring methods, sample such effluents in accordance with such methods, at such locations, at such intervals, and in such a manner as the agency shall prescribe, and providing such other information as the agency may reasonably require;

(8) Notwithstanding any other provision of this chapter, and with respect to the pollution of waters of the state, chapter 116, requiring the achievement of more stringent limitations than otherwise imposed by effluent limitations in order to meet any applicable water quality standard by establishing new effluent limitations, based upon section 115.01, subdivision 5, clause (b), including alternative effluent control strategies for any point source or group of point sources to insure the integrity of water quality classifications, whenever the agency determines that discharges of pollutants from such point source or sources, with the application of effluent limitations required to comply with any standard of best available technology, would interfere with the attainment or maintenance of the water quality classification in a specific portion of the waters of the state. Prior to establishment of any such effluent limitation, the agency shall hold a public hearing to determine the relationship of the economic and social costs of achieving such limitation or limitations, including any economic or social dislocation in the affected community or communities, to the social and economic benefits to be obtained and to determine whether or not such effluent limitation can be implemented with available technology or other alternative control strategies. If a person affected by such limitation demonstrates at such hearing that, whether or not such technology or other alternative control strategies are availa-

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

ble, there is no reasonable relationship between the economic and social costs and the benefits to be obtained, such limitation shall not become effective and shall be adjusted as it applies to such person;

(9) Modifying, in its discretion, any requirement or limitation based upon best available technology with respect to any point source for which a permit application is filed after July 1, 1977 upon a showing by the owner or operator of such point source satisfactory to the agency that such modified requirements will represent the maximum use of technology within the economic capability of the owner or operator and will result in reasonable further progress toward the elimination of the discharge of pollutants;

(f) To require to be submitted and to approve plans and specifications for disposal systems or point sources, or any part thereof and to inspect the construction thereof for compliance with the approved plans and specifications thereof;

(g) To prescribe and alter rules, not inconsistent with law, for the conduct of the agency and other matters within the scope of the powers granted to and imposed upon it by this chapter and, with respect to pollution of waters of the state, in chapter 116, provided that every rule affecting any other department or agency of the state or any person other than a member or employee of the agency shall be filed with the secretary of state;

(h) To conduct such investigations, issue such notices, public and otherwise, and hold such hearings as are necessary or which it may deem advisable for the discharge of its duties under this chapter and, with respect to the pollution of waters of the state, under chapter 116, including, but not limited to, the issuance of permits, and to authorize any member, employee, or agent appointed by it to conduct such investigations or, issue such notices and hold such hearings;

(i) For the purpose of water pollution control planning by the state and pursuant to the Federal Water Pollution Control Act, as amended, to establish and revise planning areas, adopt plans and programs and continuing planning processes, including, but not limited to, basin plans and areawide waste treatment management plans, and to provide for the implementation of any such plans by means of, including, but not limited to, standards, plan elements, procedures for revision, intergovernmental cooperation, residual treatment process waste controls, and needs inventory and ranking for construction of disposal systems;

(j) To train water pollution control personnel, and charge such fees therefor as are necessary to cover the agency's costs. All such fees received shall be paid into the state treasury and credited to the water pollution control training fund of the agency, from which the agency shall have the power to make disbursements to pay expenses relating to such training;

(k) To impose as additional conditions in permits to publicly owned disposal systems appropriate measures to insure compliance by industrial and other

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

users with any pretreatment standard, including, but not limited to, those related to toxic pollutants, and any system of user charges ratably as is hereby required under state law or said Federal Water Pollution Control Act, as amended, or any regulations or guidelines promulgated thereunder;

(l) To set a period not to exceed five years for the duration of any National Pollutant Discharge Elimination System permit; ~~and~~

(m) To require a governmental subdivision that owns or operates a wastewater disposal system to have a plan to address its ability to pay the costs of making major repairs to the existing system and planning and constructing an adequate replacement system at the end of the existing system's expected useful life; and

(n) To train individual sewage treatment system personnel, including persons who design, construct, install, inspect, service, and operate individual sewage treatment systems, and charge fees as necessary to pay the agency's costs. All fees received must be paid into the state treasury and credited to the agency's training account. Money in the account is appropriated to the agency to pay expenses related to training.

Sec. 128. Minnesota Statutes 1988, section 115A.03, is amended by adding a subdivision to read:

Subd. 8a. DIRECTOR. "Director" means the director of the office of waste management.

Sec. 129. Minnesota Statutes 1988, section 115A.03, is amended by adding a subdivision to read:

Subd. 22a. OFFICE. "Office" means the office of waste management.

Sec. 130. **[115A.055] OFFICE OF WASTE MANAGEMENT.**

The office of waste management is an agency in the executive branch headed by a director appointed by the governor, with the advice and consent of the senate, to serve in the unclassified service. The director may appoint two assistant directors in the unclassified service and may appoint other employees, as needed, in the classified service.

Sec. 131. **WASTE MANAGEMENT BOARD; POWERS AND DUTIES.**

Except for the office of waste tire management in the pollution control agency, the responsibilities of the waste management board transferred from it by reorganization order under Minnesota Statutes, section 16B.37, are transferred to the office of waste management established by section 130 under Minnesota Statutes, section 15.039.

Sec. 132. **[116.84] MONITORS REQUIRED FOR INCINERATORS**

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

Notwithstanding any other law to the contrary, an incinerator permit issued to a facility that allows burning of PCB's must, as a condition of the permit, require the installation of a continuous emission monitoring system approved by the commissioner. The monitoring system must provide continuous emission measurements to ensure optimum combustion efficiency of dioxin precursors. The system must also be capable of providing a permanent record of monitored emissions that will be available upon request to the commissioner and the general public. The commissioner shall provide periodic inspection of the monitoring system to determine its continued accuracy. Should, at any time, the permitted facility's emissions exceed permit requirements based on accurate and valid emissions data, the facility shall immediately commence shutdown of the incinerator until the appropriate modifications to the facility have been made to ensure its ability to meet permitted requirements.

Sec. 133. [116.85] MONITORS REQUIRED FOR INCINERATORS.

Notwithstanding any other law to the contrary, an incinerator permit that contains emission limits for dioxin, cadmium, chromium, lead, or mercury must, as a condition of the permit, require the installation of an air emission monitoring system approved by the commissioner. The monitoring system must provide continuous measurements to ensure optimum combustion efficiency for the purpose of ensuring optimum dioxin destruction. The system shall also be capable of providing a permanent record of monitored emissions that will be available upon request to the commissioner and the general public. The commissioner shall provide periodic inspection of the monitoring system to determine its continued accuracy. Should, at any time after normal startup, the permitted facility's emissions exceed permit requirements, based on accurate and valid emissions data, the facility shall immediately report the exceedance to the commissioner and immediately either commence appropriate modifications to the facility to ensure its ability to meet permitted requirements or commence shutdown if the modifications cannot be completed within 72 hours. This section shall not be construed to limit the authority of the agency to regulate incinerator operations under any other law.

Sec. 134. Minnesota Statutes 1988, section 116C.03, subdivision 2, is amended to read:

Subd. 2. **MEMBERSHIP.** The members of the board are the commissioner of the state planning agency, the commissioner of public service, the commissioner of the pollution control agency, the commissioner of natural resources, ~~the chair~~ director of the office of waste management board, the commissioner of agriculture, the commissioner of health, the commissioner of transportation, the chair of the board of water and soil resources, and a representative of the governor's office designated by the governor. The governor shall appoint five members from the general public to the board, subject to the advice and consent of the senate. At least two of the five public members must have knowledge of and be conversant in water management issues in the state. Notwithstanding the provisions of section 15.06, subdivision 6, members of the board may not delegate their powers and responsibilities as board members to any other person.

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

Sec. 135. Minnesota Statutes 1988, section 116E.03, subdivision 1, is amended to read:

Subdivision 1. **GENERALLY.** The environmental education board shall operate under the general supervision of the commissioner of ~~natural resources~~ state planning. The environmental education board shall submit its budget to the commissioner each year for review and approval. Twice each year the state environmental education board shall report to the commissioner on the status of its programs and operations. In addition to any powers or duties otherwise prescribed by law and without limiting the same, the state environmental education board shall have the powers and duties hereinafter specified.

Sec. 136. Minnesota Statutes 1988, section 116J.01, subdivision 3, is amended to read:

Subd. 3. **DEPARTMENTAL ORGANIZATION.** The commissioner shall organize the department as provided in section 15.06. The department must be organized into ~~three~~ four divisions, designated as the business promotion and marketing division, the community development division, the policy analysis and science and technology division, and the Minnesota trade division, and ~~two offices, the office of tourism and the policy analysis office.~~ Each division and office shall administer the duties and functions assigned to it by law. When the duties of the divisions or office are not allocated by law, the commissioner may establish and revise the assignments of each division and office. Each division is under the direction of a deputy commissioner in the unclassified service. The deputy commissioner of the Minnesota trade division must be experienced and knowledgeable in matters of international trade.

Each office is under the direction of a director in the unclassified service.

Sec. 137. Minnesota Statutes 1988, section 116J.01, subdivision 4, is amended to read:

Subd. 4. APPOINTMENT OF DIRECTOR OF THE OFFICE OF TOURISM. The director of the office of tourism shall be appointed by the governor.

Sec. 138. ~~[116J.616] SPECIFIC AGREEMENTS PROHIBITED.~~

The commissioner or director of tourism may not enter into an agreement which would obligate the state to pay any part of a debt incurred by a public or private facility, organization, or attraction.

Sec. 139. ~~[116J.617] TOURISM LOAN PROGRAM.~~

Subdivision 1. ESTABLISHMENT. The commissioner may establish a tourism revolving loan program to provide loans or participate in loans to resorts, campgrounds, lodging facilities, and other tourism-related businesses. The commissioner shall work with financial institutions in making or participating in loans under this section.

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

Subd. 2. ELIGIBLE BORROWER. To receive a loan under this section, the borrower must be a sole proprietorship, partnership, corporation, or other person engaged in a tourism-related business or other entity that is defined by the standard industrial classification codes of 7011 and 7033 as set out in the Code of Federal Regulations, title 13, section 121.2. An eligible borrower under this section must maintain the business or other entity as a tourism-related entity as defined by this subdivision during the term of the loan. An eligible borrower may not receive a loan under this section if the borrower has received a tourism-related loan made by the state or participated in by the state in the past three years.

Subd. 3. ELIGIBLE LOAN. The maximum loan made or participated in under this section may not be for more than 50 percent of the total cost of the project. Loan proceeds may be used for the following purposes: building construction and improvement, site improvement, equipment, other construction costs, and engineering costs. Project-related expenditures made more than 30 days before an application may not be financed by a loan made or participated in under this section.

Subd. 4. LOAN TERMS. The maximum term of a loan made or participated in under this section may not exceed the useful life of the real property or 80 percent of the useful life of the equipment or machinery, or the following limits, whichever is less:

- (1) ten years for land, building, or other real property;
- (2) five years for equipment or machinery; or
- (3) a weighted average of the limits under clauses (1) and (2) for loans made or participated in for a combination of real property and equipment or machinery.

The commissioner may establish interest rates for loans made under this section. All loans made must be secured by collateral.

Subd. 5. TOURISM LOAN ACCOUNT. The tourism loan account is created in the special revenue fund. The fund consists of money appropriated or transferred to the account and interest collected through the tourism revolving loan program, and gifts, donations, and bequests made to the account. Money in the account is appropriated to the commissioner for purposes of this section. Fees collected through the tourism revolving loan program must be credited to the general fund.

Sec. 140. Minnesota Statutes 1988, section 116J.58, subdivision 1, is amended to read:

Subdivision 1. **ENUMERATION.** The commissioner shall:

- (1) investigate, study, and undertake ways and means of promoting and encouraging the prosperous development and protection of the legitimate inter-

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

est and welfare of Minnesota business, industry, and commerce, within and outside the state;

(2) locate markets for manufacturers and processors and aid merchants in locating and contacting markets;

(3) investigate and study conditions affecting Minnesota business, industry, and commerce and collect and disseminate information, and engage in technical studies, scientific investigations, and statistical research and educational activities necessary or useful for the proper execution of the powers and duties of the commissioner in promoting and developing Minnesota business, industry, and commerce, both within and outside the state;

(4) plan and develop an effective business information service both for the direct assistance of business and industry of the state and for the encouragement of business and industry outside the state to use economic facilities within the state;

(5) compile, collect, and develop periodically, or otherwise make available, information relating to current business conditions;

(6) conduct or encourage research designed to further new and more extensive uses of the natural and other resources of the state and designed to develop new products and industrial processes;

(7) study trends and developments in the industries of the state and analyze the reasons underlying the trends; study costs and other factors affecting successful operation of businesses within the state; and make recommendations regarding circumstances promoting or hampering business and industrial development;

(8) serve as a clearing house for business and industrial problems of the state; and advise small business enterprises regarding improved methods of accounting and bookkeeping;

(9) cooperate with interstate commissions engaged in formulating and promoting the adoption of interstate compacts and agreements helpful to business, industry, and commerce;

(10) cooperate with other state departments, and with boards, commissions, and other state agencies, in the preparation and coordination of plans and policies for the development of the state and for the use and conservation of its resources insofar as the use, conservation, and development may be appropriately directed or influenced by a state agency;

(11) assemble and coordinate information relative to the status, scope, cost, and employment possibilities and the availability of materials, equipment, and labor in connection with public works projects, state, county, and municipal; recommend limitations on the public works; gather current progress information with reference to public and private works projects of the state and its political subdivisions with reference to conditions of employment; inquire into and report

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

to the governor, when requested by the governor, with respect to any program of public state improvements and the financing thereof; and request and obtain information from other state departments or agencies as may be needed properly to report thereon;

(12) study changes in population and current trends and prepare plans and suggest policies for the development and conservation of the resources of the state;

(13) confer and cooperate with the executive, legislative, or planning authorities of the United States and neighboring states and of the counties and municipalities of such neighboring states, for the purpose of bringing about a coordination between the development of such neighboring states, counties, and municipalities and the development of this state;

(14) generally, gather, compile, and make available statistical information relating to business, trade, commerce, industry, transportation, communication, natural resources, and other like subjects in this state, with authority to call upon other departments of the state for statistical data and results obtained by them and to arrange and compile that statistical information in a manner that seems wise;

(15) publish documents and annually convene regional meetings to inform businesses, local government units, assistance providers, and other interested persons of changes in state and federal law related to economic development; and

(16) annually convene conferences of providers of economic development related financial and technical assistance for the purposes of exchanging information on economic development assistance, coordinating economic development activities, and formulating economic development strategies.

Sec. 141. Minnesota Statutes, section 116J.63, is amended by adding a subdivision to read:

Subd. 4. The office of tourism may market tourism-related publications and media promotional material to businesses and organizations. The proceeds from the marketing must be placed in a special account and are appropriated to the commissioner to prepare and distribute the office's publications and media promotional materials.

Sec. 142. Minnesota Statutes 1988, section 116J.68, subdivision 2, is amended to read:

Subd. 2. The bureau shall:

(a) provide information and assistance with respect to all aspects of business planning and business management related to the start-up, operation, or expansion of a small business in Minnesota;

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

(b) refer persons interested in the start-up, operation, or expansion of a small business in Minnesota to assistance programs sponsored by federal agencies, state agencies, educational institutions, chambers of commerce, civic organizations, community development groups, private industry associations, and other organizations or to the business assistance referral system established by the Minnesota Project Outreach Corporation;

(c) plan, develop, and implement a master file of information on small business assistance programs of federal, state, and local governments, and other public and private organizations so as to provide comprehensive, timely information to the bureau's clients;

(d) employ staff with adequate and appropriate skills and education and training for the delivery of information and assistance;

(e) seek out and utilize, to the extent practicable, contributed expertise and services of federal, state, and local governments, educational institutions, and other public and private organizations;

(f) maintain a close and continued relationship with the director of the procurement program within the department of administration so as to facilitate the department's duties and responsibilities under sections 16B.19 to 16B.22 relating to the small business set aside program of the state;

(g) develop an information system which will enable the commissioner and other state agencies to efficiently store, retrieve, analyze, and exchange data regarding small business development and growth in the state. All executive branch agencies of state government and the secretary of state shall to the extent practicable, assist the bureau in the development and implementation of the information system;

(h) establish and maintain a toll free telephone number so that all small business persons anywhere in the state can call the bureau office for assistance. An outreach program shall be established to make the existence of the bureau well known to its potential clientele throughout the state. If the small business person requires a referral to another provider the bureau may use the business assistance referral system established by the Minnesota Project Outreach Corporation;

(i) conduct research and provide data as required by state legislature;

(j) develop and publish material on all aspects of the start-up, operation, or expansion of a small business in Minnesota;

(k) collect and disseminate information on state procurement opportunities, including information on the procurement process;

(l) develop a public awareness program through the use of newsletters, personal contacts, and electronic and print news media advertising about state assistance programs for small businesses, including those programs specifically for socially disadvantaged small business persons;

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

(m) ~~publicize to small businesses the provisions of Laws 1983, chapter 188, requiring section 14.115 which requires consideration of small business issues in state agency rulemaking;~~

(n) enter into agreements with the federal government and other public and private entities to serve as the statewide coordinator or host agency for the federal small business development center program under United States Code, title 15, section 648;

(o) establish an evaluation mechanism to determine if assistance providers have adequate expertise and resources to deliver quality services. Evaluation of assistance providers may be based on the ability of the provider to offer the advertised service, the training and experience of the provider, and the formal evaluation process used by the provider. The evaluation mechanism must be designed so that the business assistance referral system established by the Minnesota Project Outreach Corporation may use the results of the evaluation in providing clients with referrals to providers; and

(p) assist providers in the evaluation of their programs and the assessment of their service area needs. The bureau may establish model evaluation techniques and performance standards for providers to use.

Sec. 143. [116J.691] MINNESOTA PROJECT OUTREACH CORPORATION.

Subdivision 1. ESTABLISHMENT; PURPOSE. The Minnesota Project Outreach Corporation is established as a nonprofit corporation under chapter 317 and is subject to the provisions of that chapter. The purpose of the corporation is to (i) facilitate the transfer of technology and scientific advice from the University of Minnesota and other institutions to businesses in the state that may make economic use of the information; and (ii) to assist small and medium-sized businesses in finding technical and financial assistance providers that meet their needs.

Subd. 2. BOARD OF DIRECTORS. The Minnesota Project Outreach Corporation shall be governed by a nine-member board of directors consisting of the president of the University of Minnesota or the president's designee, the deputy commissioner of trade and economic development for community development or the commissioner's designee, the chair of the Greater Minnesota Corporation board of directors or the chair's designee, the president of the Minnesota Project Outreach Corporation, a member of the state senate appointed by the subcommittee on committees of the senate rules and administration committee, a member of the house of representatives appointed by the speaker, a representative of small manufacturing firms located outside the metropolitan area, a representative of medium-sized manufacturing firms located in the metropolitan area, and a private sector person representing the general public. Vacancies on the board for the members who are representatives of the manufacturing firms and the general public shall be filled by the board. The president of the Minnesota Project Outreach Corporation shall be appointed by at least a two-thirds majority of the other members of the board.

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

The terms of the directors appointed by the governor shall be three years. The directors appointed by the governor shall serve until their successors are appointed and qualify. The board may elect a chair and form committees of the board.

Subd. 3. ARTICLES OF INCORPORATION. The articles of incorporation of the Minnesota Project Outreach Corporation must be filed with the secretary of state under chapter 317 and must be consistent with the duties of the corporation under subdivision 4 and the other provisions of this section.

Subd. 4. DUTIES. The Minnesota Project Outreach Corporation shall:

(1) establish a technology assistance system to assist business, specifically new and other small and medium-sized businesses across the state, in gaining access to technical information, including but not limited to technologies developed by the University of Minnesota and other higher education systems and their personnel; and in gaining access to technology-related federal programs.

(2) establish and continually update a business assistance referral system which includes a data base of economic development related technical assistance and financial assistance providers or programs sponsored by federal agencies, state agencies, educational institutions, chambers of commerce, civic organizations, community development groups, local governments, private industry associations, and other organizations and individuals that provide assistance;

(3) establish and maintain or contract for the establishment of a toll-free telephone number operated by trained staff familiar with the business assistance referral system and data base;

(4) maintain a marketing and outreach program informing persons interested in starting, operating, or expanding small business and assistance providers of the technology assistance system and the business assistance referral system;

(5) establish, where possible, regional bases and referral systems for the business assistance referral system; and

(6) make available the data base of the business assistance referral system to the legislature, the department of trade and economic development, and other state agencies for evaluating the effectiveness and efficiency of the provision of economic development-related technical and financial assistance in the state.

Subd. 5. STATE AGENCY COOPERATION. The Minnesota Project Outreach Corporation shall consult with the department of trade and economic development in the development and marketing of the business assistance referral system. The corporation shall assist the department of trade and economic development in establishing an evaluation mechanism for the business assistance referral system which at least includes a process for determining the effectiveness of the economic development related technical or financial assistance provider's service in meeting the needs of the client referred to the provider.

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

Subd. 6. CHARGES TO CLIENTS. (a) The Minnesota Project Outreach Corporation may charge reasonable fees to a client for the technology assistance system. The corporation shall establish a fee structure for the technology assistance system and may base the fee structure on the type of service provided, the size of the client based on number of employees or amount of annual revenues, the length of time the client has been in operation, and other criteria.

(b) The corporation shall provide the business assistance referral system at no cost to the client and may not charge the client a fee or any other compensation for the referral to a provider. This subdivision does not prohibit the technical or financial assistance provider from charging a fee or other compensation to a client that has been referred to the provider by the business assistance referral system.

Subd. 7. ADVISORY COMMITTEES. The board of directors of the Minnesota Project Outreach Corporation may appoint advisory committees to assist in selecting vendors and evaluating the corporation's activities.

Subd. 8. ANNUAL REPORT. The Minnesota Project Outreach Corporation shall submit an annual report by January 15 of each year to the appropriations, finance, and economic development committees of the legislature, the governor, the Greater Minnesota Corporation, and the University of Minnesota. The report must include a description of the corporation's activities for the past year, a listing of the contracts entered into by the corporation, and a summary of the corporation's expenditures.

Subd. 9. AUDIT. The Minnesota Project Outreach Corporation shall contract with a certified public accounting firm to perform a financial and compliance audit of the corporation and any subsidiary annually in accordance with generally accepted accounting standards.

Sec. 144. [116J.692] REGISTERED NAME.

Notwithstanding Minnesota Statutes, section 317.09, the secretary of state shall register the name "Minnesota Project Outreach Corporation" on behalf of the corporation.

Sec. 145. INITIAL APPOINTMENTS.

Notwithstanding section 143, subdivision 2, the members of the initial board of directors representing manufacturing firms and the general public shall be appointed by the governor as follows: one member to a one-year term, one member to a two-year term, and one member to a three-year term.

Sec. 146. [116J.876] DEFINITIONS.

Subdivision 1. TERMS. For the purposes of this section and sections 147 to 155, the terms defined in this section have the meanings given them.

Subd. 2. AGREEMENT. "Agreement" means an agreement between a

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

lender and the commissioner under which a lender may participate in the program.

Subd. 3. BORROWER. "Borrower" means the recipient of a loan which is, has been, or will be filed by the lender for enrollment under the program and meets the following requirements:

(1) the borrower is a corporation, partnership, joint venture, sole proprietorship, cooperative, or other entity, whether profit or nonprofit, which is authorized to conduct business in the state; and

(2) the borrower is not an executive officer, director, or principal shareholder of the lender, or a member of the immediate family of an executive officer, director, or principal shareholder of the lender, or an entity controlled by an executive officer, director, principal shareholder, or member of the immediate family.

Subd. 4. CAPITAL ACCESS ACCOUNT; ACCOUNT. "Capital access account" or "account" means an account created in the special revenue fund for the purposes of the capital access program.

Subd. 5. CLAIM. "Claim" means any claim filed by the lender under section 153.

Subd. 6. COMMISSIONER. "Commissioner" means the commissioner of trade and economic development.

Subd. 7. EARLY LOAN. "Early loan" means an enrolled loan where at the time of enrollment the amount of previously enrolled loans made by the lender under the program was less than \$5,000,000.

Subd. 8. ELIGIBLE LOAN. "Eligible loan" means a loan made by the lender to a borrower that meets the requirements of section 150.

Subd. 9. ENROLLED LOAN. "Enrolled loan" means a loan enrolled by the commissioner under the terms of section 150.

Subd. 10. LENDER. "Lender" means a financial institution as defined in section 13A.01, subdivision 2, that has entered into an agreement with the commissioner to participate in the program.

Subd. 11. PASSIVE REAL ESTATE OWNERSHIP. "Passive real estate ownership" means ownership of real estate for the purpose of deriving income from speculation, trade, or rentals, except that the term does not include (1) the ownership of that portion of real estate being used or intended to be used for the operation of the business of the owner of the real estate; or (2) ownership of real estate for the purpose of construction or renovation until the completion of the construction or renovation phase.

Subd. 12. PROGRAM. "Program" means the capital access program created by sections 146 to 155.

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

Subd. 13. RESERVE FUND. "Reserve fund" means an administrative account maintained by the commissioner for funds accumulated under an agreement with the commissioner to cover losses sustained by the lender on enrolled loans.

Sec. 147. [116J.8761] CAPITAL ACCESS PROGRAM; CREATION; ADMINISTRATION.

A capital access program is created in the department of trade and economic development. The purpose of the capital access program is to provide capital to businesses, particularly small and medium sized businesses, to foster economic development. Loans made under this program are to be slightly riskier than conventional loans, but still offer a high degree of soundness in connection with the capital access program.

The commissioner has the power to administer the program, enter into contracts, and take action reasonably necessary to ensure compliance with the program. The lender shall provide the commissioner with information regarding its participation in the program as the commissioner may reasonably require. Upon notice to the lender, the commissioner may inspect the files of the lender relating to any loans enrolled under the program during normal business hours of the lender.

A lender is eligible to participate in the program upon entering into an agreement with the commissioner governing the duties of the commissioner and the lender under the program.

Sec. 148. [116J.8762] COMMISSIONER; DUTIES.

Subdivision 1. DUTIES. The commissioner must:

(1) market the capital access program to businesses and other persons in the state in cooperation with financial institutions and statewide associations representing financial institutions;

(2) establish a reservation or allocation system so that lenders may reserve an allocation of funds in the account before or after the lender enters into a loan agreement or contract with a borrower; and

(3) develop the program, in cooperation with financial institutions and statewide associations representing financial institutions, so that the degree of flexibility for the commissioner and the participating lenders is maximized and the state oversight of individual loans is minimized, and the fiscal integrity of the program is maintained.

Subd. 2. INTERESTS OF COMMISSIONER. Except upon the exercise of the commissioner's right of subrogation under section 153, the commissioner has no legal or equitable interest in any collateral, security, or other right of recovery in connection with any loan enrolled in the program, and the commissioner's consent is not necessary for any amendment to the lender's loan documents.

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

Sec. 149. **[116J.8763] ELIGIBLE LOANS.**

Subdivision 1. LOAN TYPES. Eligible loans may include:

- (1) loans made for industrial, commercial, or agricultural purposes;
- (2) refinancing of loans made for the purposes in clause (1); and
- (3) lines of credit agreements established between the lender and borrower which are used for the purposes in clause (1).

Subd. 2. LOAN RESTRICTIONS. Eligible loans must meet the following criteria:

(1) the lender has not made the loan in order to enroll in the program prior debt which is not covered under the program and which is or was owed by the borrower to the lender;

(2) the proceeds of the loan will not be used for that portion of a project or development devoted to housing;

(3) the proceeds of the loan will not be used to finance passive real estate ownership; and

(4) the proceeds of the loan will be used to finance a project or enterprise located within this state which will foster economic development in Minnesota.

Subd. 3. LOAN PROVISIONS. An eligible loan may provide for an interest rate, fees, and other terms and conditions as the lender and borrower may agree. If the loan amount to be borrowed is determined by a commitment agreement that establishes a line of credit, the amount of the loan is the maximum amount available to the borrower under the agreement.

Sec. 150. **[116J.8764] ENROLLMENT OF LOANS IN PROGRAM.**

Subdivision 1. FILING REQUIREMENTS. (a) To enroll a loan under this program, the lender must file a completed loan enrollment form with the commissioner. The lender must also certify the following to the commissioner as part of the filing:

(1) the lender has no substantial reason to believe that the loan is being made to a borrower who does not meet the requirements of section 146, subdivision 3;

(2) that the lender has received from the borrower a written representation, warranty, pledge, and waiver stating that the borrower has no legal, beneficial, or equitable interest in the nonrefundable premium charges or any other funds credited to the reserve fund established to cover losses sustained by the lender on enrolled loans;

(3) the loan being filed for enrollment is an eligible loan under section 149; and

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

(4) premium changes required of the borrower and lender under this section have been deposited in the reserve fund.

(b) The lender shall file the loan enrollment form within ten business days after the lender makes the loan. The date on which the lender makes a loan is the date on which the lender first disburses proceeds of the loan to the borrower or an earlier date on which the loan documents have been executed and the lender has obligated itself to disburse proceeds of the loan. The filing date of a loan enrollment form is the date on which the lender delivers the required documentation to the commissioner, delivers it to a professional courier service for delivery to the commissioner, or mails it to the commissioner by certified mail.

Subd. 2. COMMISSIONER ENROLLMENT; ACKNOWLEDGMENT. When the commissioner receives the loan enrollment form, the commissioner shall enroll the loan, unless the information provided under subdivision 1 indicates that the loan is not an eligible loan, and shall deliver to the lender within five business days of receipt an acknowledgment of enrollment, signed by the commissioner or designee, including documentation of the amount being transferred by the commissioner into the reserve fund under this section.

Subd. 3. AMOUNT COVERED. When filing a loan enrollment form, the lender may specify an amount to be covered under the program. The amount may be less than the total amount of the loan. Unless the context clearly requires otherwise, when used in connection with a loan or loans, the words "amount" and "proceeds" refer only to the amount covered under the agreement.

Subd. 4. AMOUNT COVERED IN REFINANCINGS. (a) In the case of a loan to refinance a loan previously made to the borrower by the lender that was not enrolled under the program, the lender may obtain coverage under the program for an amount not exceeding the amount of additional financing.

(b) If an enrolled loan is refinanced and the total amount to be covered under the program does not exceed the covered amount of the loan as previously enrolled, the refinanced loan may continue as an enrolled loan without payment of additional premium charges or transfers by the commissioner to the reserve fund.

(c) If an enrolled loan is refinanced in an amount exceeding the amount of the loan as previously enrolled, the lender may obtain coverage of the amount of the refinanced loan that exceeds the amount covered when the loan was previously enrolled by refiling the loan for enrollment under subdivision 1.

(d) Fluctuations in the outstanding balance of a line of credit, without increasing the enrolled amount under the program, are not a refinancing of the loan.

Subd. 5. TERMINATION OF ENROLLMENT. If the outstanding balance

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

of an enrolled loan which is not a line of credit is reduced to zero, the loan is no longer an enrolled loan. If an enrolled loan which is a line of credit has an outstanding balance of zero for a 12-month period, the line of credit is no longer an enrolled loan, unless, before the expiration of the 12-month period, the lender reaffirms in writing to the borrower that the line of credit will remain open and the borrower acknowledges the reaffirmation in writing.

Sec. 151. [116J.8765] RESERVE FUND; PREMIUMS.

Subdivision 1. CREATION. Upon execution of an agreement between the lender and the commissioner, the commissioner shall establish a reserve fund account with the lender in the name of the commissioner for the purpose of receiving all required premium charges to be paid by the lender and the borrower and transfers made by the commissioner under sections 146 to 155.

Subd. 2. PREMIUM PAYMENTS AND TRANSFERS TO RESERVE FUND. The premium charges payable to the reserve fund by the lender and the borrower in connection with a loan filed for enrollment are determined by the lender. The premium paid by the borrower may not be less than 1.5 percent nor greater than 3.5 percent of the amount of the loan. The premium paid by the lender shall be equal to the amount of the premium paid by the borrower. The lender may recover from the borrower the cost of the lender's premium payment, in any manner in which the lender and borrower agree. When enrolling a loan, the commissioner shall transfer into the reserve fund from the account premium amounts determined as follows:

(a) If the amount of any loan, plus the amount of loans previously enrolled by the lender, is less than \$2,000,000, the premium amount transferred must be equal to 150 percent of the combined premiums paid into the reserve fund by the borrower and the lender for each enrolled loan.

(b) If, prior to the enrollment of the loan, the amount of loans previously enrolled by the lender equals or exceeds \$2,000,000, the premium amount transferred must be equal to the combined premiums paid into the reserve fund by the borrower and the lender for each enrolled loan.

(c) If the amount of loans previously enrolled by the lender is less than \$2,000,000, but the enrollment of a loan will cause the aggregate amount of all enrolled loans made by the lender to exceed \$2,000,000, the premium amount transferred must be equal to a percentage of the combined amount paid by the lender and the borrower. The percentage must be determined by (1) multiplying by 150 that portion of the loan which when added to the amount of all previously enrolled loans totals \$2,000,000, (2) multiplying the balance of the loan by 100, and (3) adding the products of the two amounts and dividing the sum by the total amount of the loan.

Subd. 3. LIMITATION OF TRANSFERS. A maximum premium amount of \$150,000 may be transferred into the reserve funds of all lenders participating in the program by the commissioner over any three-year period in connection with any one borrower or any group of borrowers among which a common enterprise exists. This maximum premium amount may be exceeded upon the written request by a lender only if the commissioner approves in writing the

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

transfer of an amount in excess of \$150,000. For the purpose of this subdivision, the term "common enterprise" has the meaning given it in Code of Federal Regulations, title 12, section 32, as amended.

Subd. 4. CONTROL AND INVESTMENT OF RESERVE FUND. (a) All money credited to the reserve fund is under the exclusive control of the commissioner. The commissioner may not withdraw money from the reserve fund except as specifically provided in this subdivision and sections 152 and 154.

(b) Money in the reserve fund must be deposited by the commissioner in an account with the lender unless the commissioner determines that the lender is not in substantial compliance with the requirements of the agreement. If money in the reserve fund is not deposited by the commissioner in an account with the lender, it must be invested or reinvested by the commissioner in (1) direct obligations of the United States or the state of Minnesota or in obligations the principal and interest of which are unconditionally guaranteed by the United States or the state of Minnesota, or (2) a deposit account at a depository institution whose deposits are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation.

(c) Interest or income earned on the money credited to the reserve fund is part of the reserve fund. The commissioner may withdraw at any time from the reserve fund 50 percent of all interest or income that has been credited to the reserve fund, except that after the first withdrawal the commissioner may not withdraw more than 50 percent of all interest or income that has been credited to the reserve fund since the time of the last withdrawal. Any withdrawal made under this subdivision may be made prior to paying any claim. None of the amounts withdrawn need to be transferred back to the reserve fund. Any withdrawal under this subdivision must be credited in the capital access account.

Subd. 5. PLEDGE OF THE RESERVE FUND. The commissioner shall pledge to the lender that the money in the reserve fund will be available to pay claims under section 152, that the lender will have a first security interest in the money in the reserve fund to pay the claims, and that the commissioner will not encumber or pledge the money to any other party.

Subd. 6. QUARTERLY REPORTS; INSPECTIONS. (a) If the reserve fund is not maintained with the lender, the commissioner shall provide to the lender quarterly transaction reports indicating the balance in the reserve fund, payments and transfers into the reserve fund, withdrawals from the reserve fund, and interest or income earned on money credited to the reserve fund.

(b) The records of the commissioner with respect to all payments and transfers into the reserve fund, withdrawals from the reserve fund, and interest or income earned on the money credited to the reserve fund, are available to the lender at the offices of the commissioner during normal business hours.

Sec. 152. [116J.8766] CLAIMS BY LENDER TO RESERVE FUND.

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

Subdivision 1. CLAIM PROCESS. (a) If the lender charges off all or part of an enrolled loan, the lender may file a claim with the commissioner. The claim must be filed contemporaneously with the charge-off.

(b) The lender's claim may include, in addition to the amount of principal charged off plus accrued interest, one-half of the documented out-of-pocket expenses incurred in pursuing its collection efforts, including preservation of collateral. The amount of principal and accrued interest included in the claim may not exceed the principal amount covered under the program upon enrollment, plus accrued interest attributable to the covered principal amount.

(c) The lender shall determine when and how much to charge off on an enrolled loan in a manner consistent with its normal method for making these determinations on similar loans which are not enrolled loans.

(d) If the lender files two or more claims contemporaneously and there are insufficient funds in its reserve fund at that time to cover the entire amount of the claims, the lender may designate the order of priority in which the commissioner shall pay the claims.

Subd. 2. DISBURSEMENT OF RESERVE FUND. (a) Upon receipt by the commissioner of a claim filed by the lender, the commissioner shall, within ten business days, pay or authorize the lender to withdraw from the reserve fund the amount of the claim as submitted, unless the information provided by the lender was known by the lender to be false at the time the loan was filed for enrollment. No other violation of sections 146 to 155 or the agreement is grounds for denial of a claim.

(b) If there is insufficient money in the reserve fund to cover the entire amount of the lender's claim, the commissioner shall pay to the lender or authorize the lender to withdraw an amount equal to the current balance in the reserve fund and the following shall apply:

(1) If the enrolled loan for which the claim has been filed is not an early loan, the payment fully satisfies the claim, and the lender has no right to receive any further amount from the reserve fund with respect to that claim.

(2) If the loan is an early loan, the partial payment does not satisfy the lender's claim, and at any time that the remaining balance of the claim is not greater than 75 percent of the balance in the reserve fund at the time of the loss, the commissioner, upon request of the lender, shall pay the remaining balance of the claim.

Subd. 3. RECOVERY BY LENDER SUBSEQUENT TO CLAIM. If, subsequent to payment of a claim by the commissioner, the lender recovers from a borrower any amount for which payment of the claim was made, the lender shall promptly pay to the commissioner for deposit in the reserve fund the amount recovered, less one-half of any documented out-of-pocket expenses incurred. The lender need pay to the commissioner for deposit in the reserve fund only amounts in excess of the amount of recovery needed to fully cover the lender's loss on an enrolled loan.

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

For the purposes of this subdivision and section 153, the lender's loss on an enrolled loan includes any losses on the loan including principal, accrued interest, and one-half of the documented out-of-pocket expenses attributable to principal amounts in excess of the amount covered under the program or the principal amount included in the claim.

Sec. 153. [116J.8767] SUBROGATION OF CLAIMS.

Subdivision 1. LIMITATION. The commissioner may exercise the right of subrogation under this section if the commissioner determines, in the commissioner's discretion, that the lender has not exercised reasonable care and diligence in its collection activities with respect to the loan or that there is a reasonable basis for believing that the lender will not exercise reasonable care and diligence in the future with respect to the collection activities.

Subd. 2. ASSIGNMENT OF RIGHTS. If the payment of a claim has fully covered the lender's loss on an enrolled loan, or if the payment of a claim when combined with any recovery from the borrower has fully covered the lender's loss, the commissioner, upon request, is subrogated to the rights of the lender with respect to any collateral, security, or other right of recovery in connection with the loan that has not been realized by the lender. The lender thereafter shall assign to the commissioner any right, title, or interest to any collateral, security, or other right of recovery in connection with the loan.

Subd. 3. LENDER OBLIGATIONS. If an assignment has been made, the commissioner is not required to undertake any obligations of the lender under its loan documents, except for any obligations directly related to the commissioner's assigned rights of recovery in connection with the loan. The lender shall fulfill any other obligations it may have under the loan documents in the same manner and to the same degree as required had the assignment not been made. The lender shall provide the commissioner with all reasonable assistance the commissioner requests in proceeding with respect to any collateral, security, or other right of recovery, except that the lender need not incur any out-of-pocket expenses.

Subd. 4. PAYMENT OF LENDER'S LOSS. If the commissioner decides to exercise the right of subrogation in connection with an enrolled loan and would be entitled to exercise the right except for the fact that the lender's loss has not been fully covered, the commissioner may pay from money in the reserve fund an amount sufficient to fully cover the lender's loss even though the payment may cover a principal amount not covered under the program or not included in the lender's claim. Upon making the payment, the commissioner is subrogated to the rights of the lender.

Subd. 5. RECOVERED FUNDS. Any money received by the commissioner as a result of enforcement actions taken with respect to any collateral, security, or other rights of recovery must be promptly deposited by the commissioner in the reserve fund, less any out-of-pocket expenses incurred by the commissioner in taking such enforcement actions.

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

Sec. 154. **[116J.8768] EXCESS RESERVE FUNDS.**

Subdivision 1. REPORTS. The lender shall file quarterly reports with the commissioner indicating the number and aggregate outstanding balance of all enrolled loans as of the end of each quarter. A quarterly report is not required for any quarter that ends with a balance in the reserve fund of zero, except that a calendar year-end report must be filed. In computing the aggregate outstanding balance of all enrolled loans, the balance of any loan may not be greater than the covered amount of the loan as enrolled.

Subd. 2. WITHDRAWAL OF EXCESS RESERVE FUNDS. (a) If reports filed under this section indicate that for the immediately preceding 24-month period the balance in the reserve fund continually exceeded the aggregate outstanding balance of all enrolled loans, the commissioner may withdraw from the reserve fund, on or before the last day of the month for which a report is due, an amount not greater than the amount by which the reserve fund balance exceeded the aggregate outstanding balance of all enrolled loans as of the most recent report, unless the lender has provided to the commissioner adequate documentation that at some time during that 24-month period the aggregate outstanding balance of all enrolled loans exceeded the balance then in the reserve fund. Any amounts withdrawn from the reserve fund must be transferred to the account.

(b) If a report is not filed within 30 days of its original due date, the commissioner may withdraw from the reserve fund based on the commissioner's determination from an inspection of the lender's files an amount not greater than the amount by which the reserve fund balance exceeded the aggregate outstanding balance of all enrolled loans as of the date for which the report was required to be filed.

Sec. 155. **[116J.8769] TERMINATION.**

The commissioner may terminate the obligation to a lender to enroll loans under the program if the commissioner determines that the lender is not in substantial compliance with the requirements of the program. The termination takes effect on the date specified in the notice of termination, except that the termination does not apply to any loan made on or before the date on which the notice of termination is received by the lender. If the commissioner is terminating the enrollment of loans for all participating lenders under the program, the commissioner shall provide notice of at least 90 days to the lender. Any terminations under this section are prospective only and do not apply to any loans previously refinanced. After termination, the amount covered under the program may not be increased beyond the covered amount as previously enrolled.

Sec. 156. Minnesota Statutes 1988, section 116J.970, is amended to read:

116J.970 SCIENCE AND TECHNOLOGY OFFICE DUTIES.

~~Subdivision 1. DUTIES. The commissioner shall establish an office of science and technology, which shall:~~

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

(1) provide assistance to the committee on science and technology research and development established in section 116J.971;

(2) prepare and deliver to the legislature every January 15, a science and technology annual report that shall contain:

(i) a list of the scientifically and technologically related research and development projects and development activities funded by a grant or loan of state money;

(ii) guidelines that the legislature may use in allocating state grant or loan money for scientifically and technologically related research and development projects, to include assessments of emerging technologies and those technologies that provide significant promise for the development of job-creating businesses; and

(iii) an analysis of the efficacy and completeness of the decentralized research peer review processes mandated in section 116J.971, subdivision 5 ~~6~~, with special emphasis on whether or not scientifically and technologically related research and development projects in Minnesota are in conformance with the guidelines established in ~~them~~ ~~(ii)~~ section 116J.971, subdivision 6, and whether or not the scientifically and technologically related research and development projects have or will result in creating scientifically and technologically related jobs;

(3) keep a current roster of technology intensive businesses in the state;

(4) collect and disseminate information on financial, technical, marketing, management, and other services available to technology intensive small and emerging businesses, including potential sources of debt and equity capital;

(5) review the technological development potential of various regions of the state and cooperate with and make recommendations to the legislature, state agencies, the Greater Minnesota Corporation, local governments, local technology development agencies, the federal government, private businesses, and individuals for the realization of the development potential; and

(6) sponsor and conduct conferences and studies, collect and disseminate information, and issue periodic reports relating to scientifically and technologically related research and development, and education in the state and represent the state at appropriate interstate and national conferences; ~~and~~

~~(7) take other action as assigned by the commissioner.~~

Sec. 157. Minnesota Statutes 1988, section 116J.971, subdivision 3, is amended to read:

Subd. 3. **QUALIFICATIONS AND DUTIES OF THE COMMITTEE ON SCIENCE AND TECHNOLOGY RESEARCH AND DEVELOPMENT.** Members of the committee on science and technology research and development

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

must be qualified in at least one of the five following areas: economic development, academic and applied research, the administration of research, the review of research processes, and the management and development of technology intensive companies. The committee shall:

(i) advise upon and approve by a majority vote the guidelines required by section 116J.970, clause (2), item (ii);

(ii) advise the ~~director of the office of science and technology~~ commissioner on the preparation of the analysis required by section 116J.970, clause (2), item (iii);

(iii) approve the assignment of ad hoc advisory committees on science and technology research and development as needed; and

(iv) review and comment upon, if the committee considers it to be necessary, the reports of the ad hoc advisory committees and forward the reports to the ~~director of the office of science and technology~~ commissioner.

Sec. 158. Minnesota Statutes 1988, section 116J.971, subdivision 6, is amended to read:

Subd. 6. **PEER REVIEW PLANS.** A state agency, board, commission, authority, ~~or institution or other entity,~~ including the Greater Minnesota Corporation, that ~~funds~~ allocates state money by a grant, loan, or contract for scientifically and technologically related research shall establish a peer review system to evaluate the research. The committee on science and technology research and development shall recommend guidelines for establishing effective peer review. An agency, board, commission, authority, or institution that funds scientifically and technologically related research shall, at least biennially, present to the committee on science and technology research and development or to ad hoc committees, as determined by the committee on science and technology research and development, a review and evaluation of the peer review process used in that organization.

Sec. 159. Minnesota Statutes 1988, section 116J.971, subdivision 7, is amended to read:

Subd. 7. **AUTHORITY TO PERFORM REQUESTED EVALUATIONS.** The governor, commissioner ~~or director of the office of science and technology,~~ speaker of the house of representatives, house of representatives minority leader, senate majority leader, senate minority leader, chair of the house of representatives appropriations committee, chair of the senate finance committee, or a member of the legislature considering the introduction or approval of legislation containing funding for scientifically and technologically related research and development, may request the committee on science and technology research and development to evaluate a loan or grant made or to be made or the proposed legislation for funding scientifically and technologically related research and development to determine (1) whether it complies with the guidelines required

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

by section 116J.970, clause (2), item (ii); (2) whether it is technically feasible; and (3) for development proposals, whether the proposal appears to have the potential for economic development. Ad hoc committees may be appointed by the committee on science and technology research and development to perform these reviews.

Sec. 160. Minnesota Statutes 1988, section 116J.971, subdivision 8, is amended to read:

Subd. 8. **AUTHORITY FOR REVIEW AND COMMENT UPON RESEARCH AND DEVELOPMENT PROGRAMS.** Each agency, board, commission, authority ~~or~~ institution ~~receiving an appropriation for the funding of or other entity, including the Greater Minnesota Corporation, that allocates state money by a grant, loan, or a contract for~~ scientifically and technologically related research and development must notify the ~~office of science and technology commissioner~~ within 60 days of making a loan or grant for scientifically or technologically related research and development. The notice shall contain a summary of the nature of and significant objectives of the research and development project funded by a grant or loan. The notice must also include information on the size and timing of previous grants or loans and anticipated additional funding needs. The committee on science and technology research and development shall, at least once each biennium, review scientifically and technologically related research funded by a state agency, board, commission, authority, ~~or~~ institution or other entity, including the Greater Minnesota Corporation, to assess whether or not the research and development is conducted in accordance with the guidelines required by section 116J.970, clause (2), item (ii). The committee's assessment shall be sent to the legislature on or before January 15 of every odd-numbered year.

Sec. 161. Minnesota Statutes 1988, section 116J.971, subdivision 9, is amended to read:

Subd. 9. **STAFF APPOINTMENTS.** The ~~director of the office of science and technology commissioner~~ shall appoint those staff members necessary to perform the ~~functions of the science and technology division duties of the commissioner required under section 116J.970.~~ The ~~director commissioner~~ shall appoint in the unclassified service an executive director of the committee on science and technology research and development, ~~who shall report to the director.~~ The executive director must hold a postbaccalaureate degree in scientific or technologically related studies, or demonstrate experience in technological policy formulation.

Sec. 162. **[116J.985] CERTIFIED DEVELOPMENT COMPANY.**

Subdivision 1. PURPOSE; OBJECTIVES. The commissioner may create, promote, and assist a development company that will qualify as a certified development company for the purposes of United States Code, title 15, section 697, and Code of Federal Regulations, title 13, section 108.503.

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

The commissioner shall use the development company program, in conjunction with the other economic development programs administered by the department, to stimulate the state's economic activity.

The development company and its directors and officers shall comply with the organizational, operational, regulatory, and reporting requirements as adopted by the United States Small Business Administration and the Minnesota department of trade and economic development; the guidelines contained in the bylaws; the articles of incorporation; and standard operating procedure prescribed by the Small Business Administration.

Subd. 2. CAPITAL, LOAN LIMITS; MEMBERSHIP REQUIREMENTS. The capital for a certified development company must be derived from corporate holders or members, each of whom must not have more than ten percent of the voting control of the development company. The company must have a minimum of 25 members. The members of the company from each economic development region must represent, to the greatest extent practical, the same proportion of the membership of the company as the population of the economic development region is of the population of the state.

Subd. 3. MEMBERS. Members must be representatives of local government, community organizations, financial institutions, and businesses in Minnesota and must, upon application, have been accepted for membership by a majority vote of the members of the board of directors present at a regular or special meeting of the board at which there is a quorum. Department of trade and economic development staff may not be members of the development company. A "financial institution" is a business organization recognized under Minnesota or federal law as a banking institution, trust company, savings and loan association, insurance company, or a corporation, partnership, foundation, or other institution licensed to do business in Minnesota and engaged primarily in lending or investing money.

Subd. 4. MEMBERSHIP APPLICATIONS. Applications for membership must be submitted to the development company's board of directors on forms provided by the commissioner and accompanied by additional information as the form may require. Application forms must provide that if the application is approved and the applicant accepted for membership by the development company's board of directors before withdrawal of the application, the applicant agrees to become a member upon the acceptance and to assume the rights and obligations of a member. Notice of approval or rejection of an application must be forwarded, by certified or registered United States mail, to the applicant for the attention of the person signing the application, within 15 days following the date when the approval or rejection is made. Approval of the application constitutes acceptance of the applicant as a member of the corporation.

Subd. 5. BOARD OF DIRECTORS. The development company bylaws must provide for a board of directors consisting of the commissioner of trade and economic development as chairperson, a vice-chairperson, and other members who are geographically representative of the state.

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

Subd. 6. OFFICERS. The executive officers of the development company are a president, one or more vice-presidents including the executive vice-president, a secretary, and a treasurer. The commissioner of trade and economic development is the president of the development company. None of the officers, except the president, need be directors. One person may hold the offices and perform the duties of any two or more of the offices. The development company's board of directors by majority vote may leave unfilled, for any period it may fix, any office except that of president, treasurer, or secretary.

Subd. 7. ADMINISTRATION. The commissioner of trade and economic development shall administer all certified development company programs.

Subd. 8. REPORTS. The development company shall submit annual operation reports to the Small Business Administration and the state legislature. When requested by the Small Business Administration or the state legislature, interim reports of a similar nature must be provided. The reports must be provided in accordance with the instructions and attachments set by the Small Business Administration. The development company shall comply with all regulations issued under the Small Business Investment Act of 1958, as amended; department of trade and economic development operating procedures; and applicable state and federal laws affecting its operation.

Subd. 9. REVOLVING ACCOUNT. The development company may charge a one-time processing fee up to the maximum allowed by the Small Business Administration on a debenture issued for loan purposes. In addition, a fee for servicing loans may be imposed up to the maximum allowed by the Small Business Administration based on the unpaid balance of each debenture. These fees must be deposited in the state treasury and credited to an account in the special revenue fund. Money in the account is appropriated to the commissioner to pay the costs of administering the program, including personnel costs; compensate members of the board of directors under section 15.0575, subdivision 3; and create and operate a pool of money for investment in projects that further the purposes of this section.

Sec. 163. TRANSFER OF WASHINGTON OFFICE.

The responsibility for operating the state of Minnesota's Washington, D.C. office is transferred from the commissioner of trade and economic development to the commissioner of state planning under Minnesota Statutes, section 15.039. The revisor of statutes shall renumber Minnesota Statutes, section 116J.613, as section 116K.14.

Sec. 164. Minnesota Statutes 1988, section 116L.02, is amended to read:

116L.02 JOB SKILLS PARTNERSHIP PROGRAM.

The Minnesota job skills partnership program is created to act as a catalyst to bring together employers with specific training needs with educational or other nonprofit institutions which can design programs to fill those needs. The

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

partnership shall work closely with employers to train and place workers in identifiable positions as well as assisting educational or other nonprofit institutions in developing training programs that coincide with current and future employer requirements. The partnership shall provide grants to educational or other nonprofit institutions for the purpose of training displaced workers. A participating business must match the grant-in-aid made by the Minnesota job skills partnership. ~~Preference must be given to a business located in a rural area.~~ The match may be in the form of funding, equipment, or faculty.

Sec. 165. Minnesota Statutes 1988, section 116L.03, subdivision 2, is amended to read:

Subd. 2. **APPOINTMENT.** The Minnesota job skills partnership board consists of: eight members appointed by the governor, ~~the commissioner of trade and economic development~~, the commissioner of jobs and training, and the state director of vocational technical education.

Sec. 166. Minnesota Statutes 1988, section 116L.03, subdivision 7, is amended to read:

Subd. 7. **OFFICES.** The ~~higher education coordinating board~~ department of trade and economic development shall provide staff and administrative services for the board.

Sec. 167. Minnesota Statutes 1988, section 116L.04, subdivision 1, is amended to read:

Subdivision 1. **GRANTS-IN-AID.** (a) The partnership may provide grants-in-aid to educational or other nonprofit institutions using the following guidelines:

(a) (1) the educational or other nonprofit institution is a provider of training within the state in either the public or private sector;

(b) (2) the program involves skills training that is an area of employment need; and

(c) (3) preference will be given to educational or other nonprofit institutions which serve economically disadvantaged people, minorities, or those who are victims of economic dislocation and to businesses located in rural areas.

~~Grants (b) A single grant to any one institution shall not exceed \$200,000 to any one institution.~~

Sec. 168. Minnesota Statutes 1988, section 116O.02, is amended by adding a subdivision to read:

Subd. 6. TECHNOLOGY RELATED ASSISTANCE. "Technology related assistance" means the transfer of technological information and technologies to assist in the development and production of new technology related products or services or to increase the productivity or otherwise enhance the production or delivery of existing products or services.

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

Sec. 169. Minnesota Statutes 1988, section 116O.03, subdivision 1, is amended to read:

Subdivision 1. **NAME ESTABLISHMENT.** The Greater Minnesota Corporation is established as a public corporation of the state and is not subject to the laws governing a state agency except as provided in this chapter. The business of the corporation must be conducted under the name "Greater Minnesota Corporation."

Sec. 170. Minnesota Statutes 1988, section 116O.03, is amended by adding a subdivision to read:

Subd. 1a. PURPOSE. The purpose of the corporation is to foster long-term economic growth and job creation by stimulating innovation and the development of new products, services, and production processes through technology transfer, applied research, and financial assistance. The corporation's purpose is not to create new programs or services but to build on the existing educational, business, and economic development infrastructure. The primary focus of the corporation's activities must be to benefit new or existing small and medium-sized businesses in greater Minnesota.

Sec. 171. Minnesota Statutes 1988, section 116O.05, is amended to read:

116O.05 POWERS OF THE CORPORATION.

Subdivision 1. GENERAL CORPORATE POWERS. (a) ~~Except as otherwise provided in this article,~~ The corporation has the powers granted to a business corporation by section 302A.161, subdivisions 3; 4; 5; 7; 8; 9; 11; 12; 13, except that the corporation may not act as a general partner in any partnership; 14; 15; 16; 17; 18; and 22.

(b) The state is not liable for the obligations of the corporation.

(c) Section 302A.041 applies to this ~~article~~ chapter and the corporation in the same manner that it applies to business corporations established under chapter 302A.

Subd. 2. DUTIES. The corporation shall:

(1) establish programs, activities, and policies that provide technology transfer and applied research and development assistance to individuals, sole proprietorships, partnerships, corporations, other business entities, and nonprofit organizations in the state that are primarily new and existing small and medium-sized businesses in greater Minnesota;

(2) provide or provide for technology related assistance to individuals, sole proprietorships, partnerships, corporations, other business entities, and nonprofit organizations;

(3) provide financial assistance under section 116O.06 to assist the develop-

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

ment of new products, services, or production processes or to assist in bringing new products or services to the marketplace;

(4) provide or provide for research services including on-site research and testing of production techniques and product quality;

(5) establish and operate regional research institutes as provided for in section 116O.08;

(6) make matching research grants for applied research and development to public and private post-secondary education institutes as provided for in section 116O.11;

(7) enter into contracts for establishing formal relationships with public or private research institutes or facilities;

(8) establish the agricultural utilization research institute under section 116O.09; and

(9) not duplicate existing services or activities provided by other public and private organizations but shall build on the existing educational, business, and economic development infrastructure.

Subd. 3. RULES. The corporation is not subject to chapter 14, but must publish in the State Register any guidelines, policies, rules, or eligibility criteria prepared or adopted by the corporation for any of its financial or technology transfer programs.

Sec. 172. Minnesota Statutes 1988, section 116O.06, subdivision 1, is amended to read:

Subdivision 1. **FINANCIAL ASSISTANCE; TYPES.** The corporation may provide financial assistance to individuals, sole proprietorships, ~~businesses partnerships, corporations, other business entities,~~ or ~~for-profit or~~ nonprofit organizations that have (1) received research assistance from a corporation research facility or as a result of a research grant under section 116O.09, subdivision 4, or 116O.011; or (2) received favorable review through a peer review process established under guidelines developed under section 116O.10, subdivision 2. Financial assistance includes, but is not limited to, loan guarantees or insurance, direct loans, and interest subsidy payments. The corporation may participate in loans by purchasing from a lender up to 50 percent of each loan. Financial assistance under this section is for assisting in the financing of a business's debt financing, product development financing, or working capital needs.

Sec. 173. Minnesota Statutes 1988, section 116O.06, subdivision 5, is amended to read:

Subd. 5. **PREFERENCE.** In providing financial assistance, the corporation must give preference to individuals, sole proprietorships, ~~businesses partnerships, corporations, other business entities,~~ or organizations that are starting or expanding their operations in greater Minnesota.

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

Sec. 174. Minnesota Statutes 1988, section 116O.08, subdivision 2, is amended to read:

Subd. 2. **PURPOSE.** The purpose of the institutes is to provide applied research and development services to individuals, businesses, or organizations for the purposes of developing the region's economy through the utilization of the region's resources and the development of technology. Research and development services may include on-site research, product development grants, testing of production techniques and product quality; ~~marketing and business management assistance;~~ and feasibility studies.

Sec. 175. Minnesota Statutes 1988, section 116O.14, is amended to read:

116O.14 AUDITS.

The corporation board shall contract with a certified public accounting firm to do a financial and compliance audit of the corporation and any subsidiary annually in accordance with generally accepted accounting standards. A copy of this audit must be submitted to the chairs of the senate finance and economic development and housing committees, and the house appropriations and economic development committees.

~~The books and records of the corporation and any subsidiary, fund, or entity to be administered or governed by the corporation are subject to audit without previous notice by the legislative auditor. The corporation is subject to the auditing requirements under sections 3.971 and 3.972.~~

Sec. 176. Minnesota Statutes 1988, section 116O.15, is amended to read:

116O.15 ~~REPORTS~~ ANNUAL REPORT.

The board shall submit a report to the appropriate chairs of the senate economic development and housing and the house economic development committees of the legislature and the governor on the activities of the corporation by January February 1 of each year. The report must include, at least, a description of projects supported by the corporation; an account of all grants made by the corporation during the calendar year, the source and amount of all money collected and distributed by the corporation, the corporation's assets and liabilities; an explanation of administrative expenses; and any amendments to the operational plan: the following:

(1) a description of each of the programs that the corporation has provided or undertaken at some time during the previous year. The description of each program must describe (i) the statement of purpose for the program, (ii) the administration of the program including the activities the corporation was responsible for and the responsibilities that other organizations had in administering the program, (iii) the results of the program including how the results were measured, (iv) the expenses of the program paid by the corporation, and (v) the source of corporate and noncorporate funding for the program;

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

(2) an identification of the sources of funding in the previous year for the corporation and its programs including federal, state and local government, foundations, gifts, donations, fees, and all other sources;

(3) a description of the distribution of all money spent by the corporation in the previous year including an identification of the total expenditures, other than corporate administrative expenditures, by sector of the economy;

(4) a description of the administrative expenses of the corporation during the previous year;

(5) a listing of the assets and liabilities of the corporation at the end of the previous fiscal year;

(6) a list and description of each grant awarded by the corporation during the previous year;

(7) a description of any changes made to the operational plan during the previous year; and

(8) a description of any newly adopted or significant changes to bylaws, programmatic or administrative guidelines, policies, rules, or eligibility criteria for programs created or administered by the corporation during the previous year.

Reports must be made to the legislature as required by section 3.195.

Sec. 177. Minnesota Statutes 1988, section 116O.03, is amended by adding a subdivision to read:

Subd. 2a. APPOINTMENT OF COMMISSIONER. Notwithstanding Minnesota Statutes, section 116O.03, subdivision 2, the commissioner of trade and economic development is a member of the Greater Minnesota Corporation's board of directors when the first vacancy on the board occurs.

Sec. 178. Minnesota Statutes 1988, section 116P.08, subdivision 1, is amended to read:

Subdivision 1. **EXPENDITURES.** Money in the trust fund may be spent only for:

(1) the reinvest in Minnesota program as provided in section 84.95, subdivision 2;

(2) research that contributes to increasing the effectiveness of protecting or managing the state's environment or natural resources;

(3) collection and analysis of information that assists in developing the state's environmental and natural resources policies;

(4) enhancement of public education, awareness, and understanding neces-

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

sary for the protection, conservation, restoration, and enhancement of air, land, water, forests, fish, wildlife, and other natural resources;

(5) capital projects for the preservation and protection of unique natural resources;

(6) activities that preserve or enhance fish, wildlife, land, air, water, and other natural resources that otherwise may be substantially impaired or destroyed in any area of the state;

(7) administrative and investment expenses incurred by the state board of investment in investing deposits to the trust fund; and

(8) administrative expenses subject to the limits in section 116P.09.

Sec. 179. Minnesota Statutes 1988, section 116P.13, is amended to read:

116P.13 MINNESOTA FUTURE RESOURCES ~~ACCOUNT~~ FUND.

Subdivision 1. **REVENUE SOURCES.** The money in the Minnesota future resources ~~account~~ fund consists of revenue credited under section 297.13, subdivision 1, clause (1).

Subd. 2. **INTEREST.** The interest attributable to the investment of the Minnesota future resources ~~account~~ fund must be credited to the ~~account~~ fund.

Subd. 3. **REVENUE PURPOSES.** Revenue in the Minnesota future resources ~~account~~ fund may be spent for purposes of natural resources acceleration and outdoor recreation, including but not limited to the development, maintenance, and operation of the state outdoor recreation system under chapter 86A and regional recreation open space systems as defined under section 473.351, subdivision 1.

Sec. 180. Minnesota Statutes 1988, section 176.135, subdivision 1, is amended to read:

Subdivision 1. **MEDICAL, PSYCHOLOGICAL, CHIROPRACTIC, PODIATRIC, SURGICAL, HOSPITAL.** (a) The employer shall furnish any medical, psychological, chiropractic, podiatric, surgical and hospital treatment, including nursing, medicines, medical, chiropractic, podiatric, and surgical supplies, crutches and apparatus, including artificial members, or, at the option of the employee, if the employer has not filed notice as hereinafter provided, Christian Science treatment in lieu of medical treatment, chiropractic medicine and medical supplies, as may reasonably be required at the time of the injury and any time thereafter to cure and relieve from the effects of the injury. This treatment shall include treatments necessary to physical rehabilitation. The employer shall furnish replacement or repair for artificial members, glasses, or spectacles, artificial eyes, podiatric orthotics, dental bridge work, dentures or artificial teeth, hearing aids, canes, crutches, or wheel chairs damaged by reason of an injury arising out of and in the course of the employment. In case of the employer's inability or

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

refusal seasonably to do so the employer is liable for the reasonable expense incurred by or on behalf of the employee in providing the same, including costs of copies of any medical records or medical reports that are in existence, obtained from health care providers, and that directly relate to the items for which payment is sought under this chapter, limited to the charges allowed by subdivision 7, and attorney fees incurred by the employee. No action to recover the cost of copies may be brought until the commissioner adopts a schedule of reasonable charges under subdivision 7. Attorney's fees shall be determined on an hourly basis according to the criteria in section 176.081, subdivision 5. The employer shall pay for the reasonable value of nursing services by a member of the employee's family in cases of permanent total disability.

(b) Both the commissioner and the compensation judges have authority to make determinations under this section in accordance with sections 176.106 and 176.305.

Sec. 181. Minnesota Statutes 1988, section 190.07, is amended to read:

190.07 APPOINTMENT; QUALIFICATIONS; RANK.

There shall be an adjutant general of the state who shall be appointed by the governor; ~~who~~. The adjutant general shall be a staff officer, who at the time of appointment shall be a commissioned officer of the national guard of this state, with not less than ten years military service in the armed forces of this state or of the United States, at least three of which shall have been commissioned and who shall have reached the grade of a field officer.

The adjutant general shall hold rank equal to that of the highest rank authorized for the army and air national guard in the table of organization for units allotted to the state by the department of the army, or the department of the air force, or by both such departments, through the national guard bureau. However, the adjutant general shall not be appointed to the rank of major general without having 20 years service in the national guard, of which two years has been in the rank of brigadier general.

~~The term of the adjutant general shall hold office as provided by United States Code, title 32, section 314, as amended through is seven years from the date of appointment; and. Section 15.06, subdivisions 3, 4, and 5, governs filing of vacancies in the office of adjutant general. The adjutant general shall not be removed from office during a term except upon withdrawal of federal recognition or as otherwise provided by the military laws of this state.~~

Sec. 182. [192.501] FINANCIAL INCENTIVES FOR NATIONAL GUARD MEMBERS.

Subdivision 1. REENLISTMENT BONUS. (a) The adjutant general shall establish a program providing a reenlistment bonus for members of the Minnesota National Guard in accordance with this section. An active member of the Minnesota National Guard serving satisfactorily, as defined by the adjutant

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

general, shall be paid \$250 per year for reenlisting in the Minnesota National Guard.

(b) A member must reenlist in the Minnesota National Guard for a minimum of three years.

(c) A member is eligible for subsequent reenlistment bonuses to the extent that total years of bonus eligibility are limited to 12 years.

(d) Bonus payments shall be paid in the month prior to the anniversary of a member's current reenlistment.

(e) A member electing to receive tuition assistance under subdivision 2, shall forfeit the reenlistment bonus for the years that the tuition assistance is provided.

Subd. 2. TUITION REIMBURSEMENT. (a) The adjutant general shall establish a program providing tuition reimbursement for members of the Minnesota national guard in accordance with this section. An active member of the Minnesota national guard serving satisfactorily, as defined by the adjutant general, shall be reimbursed for tuition paid to a post-secondary education institution as defined by Minnesota Statutes, section 136A.15, subdivision 5, upon proof of satisfactory completion of course work.

(b) In the case of tuition paid to a public institution located in Minnesota, including any vocational or technical school, tuition is limited to an amount equal to 50 percent of the cost of tuition at that public institution, except as provided in this section. In the case of tuition paid to a Minnesota private institution or vocational or technical school or a public or private institution or vocational or technical school not located in Minnesota, reimbursement is limited to 50 percent of the cost of tuition for lower division programs in the college of liberal arts at the twin cities campus of the University of Minnesota in the most recent academic year, except as provided in this section.

(c) If a member of the Minnesota national guard is killed in the line of state active duty, the state shall reimburse 100 percent of the cost of tuition for post-secondary courses satisfactorily completed by any surviving spouse and any surviving dependents who are 21 years old or younger. Reimbursement for surviving spouses and dependents is limited in amount and duration as is reimbursement for the national guard member.

(d) The amount of tuition reimbursement for each eligible individual shall be determined by the adjutant general according to rules formulated within 30 days of the effective date of this section. Tuition reimbursement received under this section shall not be considered by the Minnesota higher education coordinating board or by any other state board, commission, or entity in determining a person's eligibility for a scholarship or grant-in-aid under sections 136A.09 to 136A.132.

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

Subd. 3. RECORD KEEPING; RECRUITMENT AND RETENTION; FISCAL MANAGEMENT. The department of military affairs shall keep an accurate record of the recipients of the reenlistment bonus and tuition reimbursement programs. The department shall report to the legislature on the effectiveness of the reenlistment bonus and tuition reimbursement programs in retaining and recruiting members for the Minnesota National Guard. The report to the legislature shall be made by January 1 of each year. The report shall include a review of the effect that the reenlistment bonus and tuition reimbursement programs have on the enlistment and reenlistment of National Guard members. The report shall include an accurate record of the effect that both the tuition reimbursement program and the reenlistment bonus program have on the recruitment and retention of members by rank, unit location, race, and sex.

The department of military affairs shall make a specific effort to recruit and retain women and members of minority groups into the guard through the use of the tuition reimbursement and reenlistment bonus programs.

Sec. 183. Minnesota Statutes 1988, section 192.51, subdivision 2, is amended to read:

Subd. 2. ACTIVE DUTY PAY. When called into active service by the governor, other than for encampment or maneuvers, including the time necessarily consumed in travel, each enlisted person of the military forces shall be paid by the state the pay and the allowances, when not furnished in kind, provided by law for enlisted persons of similar grade, rating and length of service in the armed forces of the United States, or ~~\$65~~ \$130 a day, whichever is more.

Sec. 184. Minnesota Statutes 1988, section 221.67, is amended to read:

221.67 SERVICE OF PROCESS.

The use of any of the public highways of this state for the transportation of persons or property for compensation by a motor carrier in interstate commerce shall be deemed an irrevocable appointment by the carrier of the secretary of state to be the carrier's true and lawful attorney upon whom may be served all legal process in any action or proceeding brought under this chapter against the carrier or the carrier's executor, administrator, personal representative, heirs, successors or assigns. This use is a signification of agreement by the interstate motor carrier that any process in any action against the carrier or the carrier's executor, administrator, personal representative, heirs, successors, or assigns which is so served shall be of the same legal force and validity as if served upon the carrier personally. Service shall be made by serving a copy thereof upon the secretary of state or by filing a copy in the office of the secretary of state, together with payment of a fee of ~~\$25~~ \$35, and the service shall be sufficient service upon the absent motor carrier if notice of the service and a copy of the process are within ten days thereafter sent by mail by the plaintiff to the defendant at the defendant's last known address and the plaintiff's affidavit of compli-

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

ance with the provisions of this section and sections 221.60, 221.65, and 221.68 is attached to the summons.

Sec. 185. Minnesota Statutes 1988, section 256.482, subdivision 3, is amended to read:

Subd. 3. **RECEIPT OF FUNDS.** Whenever any person, firm, or corporation, ~~or the federal government~~ offers to the council funds by the way of gift, grant, or loan, for purposes of assisting the council to carry out its powers and duties, the council may accept the offer by majority vote and upon acceptance the chair shall receive the funds subject to the terms of the offer. However, no money shall be accepted or received as a loan nor shall any indebtedness be incurred except in the manner and under the limitations otherwise provided by law.

Sec. 186. Minnesota Statutes 1988, section 256.482, is amended by adding a subdivision to read:

Subd. 5a. TECHNOLOGY FOR PEOPLE WITH DISABILITIES. The council has the following duties related to technology for people with disabilities:

(1) to identify individuals with disabilities, including individuals from underserved groups, who reside in the state and conduct an ongoing evaluation of their needs for technology-related assistance;

(2) to identify and coordinate state policies, resources, and services relating to the provision of assistive technology devices and assistive technology services to individuals with disabilities, including entering into interagency agreements;

(3) to provide assistive technology devices and assistive technology services to individuals with disabilities and payment for the provision of assistive technology devices and assistive technology services;

(4) to disseminate information relating to technology-related assistance and sources of funding for assistive technology devices and assistive technology services to individuals with disabilities, the families or representatives of individuals with disabilities, individuals who work for public agencies, and private entities that have contact with individuals with disabilities, including insurers, employers, and other appropriate individuals;

(5) to provide training and technical assistance relating to assistive technology devices and assistive technology services to individuals with disabilities, the families or representatives of individuals with disabilities, individuals who work for public agencies, and private entities that have contact with individuals with disabilities, including insurers, employers, and other appropriate individuals;

(6) to conduct a public awareness program focusing on the efficacy and availability of assistive technology devices and assistive technology services for individuals with disabilities;

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

(7) to assist statewide and community-based organizations or systems that provide assistive technology services to individuals with disabilities;

(8) to support the establishment or continuation of partnerships and cooperative initiatives between the public sector and the private sector;

(9) to develop standards, or where appropriate, apply existing standards to ensure the availability of qualified personnel for assistive technology devices;

(10) to compile and evaluate appropriate data relating to the program; and

(11) to establish procedures providing for the active involvement of individuals with disabilities, the families or representatives of the individuals, and other appropriate individuals in the development and implementation of the program, and for individuals with disabilities who use assistive technology devices and assistive technology services, for their active involvement, to the maximum extent appropriate in decisions relating to the assistive technology devices and assistive technology services.

Sec. 187. TRANSFER.

The council on technology for people with disabilities, created by executive order number 86-12, is transferred to the council on disability. Minnesota Statutes, section 15.039, applies to this transfer.

Sec. 188. Minnesota Statutes 1988, section 290.39, subdivision 4, is amended to read:

Subd. 4. **VOTER REGISTRATION FORM.** The commissioner shall insert securely in each individual income tax return form or instruction booklet distributed in an even-numbered year a voter registration form, returnable to the secretary of state, designed according to rules adopted by the secretary of state. This requirement applies to forms and booklets supplied to post offices, banks, and other outlets, as well as to those mailed directly to taxpayers.

Sec. 189. [290.432] CORPORATE NONGAME WILDLIFE CHECKOFF.

A corporation that files an income tax return may designate on its original return that \$1 or more shall be added to the tax or deducted from the refund that would otherwise be payable by or to that corporation and paid into the nongame wildlife management account established by section 290.431 for use by the section of wildlife in the department of natural resources for its nongame wildlife program. The commissioner of revenue shall, on the corporate tax return, notify filers of their right to designate that a portion of their tax return be paid into the nongame wildlife management account for the protection of endangered natural resources. All interest earned on money accrued in the nongame wildlife management account shall be credited to the account by the state treasurer. The commissioner of natural resources shall submit a work program for each fiscal year to the legislative commission on Minnesota resources in the form determined by the commission. None of the money provided in this section may be spent unless the commission has approved the work program.

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

The state pledges and agrees with all corporate contributors to the nongame wildlife account to use the funds contributed solely for the nongame wildlife program and further agrees that it will not impose additional conditions or restrictions that will limit or otherwise restrict the ability of the commissioner of natural resources to use the available funds for the most efficient and effective management of those programs.

Sec. 190. Minnesota Statutes 1988, section 297.13, subdivision 1, is amended to read:

Subdivision 1. **CIGARETTE TAX APPORTIONMENT.** Revenues received from taxes, penalties, and interest under sections 297.01 to 297.13 and from license fees and miscellaneous sources of revenue shall be deposited by the commissioner of revenue in a separate and special fund, designated as the tobacco tax revenue fund, in the state treasury and credited as follows:

(a) first to the general obligation special tax bond debt service account in each fiscal year the amount required to increase the balance on hand in the account on each December 1 to an amount equal to the full amount of principal and interest to come due on all outstanding bonds whose debt service is payable primarily from the proceeds of the tax to and including the second following July 1; and

(b) after the requirements of paragraph (a) have been met:

(1) the revenue produced by one mill of the tax on cigarettes weighing not more than three pounds a thousand and two mills of the tax on cigarettes weighing more than three pounds a thousand must be credited to the Minnesota future resources ~~account~~ fund;

(2) the revenue produced by two mills of the tax on cigarettes weighing not more than three pounds a thousand and four mills of the tax on cigarettes weighing more than three pounds a thousand must be credited to the Minnesota state water pollution control fund created in section 116.16, provided that, if the tax on cigarettes imposed by United States Code, title 26, section 5701, as amended, is reduced after June 1, 1985, an additional one mill of the tax on cigarettes weighing not more than three pounds a thousand and two mills of the tax on cigarettes weighing more than three pounds a thousand must be credited to the Minnesota state water pollution control fund created in section 116.16 less any amount credited to the general obligation special tax debt service account under paragraph (a), with respect to bonds issued for the prevention, control, and abatement of water pollution;

(3) the revenue produced by one mill of the tax on cigarettes weighing not more than three pounds a thousand and two mills of the tax on cigarettes weighing more than three pounds a thousand must be credited to a public health fund; provided that if the tax on cigarettes imposed by United States Code, title 26, section 5701, as amended, is reduced after June 1, 1985, an additional two-tenths of one mill of the tax on cigarettes weighing not more than three pounds a thousand and an additional four-tenths of one mill of the tax on

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

cigarettes weighing more than three pounds a thousand must be credited to the public health fund;

(4) the balance of the revenues derived from taxes, penalties, and interest under sections 297.01 to 297.13 and from license fees and miscellaneous sources of revenue shall be credited to the general fund.

Sec. 191. Minnesota Statutes 1988, section 299D.03, subdivision 7, is amended to read:

Subd. 7. **DISCHARGE OF TROOPER.** Every person employed and designated as a state trooper under and pursuant to the provisions of this section, after ~~six~~ 12 months of continuous employment, shall continue in service and hold the position without demotion, until suspended, demoted, or discharged in the manner hereinafter provided for one or more of the causes specified herein.

Sec. 192. Minnesota Statutes 1988, section 300.49, subdivision 1, is amended to read:

Subdivision 1. **PAID TO SECRETARY OF STATE.** Domestic corporations must pay to the secretary of state the following fees:

(1) for articles of incorporation, \$100;

(2) for filing any instrument required or permitted by sections 300.01 to 300.68, ~~\$25~~ \$35;

(3) for a merger, an additional fee of \$25.

Sec. 193. Minnesota Statutes 1988, section 302A.011, subdivision 11, is amended to read:

Subd. 11. **FILED WITH THE SECRETARY OF STATE.** "Filed with the secretary of state" means that an original of a document meeting the applicable requirements of this chapter, signed and accompanied by a filing fee of ~~\$25~~ \$35, has been delivered to the secretary of state of this state. The secretary of state shall endorse on the original the word "Filed" and the month, day, year, and time of filing, record the document in the office of the secretary of state, and return the document to the person who delivered it for filing.

Sec. 194. Minnesota Statutes 1988, section 302A.153, is amended to read:

302A.153 EFFECTIVE DATE OF ARTICLES.

Articles of incorporation are effective and corporate existence begins when the articles of incorporation are filed with the secretary of state accompanied by a payment of ~~\$125~~ \$135, which includes a \$100 incorporation fee in addition to the ~~\$25~~ \$35 filing fee required by section 302A.011, subdivision 11. Articles of amendment and articles of merger are effective when filed with the secretary of state or at another time within 30 days after filing if the articles of amendment

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

so provide. Articles of merger must be accompanied by a fee of ~~\$50~~ \$60, which includes a \$25 merger fee in addition to the ~~\$25~~ \$35 filing fee required by section 302A.011, subdivision 11.

Sec. 195. Minnesota Statutes 1988, section 302A.821, subdivision 4, is amended to read:

Subd. 4. **NOTICE OF REPEATED VIOLATION.** If a corporation fails for ~~two~~ three consecutive years to file a registration pursuant to the requirements of subdivision 1, the secretary of state shall give notice by ~~registered~~ first class mail to the corporation at its registered office that it has violated this section and is subject to dissolution by the office of the secretary of state if the delinquent registrations are not filed pursuant to subdivision 1 within 60 days after the mailing of the notice.

Sec. 196. Minnesota Statutes 1988, section 302A.821, subdivision 5, is amended to read:

Subd. 5. **PENALTY.** (a) A corporation that has failed for ~~two~~ three consecutive years to file a registration pursuant to the requirements of subdivision 1, has been notified of the failure pursuant to subdivision 4, and has failed to file the delinquent registrations during the 60-day period described in subdivision 4, may be dissolved by the secretary of state as described in paragraph (b).

(b) Immediately after the expiration of the 60-day period described in paragraph (a), if the corporation has not filed the delinquent registrations, the secretary of state shall issue a certificate of involuntary dissolution, and a copy of the certificate shall be filed in the office of the secretary of state. The original certificate and a notice explaining that the corporation has been dissolved shall be sent to the registered office of the corporation. The secretary of state shall annually inform the attorney general and the commissioner of revenue of the names of corporations dissolved under this section during the preceding year. A corporation dissolved in this manner is not entitled to the benefits of section 302A.781, subdivision 1. The liability, if any, of the shareholders of a corporation dissolved in this manner shall be determined and limited in accordance with section 302A.557, except that the shareholders shall have no liability to any director of the corporation under section 302A.559, subdivision 2.

Sec. 197. Minnesota Statutes 1988, section 303.13, subdivision 1, is amended to read:

Subdivision 1. **FOREIGN CORPORATION.** A foreign corporation shall be subject to service of process, as follows:

(1) By service on its registered agent;

(2) When any foreign corporation authorized to transact business in this state fails to appoint or maintain in this state a registered agent upon whom service of process may be had, or whenever any registered agent cannot be found

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

at its registered office in this state, as shown by the return of the sheriff of the county in which the registered office is situated, or by an affidavit of attempted service by any person not a party, or whenever any corporation withdraws from the state, or whenever the certificate of authority of any foreign corporation is revoked or canceled, service may be made by delivering to and leaving with the secretary of state, or with any deputy or clerk in the corporation department of the secretary of state's office, three copies thereof and a fee of \$25 \$35; provided, that after a foreign corporation withdraws from the state, pursuant to section 303.16, service upon the corporation may be made pursuant to the provisions of this section only when based upon a liability or obligation of the corporation incurred within this state or arising out of any business done in this state by the corporation prior to the issuance of a certificate of withdrawal.

(3) If a foreign corporation makes a contract with a resident of Minnesota to be performed in whole or in part by either party in Minnesota, or if a foreign corporation commits a tort in whole or in part in Minnesota against a resident of Minnesota, such acts shall be deemed to be doing business in Minnesota by the foreign corporation and shall be deemed equivalent to the appointment by the foreign corporation of the secretary of the state of Minnesota and successors to be its true and lawful attorney upon whom may be served all lawful process in any actions or proceedings against the foreign corporation arising from or growing out of the contract or tort. Process shall be served in duplicate upon the secretary of state, together with a fee of \$25 \$35 and the secretary of state shall mail one copy thereof to the corporation at its last known address, and the corporation shall have 30 days within which to answer from the date of the mailing, notwithstanding any other provision of the law. The making of the contract or the committing of the tort shall be deemed to be the agreement of the foreign corporation that any process against it which is so served upon the secretary of state shall be of the same legal force and effect as if served personally on it within the state of Minnesota.

Sec. 198. Minnesota Statutes 1988, section 303.21, subdivision 3, is amended to read:

Subd. 3. **OTHER INSTRUMENTS.** A fee of \$25 \$35 shall be paid to the secretary of state for filing any instrument, other than the annual report required by section 303.14, required or permitted to be filed under the provisions of this chapter. For filing the annual report a fee of \$20 must be paid to the secretary of state. The fees shall be paid at the time of the filing of the instrument.

Sec. 199. Minnesota Statutes 1988, section 307.08, subdivision 5, is amended to read:

Subd. 5. The cost of authentication, identification, marking, and rescue of unmarked or unidentified burial grounds or burials shall be the responsibility of the state. The data collected by this activity that has common value for natural resource planning must be provided and integrated into the Minnesota land management information system's geographic and summary data bases according to published data compatibility guidelines. Costs associated with this data delivery must be borne by the state.

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

Sec. 200. Minnesota Statutes 1988, section 308.06, subdivision 4, is amended to read:

Subd. 4. The original articles of incorporation shall be filed with the secretary of state and a copy shall be recorded in the office of the county recorder of the county in which the principal place of business of the association is located. For filing the articles of incorporation with the secretary of state a fee of \$60 shall be paid to the secretary of state. For filing other documents required by this chapter with the secretary of state, a fee of ~~\$25~~ \$35 must be paid to the secretary of state. An additional fee of \$25 must be paid to the secretary of state for filing a merger.

Sec. 201. Laws 1989, chapter 144, section 4, is amended to read:

Sec. 4. **[308A.021] FILING FEE.**

Unless otherwise provided, the filing fee for documents filed with the secretary of state is ~~\$25~~ \$35.

Sec. 202. Minnesota Statutes 1988, section 317.67, subdivision 2, is amended to read:

Subd. 2. The secretary of state shall collect a fee of ~~\$25~~ \$35 for filing any instrument that is required to be filed under this chapter.

Sec. 203. 1989 H.F. No. 1203, section 2, subdivision 8, is amended to read:

Subd. 9. **FILED WITH THE SECRETARY OF STATE.** "Filed with the secretary of state" means that an original of a document meeting the requirements of this chapter, signed, and accompanied by a filing fee of ~~\$25~~ \$35, has been delivered to the secretary of state of this state. The secretary of state shall endorse on the original the word "Filed" and the month, day, year, and time of filing, record the document in the office of the secretary of state, and return the document to the person who delivered it for filing.

Sec. 204. 1989 H.F. No. 1203, section 20, subdivision 2, is amended to read:

Subd. 2. **EFFECTIVE DATE.** Articles of incorporation are effective and corporate existence begins when the articles of incorporation are filed with the secretary of state accompanied by a payment of ~~\$60~~ \$70, which includes a \$35 incorporation fee in addition to the ~~\$25~~ \$35 filing fee required by section 2, subdivision 9 8. Articles of amendment are effective when filed with the secretary of state or at another time within 31 days after filing if the articles of amendment so provide.

Sec. 205. 1989 H.F. No. 1203, section 120, subdivision 1, is amended to read:

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

Subdivision 1. NOTICE FROM SECRETARY OF STATE; REGISTRATION REQUIRED. (a) Before February 1, 1990, the secretary of state shall mail a corporate registration form by first-class mail to each corporation at its last registered office address listed in the records of the secretary of state. The form must include the exact legal corporate name and registered office address currently on file with the secretary of state.

(b) A corporation that is subject to chapter 317 shall file an initial corporate registration with the secretary of state between January 1, 1990, and December 31, 1990. The registration must include the exact legal corporate name and registered office address of the corporation and must be signed by an authorized person. If the current registered office address listed in the records of the secretary of state is not in compliance with section 2, subdivision 2, or if the corporation has changed its registered office address to an address other than that listed with the secretary of state, the corporation shall list a new registered office address that complies with section 2, subdivision 2, on the registration form. A fee of ~~\$25~~ \$35 must be paid for filing the registered office address change. The new registered office address must have been approved by the board.

Sec. 206. 1989 H.F. No. 1203, section 121, subdivision 1, is amended to read:

Subdivision 1. NOTICE FROM SECRETARY OF STATE; REGISTRATION REQUIRED. (a) Before February 1 of each year, the secretary of state shall mail a corporate registration form by first-class mail to each corporation that incorporated or filed a corporate registration during either of the previous two calendar years at its last registered office address listed on the records of the secretary of state. The form must include the exact legal corporate name and registered office address currently on file with the secretary of state.

(b) A corporation shall file a corporate registration with the secretary of state once each calendar year. The registration must include the exact legal corporate name and registered office address of the corporation and must be signed by an authorized person. If the corporation has changed its registered office address to an address other than that listed on the records of the secretary of state, the corporation shall list the new registered office address on the registration form. A fee of ~~\$25~~ \$35 must be paid for filing the registered office address change. The new address must comply with section 2, subdivision 2, and must have been approved by the board.

Sec. 207. 1989 H.F. No. 1203, section 121, subdivision 3, is amended to read:

Subd. 3. NOTICE; DISSOLUTION. If a corporation fails to file a report required under this section for two consecutive calendar years, the secretary of state shall give notice to the corporation by first-class mail at its registered office that it has violated this section and is subject to dissolution under section 123 if the delinquent registrations are not filed with a ~~\$25~~ \$35 fee within 60 days after

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

the mailing of the notice. A corporation that fails to file the delinquent annual registrations within the 60 days is dissolved under section 123.

Sec. 208. Minnesota Statutes 1988, section 322A.16, is amended to read:

322A.16 FILING IN OFFICE OF SECRETARY OF STATE.

(a) A signed copy of the certificate of limited partnership, of any certificates of amendment or cancellation or of any judicial decree of amendment or cancellation shall be delivered to the secretary of state. A person who executes a certificate as an agent or fiduciary need not exhibit evidence of the executor's authority as a prerequisite to filing. Unless the secretary of state finds that any certificate does not conform to law, upon receipt of a ~~\$25~~ \$35 filing fee and, in the case of a certificate of limited partnership, a \$60 initial fee, the secretary shall:

(1) endorse on the original the word "Filed" and the day, month and year of the filing; and

(2) return the original to the person who filed it or a representative.

(b) Upon the filing of a certificate of amendment or judicial decree of amendment in the office of the secretary of state, the certificate of limited partnership shall be amended as set forth in the amendment, and upon the effective date of a certificate of cancellation or a judicial decree of it, the certificate of limited partnership is canceled.

Sec. 209. Minnesota Statutes 1988, section 330.11, subdivision 3, is amended to read:

Subd. 3. Every nonresident applicant shall file an irrevocable consent that suits and actions may be commenced against such applicant in any court of competent jurisdiction in this state by the service on the secretary of state of any summons, process, or pleadings authorized by the laws of the state of Minnesota. This consent shall stipulate that the service of such process or pleadings on the secretary of state shall be taken and held in all courts to be as valid and binding as if due service had been made upon the applicant in the state of Minnesota. In case any summons, process, or pleadings are served upon the secretary of state, it shall be by duplicate copies, one of which shall be retained in the office of the secretary of state, and the other to be forwarded immediately by certified mail to the address of the applicant, as shown by the records of the secretary of state, against whom the summons, process, or pleadings may be divested. A fee of ~~\$25~~ \$35 must be paid to the secretary of state for each service.

Sec. 210. Minnesota Statutes 1988, section 333.055, subdivision 3, is amended to read:

Subd. 3. The secretary of state shall charge and collect:

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

(a) For the filing of each certificate or amended certificate of an assumed name - ~~\$15~~ \$25

(b) Certificate renewal fee - ~~\$15~~ \$25.

Sec. 211. Minnesota Statutes 1988, section 333.20, subdivision 4, is amended to read:

Subd. 4. The application for registration shall be accompanied by a filing fee of ~~\$25~~ \$35, payable to the secretary of state; provided, however, that a single credit of \$10 shall be given each applicant applying for reregistration of a mark hereunder for each \$10 filing fee paid by applicant for registration of the same trademark prior to the effective date of sections 333.18 to 333.31.

Sec. 212. Minnesota Statutes 1988, section 333.22, subdivision 1, is amended to read:

Subdivision 1. Registration of a mark hereunder shall be effective for a term of ten years from the date of registration and, upon application filed within six months prior to the expiration of such term or a renewal thereof, on a form to be furnished by the secretary of state, the registration may be renewed for additional ten-year terms provided that the mark is in use by the applicant at the time of the application for renewal and that there are no intervening rights. A renewal fee of ~~\$12~~ \$22 payable to the secretary of state shall accompany the application for renewal of the registration.

Sec. 213. Minnesota Statutes 1988, section 333.23, is amended to read:

333.23 CONVEYANCES OF MARKS; RECORDATION, FEE, NECESSITY.

The secretary of state shall record written conveyances of any mark along with that part of the goodwill of the business in connection with which the mark is used, and of the corresponding application or registration which is presented for recording along with a payment of a fee of ~~\$5~~ \$15 and shall issue in the name of the assignee a new certificate for the remainder of the term of the registration or of the last renewal thereof. An assignment of any registration under sections 333.18 to 333.31 shall be void as against any subsequent purchaser for valuable consideration without notice unless it is recorded with the secretary of state within three months after the date thereof or prior to such subsequent purchase.

Sec. 214. Minnesota Statutes 1988, section 336.9-302, is amended to read:

336.9-302 WHEN FILING IS REQUIRED TO PERFECT SECURITY INTEREST; SECURITY INTERESTS TO WHICH FILING PROVISIONS OF THIS ARTICLE DO NOT APPLY.

(1) A financing statement must be filed to perfect all security interest except the following:

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

(a) A security interest in collateral in possession of the secured party under section 336.9-305;

(b) A security interest temporarily perfected in instruments or documents without delivery under section 336.9-304 or in proceeds for a 20 day period under section 336.9-306;

(c) A security interest created by an assignment of a beneficial interest in a trust or a decedent's estate;

(d) A purchase money security interest in consumer goods; but filing is required for a motor vehicle required to be registered; and fixture filing is required for priority over conflicting interests in fixtures to the extent provided in section 336.9-313;

(e) An assignment of accounts which does not alone or in conjunction with other assignments to the same assignee transfer a significant part of the outstanding accounts of the assignor;

(f) A security interest of a collecting bank (section 336.4-208) or in securities (section 336.8-321) or arising under the article on sales (see section 336.9-113) or covered in subsection (3) of this section;

(g) An assignment for the benefit of all the creditors of the transferor, and subsequent transfers by the assignee thereunder.

(2) If a secured party assigns a perfected security interest, no filing under this article is required in order to continue the perfected status of the security interest against creditors of and transferees from the original debtor.

(3) The filing of a financing statement otherwise required by this article is not necessary or effective to perfect a security interest in property subject to the following statutes or treaties; except that to the extent such statutes or treaties are silent on a specific matter, the provisions of this article shall govern:

(a) a statute or treaty of the United States which provides for a national or international registration or a national or international certificate of title or which specifies a place of filing different from that specified in this article for filing of the security interest; or

(b) the following statutes of this state;

(i) Sections 168A.01 to 168A.31 and sections 222 to 242; but during any period in which collateral is inventory held for sale by a person who is in the business of selling goods of that kind, the filing provisions of this article (part 4) apply to a security interest in that collateral created by the person as a debtor; or

(ii) Sections 300.11 to 300.115.

(c) a certificate of title statute of another jurisdiction under the law of which

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

indication of a security interest on the certificate is required as a condition of perfection (subsection (2) of section 336.9-103).

(4) Compliance with a statute or treaty described in subsection (3) is equivalent to the filing of a financing statement under this article, and a security interest in property subject to the statute or treaty can be perfected only by compliance therewith except as provided in section 336.9-103 on multiple state transactions. A security interest perfected by compliance with such a statute or treaty is governed by this article in all respects not inconsistent with the provisions of the statute or treaty under which it was perfected, provided that this article shall not be deemed inconsistent if it provides for a more extensive duration of effectiveness.

Sec. 215. Minnesota Statutes 1988, section 336.9-403, is amended to read:

336.9-403 WHAT CONSTITUTES FILING; DURATION OF FILING; EFFECT OF LAPSED FILING; DUTIES OF FILING OFFICER.

(1) Presentation for filing of a financing statement and tender of the filing fee or acceptance of the statement by the filing officer constitutes filing under this article.

(2) Except as provided in subsection (6) a filed financing statement is effective for a period of five years from the date of filing. The effectiveness of a filed financing statement lapses on the expiration of the five-year period unless a continuation statement is filed prior to the lapse. If a security interest perfected by filing exists at the time insolvency proceedings are commenced by or against the debtor, the security interest remains perfected until termination of the insolvency proceedings and thereafter for a period of 60 days or until expiration of the five-year period, whichever occurs later regardless of whether the financing statement filed as to that security interest is destroyed by the filing officer pursuant to subsection (3). Upon lapse the security interest becomes unperfected, unless it is perfected without filing. If the security interest becomes unperfected upon lapse, it is deemed to have been unperfected as against a person who became a purchaser or lien creditor before lapse.

(3) A continuation statement may be filed by the secured party within six months prior to the expiration of the five-year period specified in subsection (2). Any such continuation statement must be signed by the secured party, set forth the name and address of the debtor and secured party as those items appear on the original financing statement or the most recently filed amendment, identify the original statement by file number and filing date, and state that the original statement is still effective. A continuation statement signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed by the secured party of record and complying with subsection (2) of section 336.9-405, including payment of the required fee. Upon timely filing of the continuation statement, the effectiveness of the original statement is continued for five years after the last date to which the filing was effective whereupon it lapses in the same manner as provided in subsection (2)

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

unless another continuation statement is filed prior to such lapse. Succeeding continuation statements may be filed in the same manner to continue the effectiveness of the original statement. Unless a statute on disposition of public records provides otherwise, the filing officer may remove a lapsed statement from the files and destroy it immediately if the officer has retained a microfilm or other photographic record, or in other cases after one year after the lapse. The filing officer shall so arrange matters by physical annexation of financing statements to continuation statements or other related filings, or by other means, that if the officer physically destroys the financing statements of a period more than five years past, those which have been continued by a continuation statement or which are still effective under subsection (6) shall be retained. If insolvency proceedings are commenced by or against the debtor, the secured party shall notify the filing officer both upon commencement and termination of the proceedings, and the filing officer shall not destroy any financing statements filed with respect to the debtor until termination of the insolvency proceedings. The security interest remains perfected until termination of the insolvency proceedings and thereafter for a period of 60 days or until expiration of the five-year period, whichever occurs later.

(4) Except as provided in subsection (7) a filing officer shall mark each statement with a file number and with the date and hour of filing and shall hold the statement or a microfilm or other photographic copy thereof for public inspection. In addition the filing officer shall index the statements according to the name of the debtor and shall note in the index the file number and the address of the debtor given in the statement.

(5) The secretary of state shall prescribe uniform forms for statements and samples thereof shall be furnished to all filing officers in the state. The uniform fee for filing and indexing and for stamping a copy furnished by the secured party to show the date and place of filing for an original financing statement or for a continuation statement shall be ~~\$5~~ \$7 if the statement is in the standard form prescribed by the secretary of state and otherwise shall be \$10, plus in each case, if the financing statement is subject to subsection (5) of section 336.9-402, \$5. An additional fee of ~~\$5~~ \$7 shall be collected if more than one name is required to be indexed or if the secured party chooses to show a trade name for any debtor listed. ~~There shall be no~~ The uniform fee collected for the filing of an amendment to a financing statement if the amendment is in the standard form prescribed by the secretary of state and does not add additional debtor names to the financing statement shall be \$7. The fee for an amendment adding additional debtor names shall be ~~\$5~~ \$14 if the amendment is in the form prescribed by the secretary of state and, if otherwise, ~~\$10~~ \$17. The fee for an amendment which is not in the form prescribed by the secretary of state but which does not add additional names shall be ~~\$5~~ \$10.

The secretary of state shall adopt rules for filing, amendment, continuation, termination, removal, and destruction of financing statements.

(6) If the debtor is a transmitting utility (subsection (5) of section 336.9-

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

401) and a filed financing statement so states, it is effective until a termination statement is filed. A real estate mortgage which is effective as a fixture filing under subsection (6) of section 336.9-402 remains effective as a fixture filing until the mortgage is released or satisfied of record or its effectiveness otherwise terminates as to the real estate.

(7) When a financing statement covers timber to be cut or covers minerals or the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103, or is filed as a fixture filing, it shall be filed for record and the filing officer shall index it under the names of the debtor and any owner of record shown on the financing statement in the same fashion as if they were the mortgagors in a mortgage of the real estate described, and, to the extent that the law of this state provides for indexing of mortgages under the name of the mortgagee, under the name of the secured party as if the secured party were the mortgagee thereunder, or, for filing offices other than the secretary of state, where indexing is by description in the same fashion as if the financing statement were a mortgage of the real estate described. If requested of the filing officer on the financing statement, a financing statement filed for record as a fixture filing in the same office where nonfixture filings are made is effective, without a dual filing, as to collateral listed thereon for which filing is required in such office pursuant to section 336.9-401 (1) (a); in such case, the filing officer shall also index the recorded statement in accordance with subsection (4) using the recording data in lieu of a file number.

(8) The fees provided for in this article shall supersede the fees for similar services otherwise provided for by law except in the case of security interests filed in connection with a certificate of title on a motor vehicle.

Sec. 216. Minnesota Statutes 1988, section 336.9-405, is amended to read:

336.9-405 ASSIGNMENT OF SECURITY INTEREST; DUTIES OF FILING OFFICER; FEES.

(1) A financing statement may disclose an assignment of a security interest in the collateral described in the financing statement by indication in the financing statement of the name and address of the assignee or by an assignment itself or a copy thereof on the face of the statement. On presentation to the filing officer of such a financing statement the filing officer shall mark the same as provided in section 336.9-403(4). The uniform fee for filing, indexing, and furnishing filing data for a financing statement so indicating an assignment shall be the same as the fee prescribed in section 336.9-403, clause (5).

(2) A secured party of record may record an assignment of all or a part of the secured party's rights under a financing statement by the filing in the place where the original financing statement was filed of a separate written statement of assignment signed by the secured party of record, setting forth the name and address of the secured party of record and the debtor as those items appear on the original financing statement or the most recently filed amendment, identifying the file number and the date of filing of the financing statement, giving the

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

name and address of the assignee and containing a description of the collateral assigned. A copy of the assignment is sufficient as a separate statement if it complies with the preceding sentence. On presentation to the filing officer of such a separate statement, the filing officer shall mark such separate statement with the date and hour of the filing. The filing officer shall note the assignment on the index of the financing statement, or in the case of a fixture filing, or a filing covering timber to be cut, or covering minerals or the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103. The filing officer shall also index the assignment under the name of the assignor as grantor and, to the extent that the law of this state provides for indexing the assignment of a mortgage under the name of the assignee, index the assignment of the financing statement under the name of the assignee. The uniform fee for filing, indexing, and furnishing filing data about such a separate statement of assignment shall be ~~\$5~~ \$7 if the statement is in the standard form prescribed by the secretary of state and otherwise shall be \$10, plus in each case, if the original financing statement was subject to subsection (5) of section 336.9-402, the fee prescribed by section 357.18, subdivision 1, clause (1). An additional fee of ~~\$5~~ \$7 shall be charged if there is more than one name against which the statement of assignment is required to be indexed. Notwithstanding the provisions of this subsection, an assignment of record of a security interest in a fixture contained in a mortgage effective as a fixture filing (subsection (6) of section 336.9-402) may be made only by an assignment of the mortgage in the manner provided by the law of this state other than Laws 1976, chapter 135.

(3) After the disclosure or filing of an assignment under this section, the assignee is the secured party of record.

Sec. 217. Minnesota Statutes 1988, section 336.9-406, is amended to read:

336.9-406 RELEASE OF COLLATERAL; DUTIES OF FILING OFFICER; FEES.

A secured party of record may by signed statement release all or a part of any collateral described in a filed financing statement. The statement of release is sufficient if it contains a description of the collateral being released, the name and address of the debtor and secured party as those items appear on the original financing statement or the most recently filed amendment, and identifies the original financing statement by file number and filing date. A statement of release signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed by the secured party of record and complying with subsection (2) of section 336.9-405, including payment of the required fee. Upon being presented with such a statement of release the filing officer shall mark the statement with the hour and date of filing and shall note the same upon the margin of the index of the filing of the financing statement. ~~There shall be no~~ The uniform fee for filing and noting such a statement of release shall be \$7 if the statement is in the standard form prescribed by the secretary of state and otherwise shall be ~~\$5~~ \$10, plus in each case, if the original financing statement was subject to subsection (5) of section 336.9-402, the fee prescribed by section 357.18, subdivision 1, clause (1).

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

Sec. 218. Minnesota Statutes 1988, section 336.9-407, is amended to read:

336.9-407 INFORMATION FROM FILING OFFICER.

(1) If the person filing any financing statement, termination statement, statement of assignment, or statement of release, furnishes the filing officer a copy thereof, the filing officer shall upon request note upon the copy the file number and date and hour of the filing of the original and deliver or send the copy to such person.

(2) Upon request of any person, the filing officer shall conduct a search of the statewide computerized uniform commercial code data base for any effective financing statements naming a particular debtor and any statement of assignment thereof. The filing officer shall report the findings as of that date and hour by issuing:

(a) a certificate listing the file number, date, and hour of each filing and the names and addresses of each secured party therein;

(b) photocopies of those original documents on file and located in the office of the filing officer; or

(c) upon request, both the certificate and the photocopies referred to in (b).

The uniform fee for conducting the search and for preparing a certificate showing up to five listed filings or for preparing up to five photocopies of original documents, or any combination of up to five listed filings and photocopies, shall be ~~\$5~~ \$7 if the request is in the standard form prescribed by the secretary of state and otherwise shall be \$10. Another fee, at the same rate, shall also be charged for conducting a search and preparing a certificate showing federal and state tax liens on file with the filing officer naming a particular debtor. There shall be an additional fee of 50 cents for each financing statement and each statement of assignment or tax lien listed on the certificate and for each photocopy prepared in excess of the first five. Notwithstanding the fees set in this section, a natural person who is the subject of data must, upon the person's request, be shown the data without charge, and upon request be provided with photocopies of the data upon payment of no more than the actual cost of making the copies.

Sec. 219. Minnesota Statutes 1988, section 336.9-413, is amended to read:

336.9-413 UNIFORM COMMERCIAL CODE ACCOUNT.

(a) The uniform commercial code account is established as an account in the state treasury.

(b) The filing officer with whom a financing statement, amendment, assignment, statement of release, or continuation statement is filed, or to whom a request for search is made, shall collect a ~~\$2~~ \$3 surcharge on each filing or search. By the 15th day following the end of each fiscal quarter, each county

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

recorder shall forward the receipts from the surcharge accumulated during that fiscal quarter to the secretary of state. The surcharge does not apply to a search request made by a natural person who is the subject of the data to be searched except when a certificate is requested as a part of the search.

(c) The surcharge amounts received from county recorders and the surcharge amounts collected by the secretary of state's office must be deposited in the state treasury and credited to the uniform commercial code account.

(d) Fees that are not expressly set by statute but are charged by the secretary of state to offset the costs of providing a service under sections 336.9-411 to 336.9-413 must be deposited in the state treasury and credited to the uniform commercial code account.

(e) Fees that are not expressly set by statute but are charged by the secretary of state to offset the costs of providing information contained in the computerized records maintained by the secretary of state must be deposited in the state treasury and credited to the uniform commercial code account.

(f) Money in the uniform commercial code account is continuously appropriated to the secretary of state to implement and maintain the computerized uniform commercial code filing system under section 336.9-411 and to provide electronic-view-only access to other computerized records maintained by the secretary of state.

Sec. 220. Minnesota Statutes 1988, section 349.213, subdivision 1, is amended to read:

Subdivision 1. **LOCAL REGULATION.** A statutory or home rule city or county has the authority to adopt more stringent regulation of any form of lawful gambling within its jurisdiction, including the prohibition of any form of lawful gambling, and may require a permit for the conduct of gambling exempt from licensing under section 349.214. The fee for a permit issued under this subdivision may not exceed \$100. The authority granted by this subdivision does not include the authority to require a license or permit to conduct gambling by organizations or sales by distributors licensed by the board. The authority granted by this subdivision does not include the authority to require an organization to make specific expenditures of more than ten percent from its net profits derived from lawful gambling. For the purposes of this subdivision, net profits are profits less amounts expended for allowable expenses. A statutory or home rule charter city or a county may not require an organization conducting lawful gambling within its jurisdiction to make an expenditure to the city or county as a condition to operate within that city or county, except as authorized under section 349.16, subdivision 4, or section 349.212; provided, however, that an ordinance requirement that such organizations must contribute ten percent of their net profits derived from lawful gambling to a fund administered and regulated by the responsible local unit of government without cost to such fund, for disbursement by the responsible local unit of government of the receipts for lawful purposes, is not considered an expenditure to the city or county nor a tax under section 349.212, and is valid and lawful.

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

Sec. 221. Minnesota Statutes 1988, section 361.03, is amended by adding a subdivision to read:

Subd. 3a. WATERCRAFT SURCHARGE. A surcharge of \$2 is placed on each watercraft licensed under subdivision 3, that is 17 feet in length or longer, for management of purple loosestrife and Eurasian water milfoil according to law.

CHAPTER 361A

WATERCRAFT TITLING

Sec. 222. [361A.01] DEFINITIONS.

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

Subd. 2. COMMISSIONER. "Commissioner" means the commissioner of natural resources.

Subd. 3. DEALER. "Dealer" means a person who: (1) is in the business of manufacturing, distributing, selling, or purchasing new or used watercraft; (2) has an established place of business for the sale, trade, and display of watercraft; and (3) possesses watercraft for the purpose of sale or trade.

Subd. 4. DEPARTMENT. "Department" means the department of natural resources.

Subd. 5. DEPUTY REGISTRAR. "Deputy registrar" means a person appointed or hired by the commissioner of public safety under section 168.33.

Subd. 6. MANUFACTURER. "Manufacturer" means a person engaged in the business of constructing or assembling watercraft required to have a certificate of title.

Subd. 7. MANUFACTURER'S OR IMPORTER'S CERTIFICATE OF ORIGIN. "Manufacturer's or importer's certificate of origin" means a certificate with the authorized signature of the manufacturer or importer of a watercraft, describing and identifying the watercraft, giving the name and address of the person to whom the watercraft is first sold by the manufacturer or importer, and containing executed assignments of the watercraft to an applicant for a certificate of title on the watercraft in this state.

Subd. 8. OWNER. "Owner" means a person, other than a secured party, having the title to a watercraft. "Owner" includes a person entitled to use or possess the watercraft, subject to a security interest in another person, reserved or created by agreement and securing payment of performance of an obligation, but "owner" does not include a lessee under a lease not intended as security.

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

Subd. 9. PERSON. “Person” means an individual, firm, partnership, association, corporation, or governmental organization.

Subd. 10. SECURED PARTY. “Secured party” means a secured party as defined in section 336.9-105, subsection (1)(m), having a security interest in a watercraft and includes a lienholder.

Subd. 11. SECURITY AGREEMENT. “Security agreement” has the meaning given it in section 336.9-105, subsection (1)(l).

Subd. 12. SECURITY INTEREST. “Security interest” has the meaning given it in section 336.1-201, subsection (37), and includes statutory liens for which lien statements are filed.

Subd. 13. TITLED WATERCRAFT. “Titled watercraft” means a watercraft required to have a certificate of title under section 223, subdivision 1, or for which a certificate of title has been issued under section 223, subdivision 3.

Subd. 14. WATERCRAFT. “Watercraft” means a device used or designed for navigation on water that is greater than 16 feet in length, as defined in section 361.02, subdivision 14, but does not include:

(1) a row-type fishing boat of single hull construction, with oar locks and an outboard motor capacity rating of less than 40 horsepower;

(2) a canoe;

(3) a kayak;

(4) a ship's lifeboat;

(5) a vessel of at least five net tons measured in Code of Federal Regulations, title 46, part 69, that is documented under Code of Federal Regulations, title 46, subpart 67.01; or

(6) a seaplane.

Subd. 15. WATERS OF THIS STATE. “Waters of this state” means waters capable of substantial public use and waters to which the public has access, that are within the territorial limits of this state, including boundary waters.

Sec. 223. [361A.02] CERTIFICATE OF TITLE REQUIRED.

Subdivision 1. REQUIREMENT. Except as provided in subdivision 2, a watercraft used on the waters of the state must have a certificate of title if:

(1) the watercraft is owned by a resident of this state and is kept in the state for more than 90 consecutive days; or

(2) the watercraft is kept in the state for more than 60 consecutive days and has not been issued a certificate of title or similar document from another jurisdiction.

New language is indicated by underline, deletions by strikeout.

Subd. 2. EXEMPT WATERCRAFT. A watercraft is not required to have a certificate of title if the watercraft is:

- (1) owned by a manufacturer or dealer and held for sale;
- (2) used by a manufacturer solely for testing;
- (3) from a jurisdiction other than this state, temporarily using the waters of this state;
- (4) owned by the United States, a state, this state, or a political subdivision;
- (5) a duck boat used only during duck hunting season;
- (6) a rice boat used only during the wild rice harvesting season;
- (7) owned by a person, firm, or corporation operating a resort as defined in section 157.01, subdivision 1, or a recreational camping area as defined in section 327.14, subdivision 8, except with respect to a previously titled watercraft; or
- (8) watercraft manufactured prior to August 1, 1979.

Subd. 3. VOLUNTARY TITLING. The owner of a device used or designed for navigation on water and used on the waters of this state may obtain a certificate of title for the device, even though it is not a watercraft as defined in section 222, subdivision 14, in the same manner and with the same effect as the owner of a watercraft required to be titled under this act. Once titled, the device is a titled watercraft as defined in section 222, subdivision 13, and is and remains subject to this act to the same extent as a watercraft required to be titled.

Subd. 4. TITLE REQUIRED FOR TRANSFER. A person may not sell or otherwise transfer a titled watercraft without delivering to the person acquiring the watercraft a certificate of title with an assignment on it to show title in the person acquiring the watercraft. A person may not acquire a watercraft required to have a certificate of title without obtaining a certificate of title for the watercraft in the person's name.

Subd. 5. NO LEGAL TITLE WITHOUT CERTIFICATE. A person acquiring a watercraft through a sale or gift does not acquire a right, title, claim, or interest in the watercraft until the person has been issued a certificate of title to the watercraft or has received a manufacturer's or importer's certificate. A waiver or estoppel does not operate in favor of that person against another person who has obtained possession of the certificate of title or manufacturer's or importer's certificate for the watercraft for valuable consideration.

Subd. 6. WATERCRAFT LICENSE MAY NOT BE ISSUED WITHOUT TITLE. The commissioner may not issue or renew a watercraft license to an owner of a titled watercraft unless the owner has been issued or has applied for a certificate of title for the watercraft.

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

Sec. 224. [361A.03] APPLICATION AND ISSUANCE OF CERTIFICATE OF TITLE.

Subdivision 1. APPLICATION. The owner of a titled watercraft must apply for the first certificate of title of a watercraft in this state to the commissioner or a deputy registrar on a form prescribed by the commissioner. The appropriate fee under section 232 must accompany the application. The application must be signed by the owner and contain:

(1) the full names, dates of birth, and addresses of owners who are natural persons and the full names and addresses of other owners;

(2) a description of the watercraft including its make, model, year, length, the principal material used in construction, the builder's hull identification number, and the manufacturer's inboard engine serial number;

(3) the date of purchase by the applicant, the name and address of the person from whom the watercraft was acquired;

(4) the name and address of the person who is to possess the title and any conditions of possession; and

(5) other information required by the commissioner to determine whether the owner is entitled to a certificate of title and whether security interests exist in the watercraft.

Subd. 2. ISSUANCE. (a) The commissioner shall issue a certificate of title for a watercraft upon verification that:

(1) the application is genuine;

(2) the applicant is the owner of the watercraft; and

(3) payment of the required fee.

(b) The original certificate of title must be mailed to the first secured party disclosed in the application or, if none, to the owner named in the application.

Subd. 3. CONTENTS. (a) A certificate of title issued by the commissioner must contain:

(1) the date issued;

(2) the full names, dates of birth, and addresses of owners who are natural persons and the full names and addresses of other owners;

(3) the names and addresses of secured parties;

(4) the title number assigned to the watercraft;

(5) a description of the watercraft including its make, model, year of manu-

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

facture, length, principal material used in construction, registration number, and manufacturer's hull identification number or, if none, the builder's hull identification number assigned to the watercraft by the commissioner;

(6) spaces for assignment of title by the owner or by the dealer and for warranting that the signer is the owner and that the watercraft is not subject to security interests, liens, or encumbrances except as noted on the face of the certificate of title;

(7) spaces on the certificate for application of title by a new owner subject to the security interests of secured parties named and for the assignment or release of the security interest of a secured party; and

(8) other information the commissioner may require.

(b) A certificate of title issued by the commissioner is prima facie evidence of the facts appearing on it.

Subd. 4. ISSUANCE WITHOUT ABSOLUTE PROOF OF OWNERSHIP. (a) If application is made for a certificate of title for a watercraft and the commissioner is not satisfied of the ownership of the watercraft or the existence of security interests in the watercraft, the watercraft may be assigned a title number but the commissioner must:

(1) withhold issuance of a certificate of title until the applicant presents documents that satisfy the commissioner of the applicant's ownership of the watercraft and of security interest in the watercraft; or

(2) require the applicant to file a bond in the form prescribed by the commissioner and executed by the applicant as a condition to issuing a certificate of title.

(b) A bond filed under this subdivision must be accompanied by the deposit of cash or executed by a surety company authorized to do business in this state. The bond must be in an amount equal to one and one-half times the value of the watercraft as determined by the commissioner. The bond must be conditioned to indemnify prior owners, secured parties, and later purchasers of the watercraft or persons acquiring a security interest in the watercraft, or successors in interest of the persons, against expenses, losses, or damages, including reasonable attorney fees, by reason of the issuance of the certificate of title to the watercraft or on account of a defect in or undisclosed security interest upon the right, title, and interest of the applicant in the watercraft.

(c) An interested person has a right of action to recover on the bond for a breach of its conditions, but the aggregate liability of the surety to all persons may not exceed the amount of the bond.

(d) The commissioner shall return the bond and any deposit accompanying the bond if:

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

(1) the commissioner has not been notified of the pendency of an action to recover on the bond;

(2) questions of ownership and outstanding security interests have been resolved to the satisfaction of the commissioner;

(3) the bond has been posted for three years or the watercraft is not registered for license purposes in this state under section 361.03; and

(4) the currently valid certificate of title is surrendered.

Subd. 5. RECORDS. (a) The commissioner shall maintain records of certificates of title issued under this section according to one of the following systems:

(1) under a distinctive title number assigned to a watercraft;

(2) under the registration number awarded to a watercraft in accordance with the registration and numbering law of the state where it is registered;

(3) alphabetically, under the name of the owner; or

(4) under another system determined by the commissioner.

(b) Records relating to watercraft titling maintained by the commissioner are public records and are open to public inspection during regular office hours.

Subd. 6. GROUNDS FOR REFUSAL TO ISSUE CERTIFICATE OF TITLE. The commissioner may not issue a certificate of title if a required fee is not paid or the commissioner has reasonable grounds to believe that:

(1) the applicant is not the owner of the watercraft;

(2) the application contains a false statement; or

(3) the applicant failed to furnish required information or documents or additional information the commissioner reasonably requires.

Sec. 225. [361A.04] DEALER ACQUISITION AND TRANSFER.

Subdivision 1. CERTIFICATE OF ORIGIN REQUIRED. (a) A dealer may not purchase or acquire a new titled watercraft without obtaining a manufacturer's or importer's certificate of origin from the seller.

(b) A manufacturer, importer, dealer, or other person may not sell or otherwise dispose of a new titled watercraft to a dealer for purposes of display and resale without delivering to the dealer a manufacturer's or importer's certificate of origin.

Subd. 2. CONTENTS OF CERTIFICATE. The manufacturer's or importer's certificate of origin must be of a form prescribed by the commissioner and contain:

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

(1) a description of the watercraft, including its trade name, if any, year, series or model, hull material, length, and hull identification number;

(2) certification of the date of transfer of the watercraft and the name and address of the person to whom the watercraft was transferred;

(3) certification that the transfer of the watercraft was in ordinary trade and commerce;

(4) the signature and address of a representative of the person transferring the watercraft;

(5) an assignment form, including the name and address of the person the watercraft is to be transferred to, a certification that the watercraft is new, and a warranty that the title at the time of delivery is subject only to the security interests stated on the title; and

(6) other information required by the commissioner.

Subd. 3. SALE OF NEW WATERCRAFT. A dealer selling or exchanging a new titled watercraft, before delivering the watercraft to a purchaser, shall apply to the commissioner for a new title in the name of the purchaser. The application must contain the name and address of any secured party holding a security interest created or reserved at the time of sale and the date of the security agreement and must be accompanied by a manufacturer's or importer's certificate of origin. The application must be signed by the dealer and the owner, and the dealer shall promptly mail or deliver the application to the commissioner or a deputy registrar.

Subd. 4. USED WATERCRAFT ACQUIRED FOR RESALE. (a) If a dealer buys or acquires a used titled watercraft for resale, the dealer must apply to the commissioner or deputy registrar and obtain a title number before selling or exchanging the watercraft in the same manner as a new watercraft on forms the commissioner provides or apply for and obtain a certificate of title.

(b) If a dealer acquires a used titled watercraft for resale and the watercraft is covered by a certificate of title that is surrendered to the dealer by the owner at the time of delivery of the watercraft, the dealer need not send the certificate of title to the commissioner. Upon transferring the watercraft to another person, the dealer must promptly execute the assignment, showing the name and address of the person to whom the watercraft is transferred and forward the certificate to the commissioner or deputy registrar with the application for a new certificate of title.

Subd. 5. WATERCRAFT WITH FOREIGN REGISTRATION. (a) Except as provided in paragraph (b), an application for a certificate of title for a watercraft last registered in another state or foreign country must contain or be accompanied by:

(1) a certificate of title or registration issued by the other state or foreign country; and

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

(2) other information or documents the commissioner requires to establish the ownership of the watercraft and the existence or nonexistence of security interests.

(b) If the state or foreign country where the watercraft was last registered does not issue certificates of title, the application must contain or be accompanied by:

(1) a proper bill of sale or sworn statement of ownership, certificate of registration, or evidence of ownership as required by the law of the state or foreign country; and

(2) any other information or documents the commissioner requires to establish the ownership of the watercraft and the existence or nonexistence of security interests.

Sec. 226. [361A.05] TRANSFER BY OWNER.

Subdivision 1. VOLUNTARY TRANSFER. (a) An owner who transfers a titled watercraft must execute the assignment and warranty of title to the person to whom the watercraft is transferred in the space provided on the certificate of title where the watercraft is delivered.

(b) The person acquiring the watercraft must obtain a new certificate of title by applying to the commissioner or a deputy registrar on a form prescribed by the commissioner, and submitting the required fee. The application for certificate of title must be filed within 15 days after delivery of the watercraft to the person acquiring the watercraft.

(c) Upon request of the owner or the person who acquired the watercraft, a secured party in possession of the certificate of title must deliver the certificate to the person acquiring the watercraft, the commissioner, or a deputy registrar, unless the transfer is a breach of the security agreement. The delivery of the certificate does not affect the rights of the secured party under the security agreement.

(d) If a security interest or encumbrance is first created at the time of transfer of ownership, the certificate must be retained by or delivered to the secured party.

Subd. 2. TRANSFER BY LAW. (a) Except as otherwise provided in this chapter, if the ownership of a titled watercraft is transferred by operation of law, including inheritance or bequest, order in bankruptcy, insolvency, replevin, execution, sale, or satisfaction of mechanic's lien, or repossession upon default in performance of the terms of a security agreement, the person acquiring the watercraft by operation of law must promptly submit the last certificate of title, if available, or the manufacturer's or importer's certificate or other satisfactory proof of the transfer of ownership to the commissioner or deputy registrar with the application for a new certificate of title and the required fee.

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

(b) If a secured party acquires a titled watercraft under the terms of a security agreement or by operation of law, the secured party must promptly submit to the commissioner, a deputy registrar, or the person acquiring the watercraft from the secured party the last certificate of title, if available, an application for a new certificate of title with the required fee, and an affidavit by the secured party or an authorized representative stating the facts entitling the secured party to possession and ownership of the watercraft, including a copy of the journal entry, court order, or instrument upon which the claim of possession and ownership is founded. If the secured party cannot produce the required proof of ownership, the secured party may submit other evidence with the application and the commissioner may issue a new certificate of title if the evidence provides satisfactory proof of ownership.

Sec. 227. [361A.06] TEMPORARY WATERCRAFT USE PERMITS.

Subdivision 1. ISSUANCE TO TITLE APPLICANT. (a) The commissioner may issue a temporary watercraft use permit to a person applying for a certificate of title for a new or used watercraft to allow that person to operate the watercraft on the waters of this state pending completion of the titling and watercraft licensing process.

(b) The watercraft use permit must be carried aboard the watercraft to allow immediate inspection. The watercraft use permit must contain a description of the watercraft, including its trade name, if any, year, series or model, hull material, length, hull identification number, and other information prescribed by the commissioner. A permit is valid only for the watercraft for which it is issued.

Subd. 2. DISTRIBUTION TO DEALERS. The commissioner may distribute permits in booklet form to licensed dealers. If the dealer issues a permit, the dealer must submit a watercraft use permit information form to the commissioner. The commissioner must provide information forms that require the name of the person to whom the watercraft use permit was issued, the watercraft description, dates of issue and expiration, and other information prescribed by the commissioner.

Sec. 228. [361A.07] DUPLICATE CERTIFICATE.

Subdivision 1. FORM AND ISSUANCE. (a) The commissioner may issue a duplicate certificate of title under this section. The duplicate certificate of title must be a certified copy plainly marked "duplicate" across its face and must contain the legend: "This duplicate certificate of title may be subject to the rights of a person under the original certificate." It must be mailed to the first secured party named in it or, if none, to the owner. The commissioner shall indicate in the department records that a duplicate has been issued.

(b) As a condition to issuing a duplicate certificate of title, the commissioner may require a bond from the applicant in the manner and form prescribed in section 224, subdivision 4, paragraph (b).

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

Subd. 2. WAITING PERIOD TO ISSUE NEW CERTIFICATE OF TITLE. The commissioner may not issue a new certificate of title to a person acquiring a watercraft under an application made on a duplicate certificate of title until at least 15 days after receiving the application.

Subd. 3. DISAPPEARANCE OF ORIGINAL CERTIFICATE. If a certificate of title is lost, stolen, or destroyed, the owner or legal representative of the owner named in the certificate may obtain a duplicate by applying to the commissioner, furnishing information the commissioner requires concerning the original certificate, and the circumstances of its loss or destruction.

Subd. 4. MUTILATED OR ILLEGIBLE CERTIFICATE. If an original certificate of title is mutilated or rendered illegible, the person in possession of the title must return it to the commissioner with the application for a duplicate.

Subd. 5. RECOVERY OF LOST OR STOLEN CERTIFICATE. If a lost or stolen certificate of title for which a duplicate has been issued is recovered, the lost or stolen certificate of title must be surrendered promptly to the commissioner for cancellation.

Sec. 229. [361A.08] SUSPENSION OR REVOCATION OF CERTIFICATE.

Subdivision 1. SUSPENSION OR REVOCATION. The commissioner shall suspend or revoke a certificate of title upon notice and reasonable opportunity to be heard if authorized by law or if the commissioner finds that:

- (1) the certificate of title was fraudulently procured or erroneously issued; or
- (2) the watercraft has been scrapped, dismantled, or destroyed.

Subd. 2. DUTIES OF OWNER. If the commissioner suspends or revokes a certificate of title, the owner or person in possession of the certificate of title, immediately upon receiving notice of the suspension or revocation, shall mail or deliver the certificate to the commissioner.

Subd. 3. SEIZURE OR IMPOUNDMENT. The commissioner may seize and impound a certificate of title that has been suspended or revoked.

Subd. 4. SUBSEQUENT GOOD FAITH PURCHASER. Suspension or revocation of a certificate of title does not affect the validity of a subsequent transfer to a purchaser relying in good faith on the assignment of a suspended or revoked title if the certificate of title was not surrendered to or seized by the commissioner under subdivisions 2 and 3, and the commissioner shall issue a new certificate of title to an applicant who is a good faith purchaser for value in those circumstances.

Sec. 230. [361A.09] RESPONSIBILITIES OF COMMISSIONER.

The commissioner shall prescribe and provide suitable forms of applications, certificates of title, notices of security interests, and other notices and forms necessary to implement this chapter. In addition, the commissioner may:

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

(1) make necessary investigations to procure information required to implement this chapter;

(2) assign a new hull identification number to a watercraft if the watercraft does not have a number or the number is destroyed or obliterated; or

(3) adopt and enforce rules necessary to implement this chapter.

Sec. 231. [361A.10] PENALTIES.

Subdivision 1. FELONY. A person is guilty of a felony and punishable by imprisonment for a term of not more than four years, or payment of a fine of not more than \$5,000, or both, if the person with fraudulent intent:

(1) uses a false or fictitious name or address, makes a material false statement, fails to disclose a security interest, or conceals any other material fact in an application for a certificate of title; or

(2) submits a false, forged, or fictitious document in support of an application for a certificate of title.

Subd. 2. MISDEMEANOR. A person is guilty of a misdemeanor if that person:

(1) with fraudulent intent permits another to use or possess a certificate of title who is not entitled to use or possess the certificate of title;

(2) willfully fails to mail or deliver a certificate of title to the commissioner or a deputy registrar within ten days after the time required;

(3) willfully fails to deliver to a person acquiring a watercraft a certificate of title within ten days after the time required;

(4) commits a fraud in an application for a certificate of title; or

(5) fails to notify the commissioner of a fact as required by law.

Sec. 232. [361A.11] TITLE FEES.

Subdivision 1. FEES. (a) The fee to be paid to the commissioner:

(1) for issuing an original certificate of title, including the concurrent notation of an assignment of the security interest and its subsequent release or satisfaction, is \$15;

(2) for each security interest when first noted upon a certificate of title, including the concurrent notation of an assignment of the security interest and its subsequent release or satisfaction, is \$10;

(3) for transferring the interest of an owner and issuing a new certificate of title, is \$10;

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

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

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

(b) In addition to other statutory fees and taxes, a filing fee of \$3.25 is imposed on every application. The filing fee must be shown as a separate item on title renewal notices sent by the commissioner.

Subd. 2. CONCURRENT APPLICATIONS. If a person applies for an original or a new certificate of title for a watercraft concurrently with an application for transfer of license of the watercraft to the applicant, the fee prescribed in subdivision 1 is in lieu of the fee prescribed by section 361.03 for a transfer of ownership or license of the watercraft to the applicant.

Subd. 3. FEES PAID BEFORE TITLE ISSUED. Subject to subdivision 2, the commissioner may not issue a certificate of title for a watercraft until the fees prescribed by subdivision 1 and section 361.03 for a prior transfer of ownership or license of the watercraft have been paid.

Subd. 4. DEPOSIT OF FEE. Fees collected under this section must be deposited in the state treasury and credited to the water recreation account, except a deputy registrar who originates an application shall retain the filing fee under subdivision 1, paragraph (b).

Sec. 233. [361A.12] INAPPLICABLE LIENS AND SECURITY INTERESTS.

The requirements of this chapter relating to security interests and certificate of title do not apply to or affect:

(1) a lien given by statute or rule of law to a supplier of services or materials for the watercraft while the watercraft is in the possession of the lienholder;

(2) a lien given by statute to the United States, this state, or a political subdivision of this state; or

(3) a security interest in a watercraft created by a manufacturer or dealer who holds the watercraft for sale.

Sec. 234. [361A.13] SECURITY INTERESTS.

Subdivision 1. VALIDITY. Unless excepted by section 233, a security interest in a titled watercraft is not valid against creditors of the owner or subsequent transferees or secured parties of the watercraft unless perfected as provided in this chapter.

Subd. 2. PERFECTION. A security interest is perfected by the delivery to the commissioner of the existing certificate of title, if any, or an application for a certificate of title, containing the name and address of the secured party, the date of the security agreement, and the required fee. It is perfected as of the

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

time of its creation if the delivery is completed within the following ten days. In other instances it is perfected as of the time of the delivery. The method provided in this chapter is exclusive.

Sec. 235. [361A.14] OWNER-CREATED SECURITY INTEREST.

Paragraphs (a) to (d) apply if an owner creates a security interest in a titled watercraft.

(a) The owner shall immediately execute the application in the space provided on the certificate of title or on a separate form prescribed by the commissioner, show the name and address of the secured party on the certificate, and have the certificate, application, and required fee delivered to the secured party.

(b) The secured party shall immediately have the certificate, application, and required fee mailed or delivered to the commissioner.

(c) Upon request of the owner or subordinate secured party, a secured party in possession of the certificate of title shall either (1) mail or deliver the certificate to the subordinate secured party for delivery to the commissioner, or (2) upon receiving from the subordinate secured party the owner's application and the required fee, mail or deliver them to the commissioner with the certificate. The delivery of the certificate does not affect the rights of the first secured party under the security agreement.

(d) Upon receiving the certificate of title, application, and required fee, the commissioner shall either endorse on the certificate or issue a new certificate containing the name and address of the new secured party, and mail or deliver the certificate to the first secured party named on it.

Sec. 236. [361A.15] LICENSED WATERCRAFT PREVIOUSLY PERFECTED.

If a security interest in a previously licensed watercraft is perfected under other applicable Minnesota law on January 1, 1991, the security interest continues perfected:

(1) until its perfection lapses under the law under which it was perfected or would lapse in the absence of a further filing; or

(2) until a certificate of title for the watercraft is issued and the security interest is perfected under section 234.

The assignment, release, or satisfaction of a security interest in a previously licensed watercraft is governed by the laws under which it was perfected.

Sec. 237. [361A.16] SATISFACTION OF SECURITY INTEREST.

Subdivision 1. RELEASE. Upon the satisfaction of a security interest in a watercraft for which the certificate of title is in the possession of the secured party, the secured party, within 15 days, shall execute a release of the security

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

interest in the space provided on the certificate or as prescribed by the commissioner, and mail or deliver the certificate and release to the next secured party named or, if none, to the owner or a person who delivers to the secured party an authorization from the owner to receive the certificate. The owner, other than a dealer holding the watercraft for resale, shall promptly have the certificate, the release, and the required fee mailed or delivered to the commissioner, who shall release the secured party's rights on the certificate or issue a new certificate.

Subd. 2. RELEASE OF SUBORDINATE SECURITY INTEREST. Upon the satisfaction of a security interest in a watercraft for which the certificate of title is in the possession of a prior secured party, the secured party whose security interest is satisfied shall execute a release in the form prescribed by the commissioner and, within 15 days after satisfaction, deliver the release to the owner or a person who delivers to the secured party.

Sec. 238. [361A.17] DISCLOSURE OF SECURITY AGREEMENT.

A secured party named in a certificate of title, upon written request of the owner or other secured party named on the certificate, must disclose pertinent information about the security agreement and the indebtedness secured by it.

Sec. 239. [361A.18] EFFECT OF SUSPENSION OR REVOCATION ON SECURITY INTEREST.

Suspension or revocation of a certificate of title does not, in itself, affect the validity of a security interest noted on it.

Sec. 240. [361A.19] PREVIOUSLY LICENSED WATERCRAFT UNDISCLOSED SECURITY INTERESTS.

If the commissioner is not satisfied that there are no undisclosed security interests created before the watercraft is initially titled, the commissioner may, in addition to its options under section 224, subdivision 4, issue a distinctive certificate of title for the watercraft containing the legend: "This watercraft may be subject to an undisclosed lien," and any other information the commissioner prescribes.

Sec. 241. [361A.20] LIENS ATTACHING TO WATERCRAFT.

(a) A nonpossessory lien on a titled watercraft is not perfected unless a lien statement is filed with the commissioner.

(b) The lien statement must include:

- (1) the watercraft owner's name and address;
- (2) the statute under which the lien is taken;
- (3) the name and address of the lienholder; and
- (4) the title number of the watercraft.

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

(c) The commissioner shall note the time and date of filing the lien statement.

Sec. 242. [361A.21] **STOLEN WATERCRAFT.**

Subdivision 1. DUTY OF PEACE OFFICERS. A peace officer aware of a stolen or converted watercraft shall immediately furnish the commissioner with information concerning the theft or conversion.

Subd. 2. DUTY OF COMMISSIONER. The commissioner, upon receiving a report of the theft or conversion of a watercraft, shall record the report information, including the make of the stolen or converted watercraft and its builder's hull identification number, if any. The commissioner shall prepare a list of watercraft reported stolen and those recovered as disclosed by the reports submitted. The report may be distributed as the commissioner deems advisable.

Subd. 3. DUTY OF OWNER. If a stolen or converted watercraft is recovered, the owner shall immediately notify the commissioner.

Sec. 243. Minnesota Statutes 1988, section 363.01, is amended by adding a subdivision to read:

Subd. 42. BUSINESS. The term "business" includes any partnership, association, corporation, legal representative, trustee, trustee in bankruptcy, or receiver, but excludes the state and its department, agencies, and political subdivisions.

Sec. 244. Minnesota Statutes 1988, section 363.073, subdivision 1, is amended to read:

Subdivision 1. SCOPE OF APPLICATION. No department or agency of the state shall receive, enter into, or accept any bid or proposal for a contract nor or agreement or execute any contract or agreement for goods, or services, or the performance of any function, or any agreement to transfer funds for any reason in excess of \$50,000 with any person business having more than 20 full-time employees in Minnesota at any time during the previous 12 months, unless the person firm or business has an affirmative action plan for the employment of minority persons, women, and the disabled that has been approved by the commissioner of human rights. Receipt of a certificate of compliance issued by the commissioner shall signify that a person firm or business has an affirmative action plan that has been approved by the commissioner. A certificate shall be valid for a period of two years. A municipality as defined in section 466.01, subdivision 1, that receives state money for any reason is encouraged to prepare and implement an affirmative action plan for the employment of minority persons, women, and the disabled and submit the plan to the commissioner of human rights.

Sec. 245. Minnesota Statutes 1988, section 383A.65, is amended to read:

383A.65 RAMSEY COUNTY; AUTHORIZATION FOR BONDS.

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

Ramsey county may issue general obligation bonds in one or more series in an amount not to exceed \$2,000,000, in the aggregate, to finance the restoration of the concourse of the St. Paul union depot as a facility for the exhibition of works of art, the proceeds of which may not be used for that purpose until \$500,000 in operational funding has been ~~committed by nonpublic sources~~ provided. The bonds shall be issued pursuant to chapter 475, except that the bonds shall not be subject to its election requirements or debt limits. They shall not be subject to any other debt or tax levy limitations applicable to the county and shall not be considered in calculating amounts subject to any other debt or tax levy limitations. Levies by the county for debt servicing payment for the retirement of the bonds shall be exempt from and disregarded in the calculation of all tax levy limitations applicable to the county.

Sec. 246. Minnesota Statutes 1988, section 469.175, subdivision 2, is amended to read:

Subd. 2. **CONSULTATIONS; COMMENT AND FILING.** Before formation of a tax increment financing district, the authority shall provide an opportunity to the members of the county boards of commissioners of any county in which any portion of the proposed district is located and the members of the school board of any school district in which any portion of the proposed district is located to meet with the authority. The authority shall present to the members of the county boards of commissioners and the school boards its estimate of the fiscal and economic implications of the proposed tax increment financing district. The information on the fiscal and economic implications of the plan must be provided to the county and school district boards at least 30 days before the public hearing required by subdivision 3. The 30-day requirement is waived if the county and school district submit written comments on the proposal and any modification of the proposal to the authority after receipt of the information. The members of the county boards of commissioners and the school boards may present their comments at the public hearing on the tax increment financing plan required by subdivision 3. Upon adoption of the tax increment financing plan, the authority shall file a copy of the plan with the commissioner of ~~trade and economic development~~ revenue. The authority must also file with the commissioner a copy of the development plan for the project area.

Sec. 247. Minnesota Statutes 1988, section 469.175, subdivision 5, is amended to read:

Subd. 5. **ANNUAL DISCLOSURE.** For all tax increment financing districts, whether created prior or subsequent to August 1, 1979, on or before July 1 of each year, the authority shall submit to the county board, the school board, the commissioner of ~~trade and economic development~~ revenue and, if the authority is other than the municipality, the governing body of the municipality, a report of the status of the district. The report shall include the following information: the amount and the source of revenue in the account, the amount and purpose of expenditures from the account, the amount of any pledge of revenues, including principal and interest on any outstanding bonded indebtedness,

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

the original gross tax capacity of the district, the captured gross tax capacity retained by the authority, the captured gross tax capacity shared with other taxing districts, the tax increment received, and any additional information necessary to demonstrate compliance with any applicable tax increment financing plan. An annual statement showing the tax increment received and expended in that year, the original gross tax capacity, captured gross tax capacity, amount of outstanding bonded indebtedness, and any additional information the authority deems necessary shall be published in a newspaper of general circulation in the municipality.

Sec. 248. [473.156] METROPOLITAN WATER USE AND SUPPLY PLAN.

Subdivision 1. PLAN COMPONENTS. The metropolitan council shall develop a short-term and long-term plan for existing and expected water use and supply in the metropolitan area. The plan shall be submitted to and reviewed by the state planning agency. At a minimum, the plans must:

(1) update the data and information on water supply and use within the metropolitan area;

(2) identify alternative courses of action, including water conservation initiatives and economic alternatives, in case of drought conditions; and

(3) recommend approaches to resolving problems that may develop because of water use and supply. Consideration must be given to problems that occur outside of the metropolitan area, but which have an effect within the area.

Subd. 2. COMPLETION AND REPORT. The short-term plan must be completed by February 1, 1990. The long-term plan must be completed by July 1, 1990, and continually updated as the need arises. The plans must be prepared in consultation with the Army Corps of Engineers, the Leech Lake Reservation business committee, the Mississippi headwaters board, department of natural resources, and the environmental quality board. Both plans must be given to the metropolitan affairs and natural resources committees of the house of representatives and senate, and be available to the public.

Sec. 249. Minnesota Statutes 1988, section 473.877, is amended by adding a subdivision to read:

Subd. 5. APPROPRIATIONS FROM SMALL WATERCOURSES. This subdivision applies in Hennepin and Ramsey counties to the following public waters:

(1) a public water basin or wetland wholly within the county that is less than 500 acres; or

(2) a protected watercourse that has a drainage area of less than 50 square miles.

An appropriation of water that is below the minimum established in section

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

105.41, subdivision 1b, for a nonessential use, as defined under section 105.418, is prohibited unless a permit is obtained from the watershed district or watershed management organization having jurisdiction over the public water basin, wetland, or watercourse. The watershed district or watershed management organization may impose a fee to cover the cost of issuing the permit. This subdivision must be enforced by the home rule charter or statutory city where the appropriation occurs. Violation of this subdivision is a petty misdemeanor, except that a second violation within a year is a misdemeanor. Affected cities shall mail notice of this law to adjoining landowners.

Sec. 250. Minnesota Statutes 1988, section 474A.02, subdivision 5a, is amended to read:

Subd. 5a. **COMMISSIONER.** "Commissioner" means the commissioner of ~~trade and economic development~~ finance.

Sec. 251. **TRANSFER OF RESPONSIBILITIES.**

The program responsibilities of the commissioner of trade and economic development for the allocation of bonding authority under Minnesota Statutes, chapter 474A, are transferred under Minnesota Statutes, section 15.039, to the commissioner of finance.

Sec. 252. Minnesota Statutes 1988, section 480.01, is amended to read:

480.01 **JUSTICES; TERMS; TRAVEL EXPENSES.**

Subdivision 1. JUSTICES; TERMS. The supreme court shall consist of one chief justice and six associate justices, who shall hold one term of court each year, at the seat of government, commencing on the first Tuesday after the first Monday in January, with such continuations or adjournments thereof during the year as may be necessary for the dispatch of the business coming before the court. When the chief justice of the court shall be absent from the state, or shall be, for any reason, incapacitated from acting as such, the associate justice present within the state and not incapacitated who shall have served the longest time, or when there are two or more associate justices of equal terms of service, then the associate justice, whom the chief justice shall designate as senior associate justice as such, shall have and exercise all the powers, duties, and functions of the chief justice during the absence or incapacity and shall be, during such absence or incapacity, the presiding justice of the court.

Subd. 2. TRAVEL EXPENSES. Travel expenses shall be paid by the state in the same manner and amount as provided for judges of the district court in section 484.54.

Sec. 253. Minnesota Statutes 1988, section 480.241, subdivision 1, is amended to read:

Subdivision 1. **AMOUNT OF SURCHARGE; COLLECTION BY COURT ADMINISTRATORS.** A plaintiff, petitioner, defendant, respondent, intervenor

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

or moving party in any ~~district, county, or municipal~~ trial court civil action or civil proceeding in which an initial filing fee is payable by that party, except a marriage dissolution or conciliation court action, shall pay to the court administrator of ~~district or county court or court administrator of the municipal courts of Hennepin county or Ramsey county~~ a surcharge of ~~\$10~~ \$25 in addition to the initial filing fee otherwise prescribed. ~~For such a civil action or civil proceeding commenced on and after July 1, 1987, the surcharge is \$20.~~ A plaintiff, defendant, or moving party in any conciliation court action in which an initial filing fee is payable shall pay to the court administrator of conciliation court a surcharge of ~~\$2~~ \$3 in addition to the initial filing fee otherwise prescribed. Notwithstanding any other law or rule to the contrary, no surcharge shall be paid by any governmental unit of the state of Minnesota, any local unit of government, or agency thereof, ~~when the governmental unit, local government, or agency thereof is a party to any civil action or civil proceeding in the municipal courts of Hennepin or Ramsey counties, or in any county court.~~

Sec. 254. Minnesota Statutes 1988, section 480.241, subdivision 2, is amended to read:

Subd. 2. **TRANSMITTAL OF SURCHARGE TO SUPREME COURT STATE TREASURER.** Notwithstanding any other law or rule to the contrary, all surcharges collected pursuant to subdivision 1 shall be transmitted monthly by the ~~district, county, and conciliation court court administrators and municipal court administrators~~ to the supreme court state treasurer for deposit in the state treasury and credit to the general fund.

Sec. 255. Minnesota Statutes 1988, section 480.242, is amended to read:

480.242 DISTRIBUTION OF SURCHARGE CIVIL LEGAL SERVICES FUNDS TO QUALIFIED LEGAL SERVICES PROGRAMS.

Subdivision 1. **ADVISORY COMMITTEE.** The supreme court shall establish an advisory committee to assist it in performing its responsibilities under sections 480.24 to 480.244. The advisory committee shall consist of 11 members appointed by the supreme court including seven attorneys-at-law who are well acquainted with the provision of legal services in civil matters, two public members who are not attorneys and two persons who would qualify as eligible clients. Four of the attorney-at-law members shall be nominated by the state bar association in the manner determined by it, and three of the attorney-at-law members shall be nominated by the programs in Minnesota providing legal services in civil matters on July 1, 1982, with funds provided by the federal Legal Services Corporation in the manner determined by them. In making the appointments of the attorney-at-law members, the supreme court shall not be bound by the nominations prescribed by this section. In making appointments to the advisory committee, the supreme court shall ensure that urban and rural areas of the state are represented. The supreme court shall adopt by rule policies and procedures for the operation of the advisory committee including, but not limited to, policies and procedures governing membership terms, removal of members, and the filling of membership vacancies.

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

Subd. 2. **REVIEW OF APPLICATIONS; SELECTION OF RECIPIENTS.** At times and in accordance with any procedures as the supreme court adopts in the form of court rules, applications for the expenditure of civil legal services funds collected pursuant to section 480.241 shall be accepted from qualified legal services programs or from local government agencies and non-profit organizations seeking to establish qualified alternative dispute resolution programs. The applications shall be reviewed by the advisory committee, and the advisory committee, subject to review by the supreme court, shall distribute the funds received pursuant to section 480.241, subdivision 2 to qualified legal services programs or to qualified alternative dispute resolution programs submitting applications. Subject to the provisions of subdivision 4, the funds shall be distributed in accordance with the following formula:

(a) Eighty-five percent of the funds distributed shall be distributed to qualified legal services programs that have demonstrated an ability as of July 1, 1982, to provide legal services to persons unable to afford private counsel with funds provided by the federal Legal Services Corporation. The allocation of funds among the programs selected shall be based upon the number of persons with incomes below the poverty level established by the United States Census Bureau who reside in the geographical area served by each program, as determined by the supreme court on the basis of the 1980 national census. All funds distributed pursuant to this clause shall be used for the provision of legal services in civil matters to eligible clients.

(b) Fifteen percent of the funds distributed may be distributed (1) to other qualified legal services programs for the provision of legal services in civil matters to eligible clients, including programs which organize members of the private bar to perform services and programs for qualified alternative dispute resolution, or (2) to programs for training mediators operated by nonprofit alternative dispute resolution corporations. Grants may be made pursuant to this clause only until June 30, 1987. If all the funds to be distributed pursuant to this clause cannot be distributed because of insufficient acceptable applications, the remaining funds shall be distributed pursuant to clause (a).

Subd. 3. **TIMING OF DISTRIBUTION OF FUNDS.** The funds to be distributed to recipients selected in accordance with the provisions of subdivision 2 shall be distributed by the supreme court no less than twice per calendar year.

Subd. 4. **ADMINISTRATION.** The supreme court may retain up to five percent of the ~~funds received pursuant to section 480.241, subdivision 2~~ money appropriated for civil legal services to defray the costs incurred in executing its responsibilities and the responsibilities of the advisory committee under sections 480.24 to 480.244.

Sec. 256. Minnesota Statutes 1988, section 480A.08, subdivision 3, is amended to read:

Subd. 3. **DECISIONS.** (a) A decision shall be rendered in every case

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

within 90 days after oral argument or after the final submission of briefs or memoranda by the parties, whichever is later. The chief justice or the chief judge may waive the 90-day limitation for any proceeding before the court of appeals for good cause shown. In every case, the decision of the court, including any written opinion containing a summary of the case and a statement of the reasons for its decision, shall be indexed and made readily available.

(b) The decision of the court need not include a written opinion. A statement of the decision without a written opinion must not be officially published and must not be cited as precedent, except as law of the case, res judicata, or collateral estoppel.

(c) The court of appeals may publish only those decisions that:

- (1) establish a new rule of law;
- (2) overrule a previous court of appeals' decision not reviewed by the supreme court;
- (3) provide important procedural guidelines in interpreting statutes or administrative rules;
- (4) involve a significant legal issue; or
- (5) would significantly aid in the administration of justice.

Unpublished opinions of the court of appeals are not precedential. Unpublished opinions must not be cited unless the party citing the unpublished opinion provides a full and correct copy to all other counsel at least 48 hours before its use in any pretrial conference, hearing, or trial. If cited in a brief or memorandum of law, a copy of the unpublished opinion must be provided to all other counsel at the time the brief or memorandum is served, and other counsel may respond.

Sec. 257. Minnesota Statutes 1988, section 484.54, subdivision 2, is amended to read:

Subd. 2. A judge shall be paid travel and subsistence expenses for travel from the judge's place of residence to and from the judge's permanent chambers only for a period of two years after July 1, 1977 or the date the judge initially assumes office, whichever is later.

Sec. 258. Minnesota Statutes 1988, section 540.152, is amended to read:

540.152 SERVICE OF PROCESS ON UNIONS, GROUPS, OR ASSOCIATIONS.

The transaction of any acts, business, or activities within the state of Minnesota by any officer, agent, representative, employee, or member of any union or other groups or associations having officers, agents, members, or property

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

without the state on behalf of the union or other groups or associations or any of its members or affiliated local unions shall be deemed an appointment by the union or other groups or associations of the secretary of state of the state of Minnesota to be the true and lawful attorney of the union or other groups or associations, upon whom may be served all legal processes or notices in any action or proceeding against or involving the union or other groups or associations growing out of any acts, business or activities within the state of Minnesota resulting in damage or loss to person or property or giving rise to any cause of action under the laws of the state of Minnesota or to any matters or proceedings arising under the Minnesota labor relations act. Such acts, business, or activities shall be a signification of the agreement of the union or other groups or associations and its members that any process or notice in any action, matter, or proceeding against or involving it, which is so served, shall be of the same legal force and validity as if served upon the union or other groups or associations and its members personally. Service of process or notice shall be made by filing a copy thereof in the office of the secretary of state, together with payment of a fee of ~~\$25~~ \$35 and together with an affidavit stating that no officer or managing agent of the union or other group or association has been found in this state and setting forth an address to which the service shall be forwarded. The service shall be sufficient service upon the union or other groups or associations and its members. Notice of service and a copy of the process or notice shall, within ten days thereafter, be sent by mail by the person who caused it to be served on the union or other groups or associations at its last known address and an affidavit of compliance with the provisions of this chapter shall be filed with the court or other state agency or department before which the action, matter, or proceeding is pending.

Sec. 259. Minnesota Statutes 1988, section 543.08, is amended to read:

543.08 SUMMONS, SERVICE UPON CERTAIN CORPORATIONS.

If a private domestic corporation has no officer at the registered office of the corporation within the state upon whom service can be made, of which fact the return of the sheriff of the county in which that office is located, or the affidavit of a private person not a party, that none can be found in that county shall be conclusive evidence, service of the summons upon it may be made by depositing two copies, together with a fee of ~~\$25~~ \$35 with the secretary of state, which shall be deemed personal service upon the corporation. One of the copies shall be filed by the secretary, and the other forthwith mailed by the secretary to the corporation by certified mail, if the place of its main office is known to the secretary or is disclosed by the files in the office.

If the defendant is a foreign insurance corporation, the summons may be served by two copies delivered to the commissioner of commerce, who shall file one in the commissioner's office and forthwith mail the other postage prepaid to the defendant at its home office.

Sec. 260. Minnesota Statutes 1988, section 611.17, is amended to read:

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

611.17 FINANCIAL INQUIRY; STATEMENTS.

Upon a request for the appointment of counsel, the court shall make appropriate inquiry into the financial circumstances of the applicant, who shall submit, ~~unless waived in whole or in part by the court,~~ a financial statement under oath or affirmation setting forth the applicant's assets and liabilities, source or sources of income, and any other information required by the court. The state public defender shall furnish appropriate forms for the financial statements. The information contained in the statement shall be confidential and for the exclusive use of the court, except for any prosecution under section 609.48. A refusal to execute the financial statement constitutes a waiver of the right to the appointment of a public defender.

Sec. 261. Minnesota Statutes 1988, section 611.21, is amended to read:

611.21 SERVICES OTHER THAN COUNSEL.

(a) Counsel, whether or not appointed by the court, for a defendant who is financially unable to obtain investigative, expert, or other services necessary to an adequate defense in the case may request them in an ex parte application. Upon finding, after appropriate inquiry in an ex parte proceeding, that the services are necessary and that the defendant is financially unable to obtain them, the court shall authorize counsel to obtain the services on behalf of the defendant. The court may establish a limit on the amount which may be expended or promised for such services. The court may, in the interests of justice, and upon a finding that timely procurement of necessary services could not await prior authorization, ratify such services after they have been obtained, but such ratification shall be given only in unusual situations. The court shall determine reasonable compensation for the services and direct payment by the county in which the prosecution originated, to the organization or person who rendered them, upon the filing of a claim for compensation supported by an affidavit specifying the time expended, services rendered, and expenses incurred on behalf of the defendant, and the compensation received in the same case or for the same services from any other source.

(b) The compensation to be paid to a person for such service rendered to a defendant under this section, or to be paid to an organization for such services rendered by an employee thereof, ~~shall~~ may not exceed ~~\$300~~ \$1,000, exclusive of reimbursement for expenses reasonably incurred, unless payment in excess of that limit is certified by the court as necessary to provide fair compensation for services of an unusual character or duration and the amount of the excess payment is approved by the chief judge of the district. The chief judge of the judicial district may delegate approval authority to an active district judge.

(c) If the court denies authorizing counsel to obtain services on behalf of the defendant, the court shall make written findings of fact and conclusions of law that state the basis for determining that counsel may not obtain services on behalf of the defendant. When the court issues an order denying counsel the authority to obtain services, the defendant may appeal immediately from that order to the court of appeals and may request an expedited hearing.

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

Sec. 262. Minnesota Statutes 1988, section 611.215, subdivision 2, is amended to read:

Subd. 2. **DUTIES AND RESPONSIBILITIES.** (a) The state board of public defense shall appoint the state public defender, who serves full time for a term of four years. The board ~~must~~ shall prepare an annual report to the governor, the legislature, and the supreme court on the operation of the state public defender's office, district defender systems, and ~~appointed counsel systems~~ public defense corporations. The board shall approve and recommend to the legislature a budget for the board, the office of state public defender, the judicial district public defenders, and the public defense corporations. The board shall establish procedures for distribution of state funding under this chapter to the state and district public defenders, including Hennepin and Ramsey county public defenders, and to the public defense corporations.

(b) The board shall establish standards for the offices of the state and district public defenders and for the conduct of all appointed counsel systems. The standards must include, but are not limited to:

(1) standards needed to maintain and operate an office of public defender including requirements regarding the qualifications, training, and size of the legal and supporting staff for a public defender or appointed counsel system;

(2) standards for public defender caseloads;

(3) standards and procedures for the eligibility for appointment, assessment, and collection of the costs for legal representation provided by public defenders or appointed counsel;

(4) standards for contracts between a board of county commissioners and a county public defender system for the legal representation of indigent persons;

(5) standards prescribing minimum qualifications of counsel appointed under the board's authority or by the courts; and

(6) standards ensuring the economical and efficient delivery of legal services, including alternatives to the present geographic boundaries of the public defender districts.

The board may require the reporting of statistical data, budget information, and other cost factors by the state and district public defenders and appointed counsel systems.

The state board of public defense shall design and conduct programs for the training of all state and district public defenders, appointed counsel, and attorneys for public defense corporations funded in section 611.26.

Sec. 263. Laws 1988, chapter 686, article 2, section 5, subdivision 2, is amended to read:

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

Subd. 2, **ORGANIZATION SELECTION.** The commissioner shall select and contract with a marketplace assistance organization to administer the Minnesota marketplace program. The organization must:

(1) be a nonprofit corporation;

(2) have officers and employees who are knowledgeable on the subject of community-based economic development and development strategies on a state-wide basis; and

(3) have demonstrated the capability of providing informational and technical services to communities and economic development organizations.

~~The contract may not extend beyond June 30, 1990.~~

Sec. 264. Laws 1988, chapter 686, article 2, section 10, is amended to read:

Sec. 10. **REPEALER.**

Sections 1 to 3 are repealed July 1, 1991. Sections 4 to 8 are repealed July 1, ~~1990~~ 1991.

Sec. 265. **CAREER DEVELOPMENT GRANTS.**

Subdivision 1. AUTHORITY. The commissioner of employee relations may make career development grants to state employees in the executive, judicial, or legislative branch who have at least three years of state service.

Subd. 2. PURPOSE OF GRANTS. The grants may be used to fund projects that examine government practices in Minnesota, other states, the United States, and foreign countries. The projects must be short-term and designed to investigate new methods for delivering state services.

Subd. 3. AMOUNT OF GRANT MATCHING. The maximum grant amount is \$3,000. The grant must be matched by the agency employing the grantee.

Subd. 4. GRANT APPLICATIONS. The commissioner must publicize the grant program to eligible grant applicants. The commissioner shall develop and make available a grant application form. Only persons applying for grants on the application form are eligible for grants.

Subd. 5. GRANT CRITERIA. The commissioner shall award grants to those projects which the commissioner decides have the best prospects for improving delivery of state services. The decision of the commissioner is final with no right of appeal.

Subd. 6. REPORT TO LEGISLATURE. The commissioner shall report on the grant program to the legislature by January 1, 1991.

Sec. 266. **[84.975] SHORELAND MANAGEMENT GRANTS.**

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

Subdivision 1. PURPOSES. The commissioner of natural resources may make grants to local governments:

(1) to administer, monitor, and enforce state approved shoreland management ordinances;

(2) to adopt shoreland management ordinances consistent with statewide standards;

(3) to develop comprehensive lake by lake or river shoreland management strategies that provide a unique plan to guide activities on and adjacent to a lake or river; and

(4) to implement elements of a comprehensive lake or river management strategy.

Subd. 2. ACTION ON GRANT APPLICATIONS. Upon receipt of a request for a shoreland management grant, the commissioner of natural resources must confer with the local government requesting the grant and may make a grant based on the following considerations:

(1) the number and classification of lakes and rivers in the jurisdiction of the local government;

(2) the extent of current shoreland development;

(3) the development trends for the lakes and rivers;

(4) the miles of lake and river shoreline;

(5) whether the shoreland management ordinance or regulation adopted by the local government meets the minimum standards established by the commissioner;

(6) the degree and effectiveness of administration, enforcement, and monitoring of the existing shoreland ordinances;

(7) the ability of the local government to finance the program or project; and

(8) the degree to which the program considers a comprehensive approach to lake or river management including land use, recreation, water levels, surface water use, fish, wildlife, and water quality that may be secondary to the other elements.

Subd. 3. LIMITATIONS. The maximum annual shoreland management grant to local government for purposes of subdivision 1, clauses (1) and (2), may not exceed the local contribution to the shoreland management activity. Any federal program aid for shoreland management shall serve to reduce the state and local contribution to the activity.

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

Sec. 267. ADJUTANT GENERAL.

Section 181 does not apply to the person who is adjutant general on the effective date of section 181.

Sec. 268. EXOTIC SPECIES MANAGEMENT AND MONITORING.

Subdivision 1. DEFINITION. For the purpose of this section, "exotic species" means nonnative plants or wild animals that have the potential to harm the environment, or threaten native plants or wild animals.

Subd. 2. TASK FORCE. (a) An interagency task force is created to establish a long-term program on exotic species management. The task force shall be composed of the commissioner or director of the departments of natural resources, agriculture, health, transportation, and board of water and soil resources, and three people with special expertise in the private sector on exotic plants or animals, to be appointed by the commissioner of natural resources who shall also serve as chair.

(b) Each commissioner or director may designate a delegate from their respective state agencies to represent that commissioner on the task force.

(c) The three private citizens on the task force may be reimbursed for their necessary expenses in attending task force meetings according to Minnesota Statutes, section 15.0575.

Subd. 3. DUTIES; RESPONSIBILITIES. The task force shall:

(1) identify the existing and potential exotic species threats to the state's environment;

(2) rank the exotic species identified according to their degree of threat;

(3) develop a long term management program for exotic species control; and

(4) report on findings and recommendations to the natural resources committees in the house and senate by January 1, 1990, along with any necessary changes in legislation.

Sec. 269. INSTRUCTION TO THE REVISOR.

(a) The revisor shall change references to "Minnesota future resources commission" to "legislative commission on Minnesota resources" wherever they appear in the 1990 edition of Minnesota Statutes and subsequent editions of the statutes.

(b) If legislation is enacted in the 1989 legislature to change section numbers of provisions governing watercraft licensing or to recodify those provisions into chapter 361A, the revisor of statutes shall correct cross-references to those provisions in this act and renumber the sections of Minnesota Statutes in this act consistent with those changes.

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

(c) The revisor shall change references to "waste management board" to "office of waste management," "board" where it means waste management board to "office," "chair" where it means chair of the waste management board to "director," "chair of the board" where it means chair of the waste management board to "director," and "board, through its chair" where it means waste management board through its chair to "director" in Minnesota Statutes 1990 and subsequent editions of the statutes. Wherever a reference to "waste management board" or "board" where it refers to the waste management board was changed to another board or agency in laws enacted in the 1989 regular session as a result of reorganization order number 155, the revisor shall change the reference to "office of waste management" or "office."

Sec. 270. **REPEALER.**

(a) Minnesota Statutes 1988, sections 16A.133, subdivision 3; 85A.01, subdivision 1b; 115A.162; 116J.941; 116J.942; 161.52; 469.012, subdivision 5; 480.242, subdivision 4; 480.245; 611.07; 611.071; 611.25, subdivision 2; Laws 1983, chapter 334, section 7, as amended by Laws 1987, chapters 384, article 3, section 27; 386, article 10, section 8; and 401, section 36; Laws 1988, chapter 686, article 1, section 21, are repealed.

(b) Minnesota Statutes 1988, sections 115A.03, subdivision 3; 115A.04; 115A.05; 115A.06, subdivisions 1 and 3; and 115A.11, subdivision 3, are repealed on the day following final enactment.

Sec. 271. **EFFECTIVE DATES.**

(a) Section 221 is effective January 1, 1990. Section 180 is effective retroactively to any treatment after May 26, 1988.

(b) Sections 67; 79; 81; 83; 84; 85; 182; and 248 are effective the day following final enactment.

(c) Section 189 is effective for forms filed for taxable years beginning after December 31, 1989.

(d) Except as otherwise provided in this paragraph, sections 214 and 222 to 242 are effective January 1, 1991. A watercraft that is owned and licensed under section 361.03 before January 1, 1991, is not required to have a certificate of title under sections 214 and 222 to 242 until the owner transfers part of an interest in the watercraft, grants a security interest in the watercraft, or renews the license.

(e) Sections 87 to 123 are effective March 1, 1991, with the exception of section 87, clause (5), which is effective March 1, 1990. Section 125 is effective March 1, 1990.

(f) Section 268 is effective June 1, 1989, and is repealed June 30, 1990.

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

ARTICLE 2

PROCEEDS OF STRIPPER WELL LITIGATION

Section 1. STRIPPER WELL LITIGATION.

Subdivision 1. The appropriations in this section are added to the appropriations made in Laws 1988, chapter 686, article 1, section 37, and are available immediately after enactment.

Subd. 2. \$173,500 is appropriated to the commissioner of administration for a grant to Bemidji State University for research on the biotechnical conversion of peat to energy and other useful products.

Subd. 3. \$272,800 is appropriated to the commissioner of administration for a grant to the University of Minnesota, Crookston, for research on short rotation intensive culture of hybrid poplars for the production of petroleum substitutes.

Subd. 4. \$272,900 is appropriated to the commissioner of administration for a grant to the city of Minneapolis energy office to develop programs for promoting energy efficiency in multifamily buildings and small businesses.

Subd. 5. \$336,000 is appropriated to the commissioner of administration for a grant to the University of Minnesota southwest experiment station for research and on farm adoption of energy efficient and conservation farming methods in Minnesota.

Subd. 6. \$284,000 is appropriated to the commissioner of administration for a grant to the University of Minnesota, St. Anthony Falls hydraulics laboratory for economic hydropower development in Minnesota.

Subd. 7. \$102,500 is appropriated to the commissioner of administration for a grant to the self-reliance center for a demonstration program on low cost furnace efficiency.

Subd. 8. \$45,000 is appropriated to the commissioner of administration for a grant to the Staples technical institute for a natural air and low temperature grain drying demonstration project.

Subd. 9. \$107,500 is appropriated to the commissioner of administration for a grant to the energy resource center for a project evaluating domestic hot water supply options in multifamily buildings.

Subd. 10. \$255,000 is appropriated to the commissioner of administration for a grant to the upper Minnesota valley regional development commission for research and analysis of the biological, engineering, and economic issues surrounding the lowering of feedstock costs into polyhydroxybutyrate (PHBV) biodegradable plastic resin plants.

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

Subd. 11. \$57,000 is appropriated to the commissioner of administration for a grant to the University of Minnesota extension service 4H youth development for a University of Minnesota bicycle promotion program to increase the number of bicycle commuters.

Subd. 12. \$724,000 is appropriated to the commissioner of administration for a grant to the University of Minnesota cold climate research center for research and demonstration projects using alternative sources of energy and to promote energy efficiency in buildings located in cold climates.

Subd. 13. \$100,000 is appropriated to the commissioner of administration for administration of the grants program. One complement position is authorized.

Subd. 14. It is a condition of acceptance of the appropriations made by this section that the agency or entity receiving the appropriation must submit semi-annual progress reports and work plans in the form determined by the legislative commission on Minnesota resources.

Subd. 15. \$350,000 the first year and \$350,000 the second year are for a grant to a cold weather resource center organized as a nonprofit corporation and meeting the conditions prescribed in this item. Any unencumbered balance remaining in the first year does not cancel and is available for the second year.

To be eligible for a grant under this subdivision, a cold weather resource center must have its offices in or near the city of International Falls; submit a report to the governor and the legislature by January 15 of each year, including in it a description of the center's activities for the last year, a listing of contracts entered into by the center, and a summary of the center's expenditures; and contract with a certified public accounting firm to perform a financial and compliance audit of the center and any subsidiary.

A center receiving a grant under this item must foster economic development by promoting, attracting, and coordinating cold weather research, testing, and related activities throughout this state. The center must provide coordination and services to institutions and companies that conduct cold weather testing and research, but must not directly conduct its own research or testing. It must provide only services that other private-sector enterprises do not provide.

A center receiving a grant under this item must be governed by a board of directors including representatives of industries engaged in cold weather testing or research; development organizations involved in applied research and business development; state and local government; the department of transportation; technical institutes; the community colleges system; the University of Minnesota; and the state university system.

\$150,000 is appropriated to the amateur sports commission by Laws 1988, chapter 868, article 1, section 16, item (b), for operation of the Blaine sports facility is available until June 30, 1990.

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

The commissioner of finance may transfer money from the general fund to the national sports center special revenue account under Minnesota Statutes, section 16A.126. The transfer must be repaid to the general fund by the amateur sports commission from proceeds of the operation of the national sports center by June 30, 1991.

Sec. 2. **REPEALER.**

Laws 1988, chapter 686, article 1, section 37, subdivision 10, is repealed.

Sec. 3. **EFFECTIVE DATE.**

This article is effective the day after final enactment.

ARTICLE 3

JUDICIAL SYSTEM

Section 1. Minnesota Statutes 1988, section 3.732, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** As used in this section and section 3.736 the terms defined in this section have the meanings given them.

(1) "State" includes each of the departments, boards, agencies, commissions, courts, and officers in the executive, legislative, and judicial branches of the state of Minnesota and includes but is not limited to the housing finance agency, the higher education coordinating board, the higher education facilities authority, the army building commission, the zoological board, the iron range resources and rehabilitation board, the state agricultural society, the University of Minnesota, state universities, community colleges, state hospitals, and state penal institutions. It does not include a city, town, county, school district, or other local governmental body corporate and politic.

(2) "Employee of the state" means all present or former officers, members, directors, or employees of the state, members of the Minnesota national guard, members of a bomb disposal unit approved by the commissioner of public safety and employed by a municipality defined in section 466.01 when engaged in the disposal or neutralization of bombs outside the jurisdiction of the municipality but within the state, or persons acting on behalf of the state in an official capacity, temporarily or permanently, with or without compensation. It does not include either an independent contractor or members of the Minnesota national guard while engaged in training or duty under United States Code, title 10, or title 32, section 316, 502, 503, 504, or 505, as amended through December 31, 1983. "Employee of the state" includes a public defender appointed by the state board of public defense ~~or a court-appointed guardian ad litem, whether paid by the state or by a political subdivision.~~

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

(3) "Scope of office or employment" means that the employee was acting on behalf of the state in the performance of duties or tasks lawfully assigned by competent authority.

(4) "Judicial branch" has the meaning given in section 43A.02, subdivision 25.

Sec. 2. Minnesota Statutes 1988, section 43A.02, subdivision 25, is amended to read:

Subd. 25. **JUDICIAL BRANCH.** "Judicial branch" means all judges of the appellate courts, all employees of the appellate courts, including commissions, boards and committees established by the supreme court, the board of law examiners, the law library, the office of the public defender, ~~and~~ all judges of all courts of law, district court referees, judicial officers, court reporters, law clerks, district administration employees under section 484.68, and other agencies placed in the judicial branch by law. Judicial branch does not include district administration employees in the second and fourth judicial districts, court administrators or their staff under chapter 485, guardians ad litem, or other employees within the court system whose salaries are paid by the county, other than employees who remain on the county payroll under section 14, subdivision 2.

Sec. 3. Minnesota Statutes 1988, section 43A.24, subdivision 2, is amended to read:

Subd. 2. **OTHER ELIGIBLE PERSONS.** The following persons are eligible for state paid life insurance and hospital, medical, and dental benefits as determined in applicable collective bargaining agreements or by the commissioner or by plans pursuant to section 43A.18, subdivision 6, or by the board of regents for employees of the University of Minnesota not covered by collective bargaining agreements. Coverages made available, including optional coverages, are as contained in the plan established pursuant to section 43A.18, subdivision 2.

(a) a member of the state legislature, provided that changes in benefits resulting in increased costs to the state shall not be effective until expiration of the term of the members of the existing house of representatives. An eligible member of the state legislature may decline to be enrolled for state paid coverages by filing a written waiver with the commissioner. The waiver shall not prohibit the member from enrolling the member or dependents for optional coverages, without cost to the state, as provided for in section 43A.26. A member of the state legislature who returns from a leave of absence to a position previously occupied in the civil service shall be eligible to receive the life insurance and hospital, medical, and dental benefits to which the position is entitled;

(b) a permanent employee of the legislature or a permanent employee of a permanent study or interim committee or commission or a state employee on leave of absence to work for the legislature, during a regular or special legislative session;

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

(c) a judge of the appellate courts or an officer or employee of these courts; a judge of the district court, a judge of county court, a judge of county municipal court, or a judge of probate court; a district court referee, judicial officer, court reporter, or law clerk; a district administrator; and an employee of the office of the district administrator of ~~the fifth or the eighth judicial districts~~ that is not in the second or fourth judicial district;

(d) a salaried employee of the public employees retirement association;

(e) a full-time military or civilian officer or employee in the unclassified service of the department of military affairs whose salary is paid from state funds;

(f) a salaried employee of the Minnesota historical society, whether paid from state funds or otherwise, who is not a member of the governing board;

(g) an employee of the regents of the University of Minnesota;

(h) notwithstanding section 43A.27, subdivision 3, an employee of the state of Minnesota or the regents of the University of Minnesota who is at least 60 and not yet 65 years of age on July 1, 1982, who is otherwise eligible for employee and dependent insurance and benefits pursuant to section 43A.18 or other law, who has at least 20 years of service and retires, earlier than required, within 60 days of March 23, 1982; or an employee who is at least 60 and not yet 65 years of age on July 1, 1982, who has at least 20 years of state service and retires, earlier than required, from employment at Rochester state hospital after July 1, 1981; or an employee who is at least 55 and not yet 65 years of age on July 1, 1982, and is covered by the Minnesota state retirement system correctional employee retirement plan or the state patrol retirement fund, who has at least 20 years of state service and retires, earlier than required, within 60 days of March 23, 1982. For purposes of this clause, a person retires when the person terminates active employment in state or University of Minnesota service and applies for a retirement annuity. Eligibility shall cease when the retired employee attains the age of 65, or when the employee chooses not to receive the annuity that the employee has applied for. The retired employee shall be eligible for coverages to which the employee was entitled at the time of retirement, subject to any changes in coverage through collective bargaining or plans established pursuant to section 43A.18, for employees in positions equivalent to that from which retired, provided that the retired employee shall not be eligible for state-paid life insurance. Coverages shall be coordinated with relevant health insurance benefits provided through the federally sponsored Medicare program; and

(i) An employee of an agency of the state of Minnesota identified through the process provided in this paragraph who is eligible to retire prior to age 65. The commissioner and the exclusive representative of state employees shall enter into agreements under section 179A.22 to identify employees whose positions are in programs that are being permanently eliminated or reduced due to federal or state policies or practices. Failure to reach agreement identifying these employees is not subject to impasse procedures provided in chapter 179A. The

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

commissioner must prepare a plan identifying eligible employees not covered by a collective bargaining agreement in accordance with the process outlined in section 43A.18, subdivisions 2 and 3. For purposes of this paragraph, a person retires when the person terminates active employment in state service and applies for a retirement annuity. Eligibility ends as provided in the agreement or plan, but must cease at the end of the month in which the retired employee chooses not to receive an annuity, or the employee is eligible for employer-paid health insurance from a new employer. The retired employees shall be eligible for coverages to which they were entitled at the time of retirement, subject to any changes in coverage through collective bargaining or plans established under section 43A.18 for employees in positions equivalent to that from which they retired, provided that the retired employees shall not be eligible for state-paid life insurance.

Sec. 4. Minnesota Statutes 1988, section 352.01, subdivision 2b, is amended to read:

Subd. 2b. **EXCLUDED EMPLOYEES.** "State employee" does not include:

- (1) elective state officers;
- (2) students employed by the University of Minnesota, the state universities, and community colleges unless approved for coverage by the board of regents, the state university board, or the state board for community colleges, as the case may be;
- (3) employees who are eligible for membership in the state teachers retirement association except employees of the department of education who have chosen or may choose to be covered by the Minnesota state retirement system instead of the teachers retirement association;
- (4) employees of the University of Minnesota who are excluded from coverage by action of the board of regents;
- (5) officers and enlisted personnel in the national guard and the naval militia who are assigned to permanent peacetime duty and who under federal law are or are required to be members of a federal retirement system;
- (6) election officers;
- (7) persons engaged in public work for the state but employed by contractors when the performance of the contract is authorized by the legislature or other competent authority;
- (8) officers and employees of the senate and house of representatives or a legislative committee or commission who are temporarily employed;
- (9) court employees, referees, receivers, jurors, and notaries public, and court employees who are not in the judicial branch as defined in section 43A.02, subdivision 25, except ~~employees of the appellate courts and referees and adjusters employed by the department of labor and industry;~~

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

(10) patient and inmate help in state charitable, penal, and correctional institutions including the Minnesota veterans home;

(11) persons employed for professional services where the service is incidental to regular professional duties and whose compensation is paid on a per diem basis;

(12) employees of the Sibley House Association;

(13) employees of the Grand Army of the Republic and employees of the ladies of the G.A.R.;

(14) operators and drivers employed under section 16.07, subdivision 4;

(15) the members of any state board or commission who serve the state intermittently and are paid on a per diem basis; the secretary, secretary-treasurer, and treasurer of those boards if their compensation is \$500 or less per year, or, if they are legally prohibited from serving more than two consecutive terms and their total service is required by law to be less than ten years; and the board of managers of the state agricultural society and its treasurer unless the treasurer is also its full-time secretary;

(16) state troopers;

(17) temporary employees of the Minnesota state fair employed on or after July 1 for a period not to extend beyond October 15 of that year; and persons employed at any time by the state fair administration for special events held on the fairgrounds;

(18) emergency employees in the classified service; except that if an emergency employee, within the same pay period, becomes a provisional or probationary employee on other than a temporary basis, the employee shall be considered a "state employee" retroactively to the beginning of the pay period;

(19) persons described in section 352B.01, subdivision 2, clauses (b) and (c) formerly defined as state police officers;

(20) temporary employees in the classified service, temporary employees in the unclassified service appointed for a definite period of not more than six months and employed less than six months in any one-year period and seasonal help in the classified service employed by the department of revenue;

(21) trainees paid under budget classification number 41, and other trainee employees, except those listed in subdivision 2a, clause (10);

(22) persons whose compensation is paid on a fee basis;

(23) state employees who in any year have credit for 12 months service as teachers in the public schools of the state and as teachers are members of the teachers retirement association or a retirement system in St. Paul, Minneapolis, or Duluth;

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

(24) employees of the adjutant general employed on an unlimited intermittent or temporary basis in the classified and unclassified service for the support of army and air national guard training facilities;

(25) chaplains and nuns who have taken a vow of poverty as members of a religious order;

(26) labor service employees employed as a laborer 1 on an hourly basis;

(27) examination monitors employed by departments, agencies, commissions, and boards to conduct examinations required by law;

(28) members of appeal tribunals, exclusive of the chair, to which reference is made in section 268.10, subdivision 4;

(29) persons appointed to serve as members of fact-finding commissions or adjustment panels, arbitrators, or labor referees under chapter 179;

(30) temporary employees employed for limited periods under any state or federal program for training or rehabilitation including persons employed for limited periods from areas of economic distress except skilled and supervisory personnel and persons having civil service status covered by the system;

(31) full-time students employed by the Minnesota historical society intermittently during part of the year and full-time during the summer months;

(32) temporary employees, appointed for not more than six months, of the metropolitan council and of any of its statutory boards, if the board members are appointed by the metropolitan council;

(33) persons employed in positions designated by the department of employee relations as student workers;

(34) any person who is 65 years of age or older when appointed and who does not have allowable service credit for previous employment, unless the employee gives notice to the director within 60 days after appointment that coverage is desired;

(35) members of trades employed by the metropolitan waste control commission with trade union pension plan coverage under a collective bargaining agreement first employed after June 1, 1977;

(36) persons employed in subsidized on-the-job training, work experience, or public service employment as enrollees under the federal Comprehensive Employment and Training Act after March 30, 1978, unless the person has as of the later of March 30, 1978 or the date of employment sufficient service credit in the retirement system to meet the minimum vesting requirements for a deferred annuity, or the employer agrees in writing on forms prescribed by the director to make the required employer contributions, including any employer additional contributions, on account of that person from revenue sources other

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

than funds provided under the federal Comprehensive Employment and Training Act, or the person agrees in writing on forms prescribed by the director to make the required employer contribution in addition to the required employee contribution;

(37) off-duty peace officers while employed by the metropolitan transit commission under section 629.40, subdivision 5; and

(38) persons who are employed as full-time firefighters by the department of military affairs and as firefighters are members of the public employees police and fire fund.

Sec. 5. Minnesota Statutes 1988, section 353.01, subdivision 2a, is amended to read:

Subd. 2a. **INCLUDED EMPLOYEES.** The following persons are included in the meaning of "public employee":

- (1) elected or appointed officers and employees of elected officers;
- (2) ~~district court reporters~~ persons who elect to remain members under section 14, subdivision 2;
- (3) officers and employees of the public employees retirement association;
- (4) employees of the league of Minnesota cities;
- (5) officers and employees of public hospitals owned or operated by, or an integral part of, a governmental subdivision or governmental subdivisions;
- (6) employees of a school district who receive separate salaries for driving their own buses;
- (7) employees of the association of Minnesota counties;
- (8) employees of the metropolitan intercounty association;
- (9) employees of the Minnesota municipal utilities association;
- (10) employees of the metropolitan airports commission if employment initially commenced after June 30, 1979;
- (11) employees of the Minneapolis employees retirement fund, if employment initially commenced after June 30, 1979;
- (12) employees of the range association of municipalities and schools;
- (13) employees of the soil and water conservation districts;
- (14) employees of a county historical society who are county employees;
- (15) employees of a county historical society located in the county whom

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

the county, at its option, certifies to the executive director to be county employees for purposes of retirement coverage under this chapter, which status must be accorded to all similarly situated county historical society employees and, once established, must continue as long as a person is an employee of the county historical society and is not excluded under subdivision 2b;

(16) employees of an economic development authority created under sections 458C.01 to 458C.23;

(17) employees of the department of military affairs of the state of Minnesota who are full-time firefighters.

Sec. 6. Minnesota Statutes 1988, section 357.021, subdivision 1a, is amended to read:

Subd. 1a. Every person, including the state of Minnesota and all bodies politic and corporate, who shall transact any business in the district court, shall pay to the court administrator of said court; ~~for the use of said county,~~ the sundry fees hereinafter prescribed; ~~provided, however, that no county to which this section applies, being a party to any action or proceeding in the district court established in such county, shall be required to pay fees to the court administrator thereof in subdivision 2.~~ The court administrator shall transmit the fees monthly to the county treasurer who shall forward the funds to the state treasurer for deposit in the state treasury and credit to the general fund.

Sec. 7. Minnesota Statutes 1988, section 357.021, subdivision 2, is amended to read:

Subd. 2. **FEE AMOUNTS.** The fees to be charged and collected by the court administrator shall be as follows:

(1) In every civil action or proceeding in said court, the plaintiff, petitioner, or other moving party shall pay, when the first paper is filed for that party in said action, a fee of ~~\$30~~ \$55, except that in an action for marriage dissolution, the fee is ~~\$55~~ \$75.

The defendant or other adverse or intervening party, or any one or more of several defendants or other adverse or intervening parties appearing separately from the others, shall pay, when the first paper is filed for that party in said action, a fee of ~~\$30~~ \$55, except that in an action for marriage dissolution, the fee for the respondent is \$75.

The party requesting a trial by jury shall pay \$30.

The fees above stated shall be the full trial fee chargeable to said parties irrespective of whether trial be to the court alone, to the court and jury, or disposed of without trial, and shall include the entry of judgment in the action, but does not include copies or certified copies of any papers so filed or proceedings under sections 106A.005 to 106A.811, except the provisions therein as to appeals.

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

(2) Certified copy of any instrument from a civil or criminal proceeding \$5, plus 25 cents per page after the first page and \$3.50, plus 25 cents per page after the first page for an uncertified copy.

(3) Issuing a subpoena \$3 for each name.

(4) Issuing an execution and filing the return thereof; issuing a writ of attachment, injunction, habeas corpus, mandamus, quo warranto, certiorari, or other writs not specifically mentioned, \$5.

(5) Issuing a transcript of judgment, or for filing and docketing a transcript of judgment from another court, \$5.

(6) Filing and entering a satisfaction of judgment, partial satisfaction or assignment of judgment, \$5.

(7) Certificate as to existence or nonexistence of judgments docketed, \$1 for each name certified to and \$3 for each judgment certified to.

(8) Filing and indexing trade name; or recording notary commission; or recording basic science certificate; or recording certificate of physicians, osteopaths, chiropractors, veterinarians or optometrists, \$5.

(9) For the filing of each partial, final, or annual account in all trusteeships, \$10.

(10) All other services required by law for which no fee is provided such fee as compares favorably with those herein provided, or such as may be fixed by rule or order of the court.

Sec. 8. Minnesota Statutes 1988, section 357.021, subdivision 2a, is amended to read:

Subd. 2a. **CERTAIN FEE PURPOSES.** Of the petitioner's marriage dissolution fee collected pursuant to subdivision 1, the court administrator shall pay \$35 to the state treasurer to be deposited in the special revenue fund to be used as follows: \$15 for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 611A.31 to 611A.36 and for administering displaced homemaker programs established under section 268.96; and \$20 is appropriated to the commissioner of corrections for the purpose of funding emergency shelter services and support services to battered women, on a matching basis with local money for 20 percent of the costs and state money for 80 percent. Of the \$15 for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 611A.31 to 611A.36 and for administering displaced homemaker programs established under section 268.96, \$6.75 is appropriated to the commissioner of corrections and \$8.25 is appropriated to the commissioner of jobs and training. The commissioner of jobs and training may use money appropriated in this subdivision for the administration of a displaced homemaker program regardless of the date on which the program was established.

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

Sec. 9. Minnesota Statutes 1988, section 357.021, subdivision 4, is amended to read:

Subd. 4. Nothing in this section shall be construed as amending, modifying, redistributing, or repealing the provisions as to library fees contained in chapter 140.

Sec. 10. **[357.022] CONCILIATION COURT FEE.**

The court administrator in every county shall charge and collect a filing fee of \$10 from every plaintiff and from every defendant when the first paper for that party is filed in any conciliation court action. The court administrator shall transmit the fees monthly to the state treasurer for deposit in the state treasury and credit to the general fund.

Sec. 11. Minnesota Statutes 1988, section 357.08, is amended to read:

357.08 PAID BY APPELLANT IN APPEAL.

There shall be paid to the clerk of the appellate courts by the appellant, or moving party or person requiring the service, in all cases of appeal, certiorari, habeas corpus, mandamus, injunction, prohibition, or other original proceeding, when initially filed with the clerk of the appellate courts, the sum of ~~\$50~~ \$150 to the clerk of the appellate courts. ~~In addition, there shall be paid by the appellant or moving party or person the sum of \$10 to the court or agency whose decision is sought to be reviewed. No~~ An additional filing fee of ~~\$50~~ \$150 shall be required for a petition for accelerated review by the supreme court. A filing fee of ~~\$50~~ \$150 shall be paid to the clerk of the appellate courts upon the filing of a petition for review from a decision of the court of appeals. A filing fee of \$150 shall be paid to the clerk of the appellate courts upon the filing of a petition for permission to appeal. A filing fee of \$75 shall be paid to the clerk of the appellate courts upon the filing by a respondent of a notice of review. The clerk shall transmit the fees to the state treasurer for deposit in the state treasury and credit to the general fund.

The clerk shall not file any paper, issue any writ or certificate, or perform any service enumerated herein, until the payment has been made for it. The clerk shall pay the sum into the state treasury as provided for by section 15A.01.

The charges provided for shall not apply to disbarment proceedings, nor to an action or proceeding by the state taken solely in the public interest, where the state is the appellant or moving party, nor to copies of the opinions of the court furnished by the clerk to the parties before judgment, or furnished to the district judge whose decision is under review, or to such law library associations in counties having a population exceeding 50,000, as the court may direct.

Sec. 12. Minnesota Statutes 1988, section 466.01, subdivision 6, is amended to read:

Subd. 6. **EMPLOYEE, OFFICER, OR AGENT.** For the purposes of sec-

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

tions 466.01 to 466.15, "employee," "officer," or "agent" means a present or former employee, officer, or agent of a municipality, or other person acting on behalf of the municipality in an official capacity, temporarily or permanently, with or without compensation, but does not include an independent contractor. "Employee" includes court administrators and their staff under chapter 485, district administration staff in the second and fourth judicial districts, guardians ad litem, and other employees within the court system whose salaries are paid by the county, other than employees who remain on the county payroll under section 14, subdivision 2.

Sec. 13. Minnesota Statutes 1988, section 480.058, is amended to read:

480.058 RIGHT RESERVED.

Subdivision 1. BY LEGISLATURE. Sections 480.051 to 480.058 shall not abridge the right of the legislature to enact, modify, or repeal any statute or modify or repeal any rule of the supreme court adopted pursuant thereto.

Subd. 2. APPELLATE FEES AND FORFEITS. Appellate court fees collected under Minnesota Rules of Civil Appellate Procedure Numbers 103, 115, 120, 121, or other law or rule and bond amounts or security deposits forfeit under Minnesota Rules of Civil Appellate Procedure Numbers 107 and 108 must be transmitted to the state treasurer for deposit in the state treasury and credit to the general fund.

Sec. 14. **[480.181] TRANSFER OF EMPLOYEES TO JUDICIAL BRANCH.**

Subdivision 1. STATE EMPLOYEES; COMPENSATION. District court referees, judicial officers, court reporters, law clerks, and district administration staff, other than district administration staff in the second and fourth judicial districts, are state employees and are governed by the judicial branch personnel rules adopted by the supreme court. The supreme court, in consultation with the conference of chief judges, shall establish the salary range of these employees under the judicial branch personnel rules. In establishing the salary ranges, the supreme court shall consider differences in the cost of living in different areas of the state.

Subd. 2. ELECTION TO RETAIN INSURANCE AND BENEFITS; RETIREMENT. (a) Before a person is transferred to state employment under this section, the person may elect to do either or both of the following:

(1) keep life insurance; hospital, medical, and dental insurance; and vacation and sick leave benefits and accumulated time provided by the county instead of receiving benefits from the state under the judicial branch personnel rules; or

(2) remain a member of the public employees retirement association or the Minneapolis employees retirement fund instead of joining the Minnesota state retirement system.

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

Employees who make an election under clause (1) remain on the county payroll, but the state shall reimburse the county on a quarterly basis for the salary and cost of the benefits provided by the county. The state shall make the employer contribution to the public employees retirement association or the employer contribution under section 422A.101, subdivision 1a, to the Minneapolis employees retirement fund on behalf of employees who make an election under clause (2).

(b) An employee who makes an election under paragraph (a), clause (1), may revoke the election, once, at any time, but if the employee revokes the election, the employee cannot make another election. An employee who makes an election under paragraph (a), clause (2) may revoke the election at any time within six months after the person becomes a state employee. Once an employee revokes this election, the employee cannot make another election.

(c) The supreme court, after consultation with the conference of chief judges, the commissioner of employee relations, and the executive directors of the public employees retirement association and the Minnesota state retirement association, shall adopt procedures for making elections under this section.

(d) The supreme court shall notify all affected employees of the options available under this section. The executive directors of the public employees retirement association and the Minnesota state retirement system shall provide counseling to affected employees on the effect of making an election to remain a member of the public employees retirement association.

Subd. 3. ACCUMULATED BENEFITS. A person who begins to receive benefits from the state under the judicial branch personnel rules under this section must receive credit for accumulated vacation and sick leave time, as certified by the county auditor and district administrator.

Subd. 4. DATE OF EMPLOYMENT. A person who becomes a state employee under this section is considered to have begun employment with the state on the date the person became a county or judicial district employee to determine eligibility for benefits.

Sec. 15. Minnesota Statutes 1988, section 480.235, is amended to read:

480.235 TRIAL COURT INFORMATION SYSTEM.

The cost of operating the trial court information system in a judicial district must be shared between the state and the participating counties of a judicial district. The state share of operating costs is limited to the following categories: computer and terminal equipment hardware; computer and terminal equipment maintenance; software acquisition and maintenance; durable supplies; communications equipment acquisition and maintenance; data communications; and new judicial district systems personnel. The participating counties of a judicial district must pay all other operating costs, including but not limited to: space rental for computer equipment; utilities; consumable supplies; postage; off-site

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

computer disk file storage, and all personnel-related expenses, other than salaries and fringe benefits for judicial district systems personnel must be paid by the state.

Sec. 16. Minnesota Statutes 1988, section 484.545, subdivision 2, is amended to read:

Subd. 2. Notwithstanding any law to the contrary, in all judicial districts, ~~except the fourth judicial district, a salary range for law clerks shall be established annually by the judicial district administrator with the approval of a majority of judges of the district. the salary for each law clerk shall be set within that range annually by the district administrator after consultation with the chief judge within the range established under, or referred to in, section 14, as provided in the judicial branch personnel rules.~~

Nothing herein shall change the manner by which law clerk salaries are paid; the proportions among the various counties of a judicial district by which the funds are allocated or any statutory provision related to law clerk compensation other than the manner of setting salary. Each county shall be required by the order to pay a specified amount thereof in monthly installments which shall be such proportion of the whole salaries as the population of the county is to the total population of the counties to which the judge is assigned as determined by the last census.

Sec. 17. Minnesota Statutes 1988, section 484.545, subdivision 3, is amended to read:

Subd. 3. The law clerks, in addition to their salary, shall be paid necessary mileage, traveling and hotel expenses accrued in their discharge of official duties while absent from their permanent work assignment location. ~~The county auditor of the county for which the expenses were incurred, Upon presentation of a verified statement approved by one of the judges, shall issue a warrant in payment thereof the state shall pay the expenses.~~

Sec. 18. Minnesota Statutes 1988, section 484.62, is amended to read:

484.62 COMPENSATION AND REPORTER.

When a retired judge undertakes such service, the retired judge shall be provided at the expense of the county of performance of the service with a reporter, selected by the retired judge, at the expense of the state, and with a deputy clerk, bailiff, if the judge deems a bailiff necessary, and a courtroom or hearing room for the purpose of holding court or hearings, to be paid for by the county in which the service is rendered and shall receive pay and expenses in the amount and manner provided by law for judges serving on the court to which the retired judge is assigned, less the amount of retirement pay which the judge is receiving, said payment to be made in the same manner as the payment of salaries for judges of the district court, on certification by the chief judge of the judicial district or by the chief justice of the supreme court of the state of

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

Minnesota. A deputy court administrator may act as bailiff when called to do so for the purposes of this section. A retired judge who solemnizes a marriage while not assigned under section 484.61 is not entitled to the compensation provided by this section.

Sec. 19. Minnesota Statutes 1988, section 484.64, subdivision 3, is amended to read:

Subd. 3. The board of county commissioners of Ramsey county shall provide suitable chambers and courtroom space, clerks, ~~reporters, bailiffs, and one or more referees~~ and other personnel to assist said judge, together with necessary library, supplies, stationery and other expenses necessary thereto. The state shall provide referees, court reporters, and law clerks.

Sec. 20. Minnesota Statutes 1988, section 484.65, subdivision 3, is amended to read:

Subd. 3. The board of county commissioners of Hennepin county shall provide suitable chambers and courtroom space, clerks, ~~secretaries or reporters, bailiffs, and one or more referees~~ and other personnel to assist said judge, together with necessary library, supplies, stationery and other expenses necessary thereto. The state shall provide referees, court reporters, and law clerks.

Sec. 21. Minnesota Statutes 1988, section 484.65, subdivision 7, is amended to read:

Subd. 7. The district court judge, family court division, may, with the consent and approval of the judges of the district court of the fourth judicial district, appoint one or more suitable persons to act as referees. Such referees shall be learned in the law and shall hold office at the pleasure of the judges of the district court. ~~The compensation of a referee shall be fixed by the personnel board of Hennepin county and appropriated by the county board and shall be paid in the same manner as other county employees are paid.~~

Sec. 22. Minnesota Statutes 1988, section 484.68, subdivision 5, is amended to read:

Subd. 5. **BUDGET FOR OFFICE.** The office budget of the district administrator shall be set by the chief judge of the judicial district and apportioned among the counties of the district paid by the state. The budget must include sufficient money for the staff authorized by this section and other staff and expenses authorized under law. A county shall provide office facilities for the district administrator.

Sec. 23. Minnesota Statutes 1988, section 485.018, subdivision 5, is amended to read:

Subd. 5. **COLLECTION OF FEES.** The court administrator of district court shall charge and collect all fees as prescribed by law and all such fees collected by the court administrator as court administrator of district court shall

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

be paid to the county treasurer. Except for those portions of forfeited bail paid to victims pursuant to existing law, the county treasurer shall forward all revenue from fees and forfeited bail collected under chapters 357 and 574 to the state treasurer for deposit in the state treasury and credit to the general fund, unless otherwise provided in chapter 611A or other law, in the manner and at the times prescribed by the county board state treasurer, but not less often than once each month. All other money must be deposited in the county general fund unless otherwise provided by law. The court administrator of district court shall not retain any additional compensation, per diem or other emolument for services as court administrator of district court, but may receive and retain mileage and expense allowances as prescribed by law.

Sec. 24. Minnesota Statutes 1988, section 485.018, subdivision 7, is amended to read:

Subd. 7. **APPEAL FROM RESOLUTION OF THE BOARD.** The court administrator of district court if dissatisfied with the action of the county board in setting the amount of the court administrator's salary or the amount of the budget for the office of court administrator of district court, may appeal to the district court on the grounds that the determination of the county board in setting such salary or budget was arbitrary, capricious, oppressive or without sufficiently taking into account the extent of the responsibilities and duties of said office, and the court administrator's experience, qualifications, and performance. The appeal shall be taken within 15 days after the date of the resolution setting such salary or budget by serving a notice of appeal on the county auditor and filing same with the court administrator of the district court. The court either in term or vacation and upon ten days notice to the chair of the board shall hear such appeal. On the hearing of the appeal the court shall review the decision or resolution of the board in a hearing de novo and may hear new or additional evidence, or the court may order the officer appealing and the board to submit briefs or other memoranda and may dispose of the appeal on such writings. If the court shall find that the board acted in an arbitrary, capricious, oppressive or unreasonable manner or without sufficiently taking into account the responsibilities and duties of the office of the court administrator, and the court administrator's experience, qualifications, and performance, it shall make such order to take the place of the order appealed from as is justified by the record and shall remand the matter to the county board for further action consistent with the court's findings. After determination of the appeal the county board shall proceed in conformity therewith. This subdivision is not in effect from July 1, 1989, to July 1, 1991 with respect to the amount of the budget of the office of court administrator of district court.

Sec. 25. Minnesota Statutes 1988, section 486.05, subdivision 1, is amended to read:

~~Subdivision 1. In all judicial districts a salary range for court reporters shall be established annually by the judicial district administrator with the approval of a majority of judges of the district. The salary for each court reporter shall be set within that range annually by the district administrator after consultation with the chief judge within the range established under section 14, as provided~~

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

in the judicial branch personnel rules. Nothing in this subdivision changes the manner by which court reporters are paid; the proportions among the various counties of a judicial district by which the funds are allocated or any statutory provisions related to court reporter compensation other than the manner of setting salary. Each county shall be required by order to pay a specified amount of the salary in monthly installments, which shall be the proportion of the whole salary as the population in each county bears to the total population in the district in the most recent federal census. If a judge is temporarily transferred to hold court in a county outside of the judge's judicial district then that county shall pay a part of the monthly salary of the judge's reporter equal to the part of the month worked by the reporter in the county. The reporter, in addition to a salary, shall be paid necessary mileage, traveling, and hotel expenses incurred in the discharge of official duties while absent from the home chambers where the judge the reporter serves is assigned. The expenses are to be paid by the county for which the expenses were incurred upon presentation of a verified itemized statement approved by the judge; and the auditor of the county, upon presentation of the approved statement, shall issue a warrant for payment.

This subdivision supersedes all laws relating to the salary of district court reporters inconsistent with this subdivision, except the manner of setting salary in this subdivision does not apply to the second and fourth judicial districts.

Sec. 26. Minnesota Statutes 1988, section 486.05, as amended by section 25, is amended to read:

486.05 DISTRICT COURT; REPORTERS' SALARIES AND EXPENSES.

Subdivision 1. SALARIES. The salary for each court reporter shall be set annually by the district administrator within the range established under section 12 as provided in the judicial branch personnel rules.

Subd. 1a. EXPENSES. The A court reporter, in addition to a salary, shall be paid necessary mileage, traveling, and hotel expenses incurred in the discharge of official duties while absent from the home chambers where the judge the reporter serves is assigned. The expenses are to be paid by the county for which the expenses were incurred state upon presentation of a verified itemized statement approved by the judge; and the auditor of the county, upon presentation of the approved statement, shall issue a warrant for payment.

This subdivision supersedes all laws relating to the salary of district court reporters inconsistent with this subdivision, except the manner of setting salary in this subdivision does not apply to the second and fourth judicial districts.

Sec. 27. Minnesota Statutes 1988, section 486.055, is amended to read:

486.055 COURT REPORTER TRANSCRIPT FEE CHARGES; REPORTING REQUIREMENTS.

Each court reporter who charges a fee for the preparation of transcripts shall

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

by April 15 of each year file with the district administrator of the reporter's judicial district ~~and the county commissioners of the district~~ an accounting of gross receipts and net income from these receipts for the prior calendar year. The accounting report shall specify the amount received in payment for the sale of transcripts.

Sec. 28. Minnesota Statutes 1988, section 486.06, is amended to read:

486.06 CHARGE FOR TRANSCRIPT.

In addition to the salary ~~specified~~ set in section 486.05, the court reporter may charge for a transcript of a record ordered by any person other than the judge 50 cents per original folio thereof and ten cents per folio for each manifold or other copy thereof when so ordered that it can be made with the original transcript. The chief judge of the judicial district may by order establish new transcript fee ceilings annually.

A court reporter may impose a fee authorized under this section only if the transcript is delivered to the person who ordered it within a reasonable time after it was ordered.

Sec. 29. Minnesota Statutes 1988, section 487.08, subdivision 5, is amended to read:

Subd. 5. All judicial officers are subject to the administrative authority and assignment power of the chief judge of the district as provided in section 484.69, subdivision 3. They shall be learned in the law, and shall hear and try matters as assigned to them by the chief judge. Their salary shall be fixed by the chief judge, ~~with the approval of the county board or boards of the counties in which they hold office, and shall be paid by the county or counties~~ within the range established under section 14 and must not exceed the salary for referees under section 15A.083, subdivision 6. The supreme court must not approve aggregate performance increases for these employees that exceed an average of five percent per year.

Sec. 30. Minnesota Statutes 1988, section 487.31, subdivision 1, is amended to read:

Subdivision 1. The fees payable to the court administrator for the following services in civil actions are:

In all civil actions within the jurisdiction of the county court, the fees payable to the court administrator shall be the same as in district court. ~~The county court shall determine by rule the fees payable in cases heard in the conciliation division of the county court.~~ The fee payable for cases heard in conciliation court division is established under section 10. The filing fees must be transmitted to the county treasurer who shall transmit them to the state treasurer for deposit in the general fund.

The fees payable to the court administrator for the following services in

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

petty misdemeanors or criminal actions are governed by the following provisions:

In the event the court takes jurisdiction of a prosecution for the violation of a statute or ordinance by the state or a governmental subdivision other than a city or town within the county court district; all fines, penalties and forfeitures collected shall be paid over to the treasurer of the governmental subdivision which submitted a case for prosecution except where a different disposition is provided by law, in which case payment shall be made to the public official entitled thereto. The following fees for services in petty misdemeanor or criminal actions shall be taxed to the state or governmental subdivision which would be entitled to payment of the fines, forfeiture or penalties in any case, and shall be retained by the court administrator for disposing of the matter but in no case shall the fee that is taxed exceed the fine that is imposed. The court administrator shall deduct the fees from any fine collected and transmit the balance in accordance with the law, and the deduction of the total of such fees each month from the total of all such fines collected is hereby expressly made an appropriation of funds for payment of such fees:

(1) In all cases where the defendant pleads guilty at or prior to first appearance and sentence is imposed or the matter is otherwise disposed of without a trial \$5

(2) Where the defendant pleads guilty after first appearance or prior to trial \$10

(3) In all other cases where the defendant is found guilty by the court or jury or pleads guilty during trial \$15

(4) The court shall have the authority to waive the collection of fees in any particular case.

The fees set forth in this subdivision shall not apply to parking violations for which complaints and warrants have not been issued.

Sec. 31. Minnesota Statutes 1988, section 488A.14, subdivision 1, is amended to read:

Subdivision 1. **COMMENCEMENT OF ACTION.** An action is commenced against each defendant when the complaint is filed with the court administrator of conciliation court and ~~a the~~ filing fee ~~of \$9~~ is paid to the court administrator or the prescribed affidavit in lieu of ~~the~~ filing fee is filed. The filing fees must be transmitted to the county treasurer who shall transmit them to the state treasurer for deposit in the general fund.

Sec. 32. Minnesota Statutes 1988, section 488A.17, subdivision 2, is amended to read:

Subd. 2. **PROCEDURE FOR REMOVAL OF CAUSE.** No cause shall be removed by the aggrieved party unless all of the following acts are performed

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

within 20 days after the date the court administrator mailed to the aggrieved party notice of the order for judgment:

(a) Serving on the opposing party or the opposing party's attorney a demand for removal of the cause to the municipal court for trial de novo stating whether trial by a jury of six persons or by the court without a jury is demanded. Service shall be made upon a party by mail or by personal service in accordance with the provisions for personal service of a summons in the municipal court or shall be made upon the party's attorney in accordance with the provisions for service of a notice of motion upon an attorney in the municipal court. The demand shall show the office address of the attorney for each party and the residence address of each party who does not have an attorney.

(b) Filing with the court administrator of conciliation court the original demand for removal and proof of service thereof. If the opposing party or the opposing party's attorney cannot be found and service of the demand is made within the 20 day period, the aggrieved party may file with the court administrator within the 20 day period the original and a copy of the demand, together with an affidavit by the aggrieved party or the party's attorney showing that due and diligent search has been made and that the opposing party or the opposing party's attorney cannot be found. The filing of this affidavit shall serve in lieu of making service and filing proof of service. When an affidavit is filed, the court administrator shall mail the copy of the demand to the opposing party at the opposing party's last known residence address.

(c) Filing with the court administrator of conciliation court an affidavit by the aggrieved party or the aggrieved party's attorney stating that the removal is made in good faith and not for the purpose of delay.

(d) Paying to the court administrator of conciliation court \$2 ~~when the demand is for trial by court or \$7 when the demand is for trial by a jury of six persons.~~ as the fee for removal the amount of the filing fee for a civil action in district court. The fee must be forwarded to the state treasurer for deposit in the state treasury and credit to the general fund.

Sec. 33. Minnesota Statutes 1988, section 488A.31, subdivision 1, is amended to read:

Subdivision 1. **FILING FEE.** An action is commenced against each defendant when the complaint is filed with the administrator of conciliation court and a the filing fee set by the board of Ramsey county commissioners is paid to the administrator or the prescribed affidavit in lieu of filing fee is filed. No filing fee is payable by the county. The fees must be forwarded to the state treasurer for deposit in the state treasury and credit to the general fund.

Sec. 34. Minnesota Statutes 1988, section 488A.34, subdivision 2, is amended to read:

Subd. 2. **PROCEDURE FOR REMOVAL OF CAUSE.** No cause shall be

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

removed by the aggrieved party unless all of the following acts are performed within 20 days after the date the administrator mailed to the aggrieved party notice of the order for judgment:

(a) Serving on the opposing party or the opposing party's attorney a demand for removal of the cause to the municipal court for trial de novo stating whether trial by a jury of six persons or by the court without a jury is demanded. Service shall be made upon a party by mail or by personal service in accordance with the provisions for personal service of a summons in the municipal court or shall be made upon the party's attorney in accordance with the provisions for service of a notice of motion upon an attorney in the municipal court. The demand shall show the office address of the attorney for each party and the residence address of each party who does not have an attorney.

(b) Filing with the administrator of conciliation court the original demand for removal and proof of service thereof. If the opposing party or the opposing party's attorney cannot be found and service of the demand is made within the 20 day period, the aggrieved party may file with the administrator within the 20 day period the original and a copy of the demand, together with an affidavit by the aggrieved party or the aggrieved party's attorney showing that due and diligent search has been made and that the opposing party or the opposing party's attorney cannot be found. The filing of this affidavit shall serve in lieu of making service and filing proof of service. When an affidavit is filed, the administrator shall mail the copy of the demand to the opposing party at the opposing party's last known address.

(c) Filing with the administrator of conciliation court an affidavit by the aggrieved party or the opposing party's attorney stating that the removal is made in good faith and not for the purpose of delay.

(d) Paying to the administrator of conciliation court as the fee set by the board of Ramsey County commissioners when the demand is for trial by court, and the fee as set by the Ramsey County commissioners when the demand is for trial by a jury of six. The above fee is not payable by the county. for removal the amount of the filing fee for a civil action in district court. The fees shall be forwarded to the state treasurer for deposit in the state treasury and credited to the general fund.

Sec. 35. Minnesota Statutes 1988, section 525.033, is amended to read:

525.033 FEES FOR FILING PETITIONS.

The probate court shall collect a fee as established by section 357.021, subdivision 2, clause (1), for filing a petition to commence a proceeding under this chapter and chapter 524. The fee for copies of all documents in probate proceedings must be the same as the fee established for certified copies in civil proceedings under section 357.021, subdivision 2. Fees collected under this section and section 525.031 must be forwarded to the state treasurer for deposit in the state treasury and credited to the general fund.

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

Sec. 36. Minnesota Statutes 1988, section 611.26, subdivision 2, is amended to read:

Subd. 2. The state board of public defense shall appoint a district public defender. When appointing a district public defender, the state board of public defense membership shall be increased to include two judges of the district and two county commissioners of the counties within the district. The additional members shall serve only in the capacity of selecting the district public defender. The judges within the district shall elect their two ad hoc members. The two county commissioners within the district shall be selected by the county boards of the counties within the district. The ad hoc state board of public defense shall appoint a district public defender only after requesting and giving reasonable time to receive any recommendations from the public, the local bar association, the judges of the district, and the county commissioners within the district. Each district public defender shall be a qualified attorney, licensed to practice law in this state. The district public defender shall be appointed for a term of four years, beginning ~~August~~ November 1, pursuant to the following staggered term schedule: (1) in 1987, the third and eighth districts; (2) in 1988, the first and tenth districts; (3) in 1989, the fifth and ninth districts; ~~and~~ (4) in 1990, the sixth and seventh districts; (5) in 1991, the second, fourth, and eighth districts; and (6) in 1992, the first, third, and tenth districts. The district public defenders shall serve for staggered four-year terms and may be removed for cause upon the order of the state board of public defense. Vacancies in the office shall be filled by the appointing authority for the unexpired term.

Sec. 37. [611.263] COUNTY IS EMPLOYER OF RAMSEY, HENNEPIN DEFENDERS.

Subdivision 1. EMPLOYEES. (a) The district public defender and assistant public defenders of the second judicial district are employees of Ramsey county in the unclassified service under section 383A.286.

(b) The district public defender and assistant public defenders of the fourth judicial district are employees of Hennepin county under section 383B.63, subdivision 6.

Subd. 2. PUBLIC EMPLOYER. (a) Notwithstanding section 179A.03, subdivision 15, clause (c), the Ramsey county board is the public employer under the public employment labor relations act for the district public defender and assistant public defenders of the second judicial district.

(b) Notwithstanding section 179A.03, subdivision 15, clause (c), the Hennepin county board is the public employer under the public employment labor relations act for the district public defender and assistant public defenders of the fourth judicial district.

Sec. 38. TRANSITION, PUBLIC DEFENDERS; SECOND AND FOURTH DISTRICTS.

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

The district public defender of the second judicial district serving on July 1, 1989, shall continue in office until the expiration of the term to which appointed or until August 1, 1991, whichever date is later.

The district public defender of the fourth judicial district serving on July 1, 1989, shall continue in office until the expiration of the term to which appointed or until August 1, 1991, whichever date is later.

Sec. 39. [631.021] SPEEDY CRIMINAL TRIALS; CASE DISPOSITION OBJECTIVES.

The judges of each judicial district must adopt and administer rules or procedures to ensure that, on and after July 1, 1994, the following timing objectives for the disposition of criminal cases are met by judges within the district:

(1) 90 percent of all criminal cases must be disposed of within 120 days;

(2) 97 percent of all criminal cases must be disposed of within 180 days;
and

(3) 99 percent of all criminal cases must be disposed of within 365 days.

The time periods referred to in clauses (1) to (3) must be measured from the date the criminal complaint is filed, to the date the defendant is either found not guilty or is sentenced. If the criminal case begins by indictment rather than by criminal complaint, the time period must be measured from the date the indictment is returned.

Sec. 40. COURT MANAGEMENT PLAN.

On or before January 1, 1990, the judges of each judicial district shall prepare a written caseload management plan to implement the goal of ensuring the right to speedy trial in criminal cases and the expeditious disposition of civil cases. The plan must discuss current caseloads in each judicial district and the time necessary to dispose of the various types of cases, including felonies, gross misdemeanors, misdemeanors, marriage dissolution and other family law matters, probate, juvenile, general civil matters, and conciliation court matters. The plan must be based on the assumption that the judicial and staff resources that will be available are those available on July 1, 1989.

In addition to preparing a caseload management plan, the judges of each judicial district shall make written recommendations for any changes in rules of procedure or statutes affecting procedure that they find would improve the expeditious disposition of criminal and civil cases in the district courts.

A copy of the caseload management plan, including any recommendations for changes in rules of procedure or statutes affecting procedure, must be filed with the state court administrator and the chairs of the judiciary committees of the house of representatives and of the senate on or before January 1, 1990.

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

Sec. 41. CRIMINAL COURTS STUDY COMMISSION.

The supreme court shall establish a commission to study ways to more expeditiously dispose of criminal cases in the district courts, in a manner that preserves the interest of both the defendant and the state in having a fair and just outcome. The commission shall consist of sufficient members to provide adequate representation of the viewpoints and experience of judges, prosecutors, and defense attorneys involved in the disposition of criminal matters. The commission may establish advisory groups to focus on juvenile law or other specific areas of practice.

The commission study must include the following:

(1) whether model proposals or rules and statutes from other jurisdictions provide any alternatives that might be followed to modify the rules of criminal procedure and statutes affecting criminal procedure in ways that would simplify procedures without sacrificing fair outcome;

(2) whether certain kinds of offenses, such as traffic petty misdemeanors and housing code violations, might be better processed if the only possible sentence were a fine rather than incarceration, if a referee or administrative officer rather than a judge presided, and if no prosecuting attorney was involved, with the option of enhancing the matter to a misdemeanor if prior judgments have been entered against a party;

(3) whether the petty misdemeanor category should be expanded to replace current misdemeanor offenses in some instances, with criteria for enhancing a petty misdemeanor to a misdemeanor in specified circumstances; and

(4) whether other administrative or legislative action can be taken to facilitate the expeditious disposition of criminal cases without sacrifice of due process of law.

The commission shall report its conclusions to the supreme court on or before January 1, 1991.

Sec. 42. TRANSITIONAL PROVISIONS.

Subdivision 1. HIRING AND SALARY MORATORIUM. A county or a court must not increase the number of referees, judicial officers, court reporters, law clerks, or district administration employees in the county, other than district administration employees in the second or fourth judicial district, without approval of the supreme court unless the increase was authorized before January 30, 1989. Notwithstanding any law to the contrary, the supreme court may authorize an additional complement of up to five law clerks for the seventh judicial district. A county or a court must not increase the salaries of these employees without the approval of the supreme court, unless the increase is made under a plan adopted before January 30, 1989. The supreme court must not approve aggregate performance increases for these employees that exceed an average of four percent.

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

Subd. 2. TRANSFER OF PROPERTY. The title to all personal property owned by the county that is used by the employees listed in subdivision 1 in the scope of their employment is transferred to the state when they become state employees.

Subd. 3. RULES. The supreme court, in consultation with the conference of chief judges, may adopt rules to implement this article.

Subd. 4. BUDGETS. Notwithstanding any law to the contrary, the budgets for the judicial districts including the number of complement positions and salaries must be submitted by the district administrators to the supreme court. The budgets shall include the current levels of funding and positions at the time of submission as well as the requests for increases in funding and positions. Submission of the budgets for calendar year 1990 must be made to the supreme court. The supreme court shall then submit the budgets to the department of finance, and the legislature by January 15, 1990. Submission of the budgets for calendar year 1991 must be made by October 1, 1990.

Sec. 43. CONTINUED STUDY BY SUPREME COURT.

The supreme court shall continue to study all county-funded components of the district courts and make recommendations to the governor and the legislature by August 1, 1990, for inclusion in the governor's budget recommendations to the legislature for the 1991 session, regarding their control and financing. The supreme court shall also study the right to legal counsel in juvenile justice matters and recommend criteria for that right to the legislature by July 1, 1990.

EIGHTH JUDICIAL DISTRICT PROJECT AND RELATED MATTERS

Sec. 44. APPLICATION.

Sections 45 to 54, except the parts of section 54, that by their terms have broader application, apply only in the eighth judicial district for the period from January 1, 1990, to June 30, 1991.

Those parts of section 54, having broader application, apply statewide for the period from July 1, 1989, to June 30, 1991.

Sec. 45. FINES AND FORFEITED BAIL.

Subdivision 1. THIS PREVAILS. Subdivision 2 prevails over contrary provisions of Minnesota Statutes, section 97A.065, subdivision 2.

Subd. 2. GAME AND FISH LAWS. (a) Fines and forfeited bail collected from prosecutions of violations of the game and fish laws, Minnesota Statutes, sections 84.09 to 84.15, and 84.81 to 84.88, chapter 348, and any other law relating to wild animals, and aquatic vegetation must be paid to the treasurer of the county where the violation is prosecuted. The county treasurer shall submit one-half of the receipts to the commissioner and the balance to the state treasurer for deposit in the state treasury and credit to the general fund, except as provided in paragraph (b).

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

(b) The county treasurer shall indicate the amount of the receipts that are assessments or surcharges imposed under Minnesota Statutes, section 609.101 and shall submit all of those receipts to the commissioner. The receipts must be credited to the game and fish fund to provide peace officer training for persons employed by the commissioner who are licensed under section 626.84, subdivision 1, clause (c), and who possess peace officer authority to enforce game and fish laws.

Sec. 46. FINES AND FORFEITED BAIL MONEY.

Subdivision 1. THIS PREVAILS. Subdivision 2 prevails over contrary provisions of Minnesota Statutes, section 299D.03, subdivision 5.

Subd. 2. STATE PATROL. (a) Fines and forfeited bail money from traffic and motor vehicle law violations collected from persons apprehended or arrested by officers of the state patrol must be paid by the collector before the 11th day after the last day of the month in which the money was collected, to the county treasurer of the county where the violation occurred. The receipts must be transmitted by the collector to the state treasurer. Three-eighths of the receipts must be credited to the general fund and five-eighths of the receipts must be credited to the trunk highway fund. If, however, the violation occurs within a municipality and the city attorney prosecutes the offense, and a plea of not guilty is entered, one-third of the receipts must be credited to the general revenue fund of the state, one-third of the receipts must be paid to the municipality prosecuting the offense, and one-third must be transmitted to the state treasurer to be credited to the trunk highway fund. All costs of participation in a nationwide police communication system chargeable to the state of Minnesota must be paid from appropriations for that purpose.

(b) Notwithstanding any other law, fines and forfeited bail money from violations of statutes governing the maximum weight of motor vehicles, collected from persons apprehended or arrested by employees of the state of Minnesota, by means of stationary or portable scales operated by the employees, must be paid by the collector before the 11th day after the last day of the month in which the collections were made, to the county treasurer of the county where the violation occurred. The receipts must be transmitted by the collector to the state treasurer. Five-eighths of the receipts must be credited to the highway user tax distribution fund and three-eighths of the receipts must be credited to the general fund.

Sec. 47. FEES.

Subdivision 1. THIS PREVAILS. Subdivision 2 prevails over contrary provisions of Minnesota Statutes, section 357.021, subdivision 1a.

Subd. 2. PROCEDURE. A person, including the state of Minnesota and a body politic and corporate, who transacts business in the district court, shall pay to the court administrator the fees prescribed in Minnesota Statutes, section 357.021, subdivision 2. The court administrator shall transmit the fees monthly to the county treasurer who shall forward the money to the state treasurer for deposit in the state treasury and credit to the general fund.

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

Sec. 48. PAID BY APPELLANT IN APPEAL.

Subdivision 1. THIS PREVAILS. Subdivision 2 prevails over contrary provisions of Minnesota Statutes, section 357.08.

Subd. 2. PROCEDURE. \$60 must be paid to the clerk of the appellate courts by the appellant, or moving party or person requiring the service, in all cases of appeal, certiorari, habeas corpus, mandamus, injunction, prohibition, or other original proceeding, when first filed with the clerk of the appellate courts. An additional filing fee is not required for a petition for accelerated review by the supreme court. A filing fee of \$50 must be paid to the clerk of the appellate courts on the filing of a petition for review from a decision of the court of appeals.

The clerk must not file a paper, issue a writ or certificate, or perform a service listed in this section, until the payment has been made for it. The clerk shall pay the sum into the state treasury as provided for by Minnesota Statutes, section 15A.01.

The charges provided for do not apply to disbarment proceedings, nor to an action or proceeding by the state taken solely in the public interest, where the state is the appellant or moving party, nor to copies of the opinions of the court furnished by the clerk to the parties before judgment, or furnished to the district judge whose decision is under review, or, as the court directs, to law library associations in counties having a population exceeding 50,000.

Sec. 49. COLLECTION OF FEES.

Subdivision 1. THIS PREVAILS. Subdivision 2 prevails over contrary provisions of Minnesota Statutes, section 485.018, subdivision 5.

Subd. 2. PROCEDURE. The court administrator of district court shall charge and collect all fees as prescribed by law and the fees collected by the court administrator as court administrator of district court must be paid to the county treasurer. The court shall forward all money collected under Minnesota Statutes, chapter 357, 487, or 574 to the state treasurer for deposit in the state treasury and credit to the general fund in the manner and at the times prescribed by the state treasurer, but not less often than once each month. The court administrator of district court must not keep any additional compensation, per diem or other emolument for services as court administrator of district court, but may receive and keep mileage and expense allowances as prescribed by law.

Sec. 50. CONCILIATION COURT.

Subdivision 1. THIS PREVAILS. Subdivision 2 prevails over contrary provisions of Minnesota Statutes, section 487.31, subdivision 1.

Subd. 2. FEES. The fee payable for cases in the conciliation court division is established under section 10. The conciliation court filing fees must be trans-

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

mitted to the county treasurer who shall forward them to the state treasurer for deposit in the state treasury and credit to the general fund.

The fees payable to the court administrator for the following services in petty misdemeanors or criminal actions are governed by the following provisions:

In the event the court takes jurisdiction of a prosecution for the violation of a statute or ordinance by the state or a governmental subdivision other than a city or town located in whole or in part within the county; all fines, penalties, and forfeitures collected must be paid over to the treasurer of the governmental subdivision that submitted a case for prosecution except where a different disposition is provided by law, in which case payment must be made to the public official entitled to it.

Sec. 51. REFUNDS.

Subdivision 1. THIS PREVAILS. Subdivision 2 prevails over contrary provisions of Minnesota Statutes, section 487.32, subdivision 3.

Subd. 2. PROCEDURE. A judge of district court may order any forfeited sums to be reinstated and the state treasurer shall then refund accordingly. The state treasurer shall reimburse the court administrator if the court administrator refunds the deposit upon a judge's order and obtains a receipt to be used as a voucher.

Sec. 52. OTHER MONEY TO STATE.

Money that is collected by the court administrator under Minnesota Statutes, chapter 357, 487, or 574 and not required to be distributed to a city by statute must be paid to the state treasurer for deposit in the state treasury and credit to the general fund.

Sec. 53. IF NO SPECIFICS HERE, TO GENERAL FUND.

Subdivision 1. THIS PREVAILS. Subdivision 2 prevails over contrary provisions of Minnesota Statutes, section 574.34, subdivision 1.

Subd. 2. FINES AND FORFEITURES. Fines and forfeitures collected by the court administrator and not specially granted or appropriated in this article or not required to be distributed to a city by statute, must be paid to the county treasurer who shall forward the funds to the state treasurer for deposit in the state treasury and credit to the general fund.

Sec. 54. EIGHTH JUDICIAL DISTRICT PROJECT.

Subdivision 1. APPROPRIATION. The appropriation for the eighth district project is for the period of January 1, 1990, to June 30, 1991, and is available until spent and does not cancel. Money for the project must not be used to increase complement above the number set without regard to this article.

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

Funds appropriated in article 1 for the eighth district project may only be used for increased expenses necessitated by salary increases, and other verifiable escalating expenses associated with the operations of the eighth judicial district, and for contingencies as provided in subdivision 3.

Subd. 2. BUDGETS. During the period of the pilot project the court administrators and the judicial district administrator in the eighth judicial district shall each develop a budget in a form prescribed by the supreme court. The budgets must include the costs of operating the courts in the eighth judicial district, but must not include the costs of capital expenditures. The budgets must be submitted to the supreme court with the comments of the district administrator and chief judge. The supreme court shall provide copies of the budgets to the chairs of the house appropriations committee and the senate finance committee and the commissioner of finance.

Subd. 3. CONTINGENCY FUND. The money appropriated in article 1 to the commissioner of finance for a contingency amount for unanticipated cost increases of the eighth judicial district project is to be available on request of the supreme court. Money from this contingency amount is subject to the same process under Minnesota Statutes, section 3.30 as the general contingency appropriation.

Subd. 4. FEE, FINE, AND FORFEITURE REVENUE. During the time of the eighth district project the court administrators in the eighth judicial district shall collect and transmit to the state treasurer each month all filing fee revenue and bail forfeitures, and the county share of fine revenue. The money must be recorded by the state treasurer each month on a county by county basis. Except as otherwise provided in this article, the money must be deposited in the state's general fund as nondedicated receipts.

Subd. 5. COOPERATION. The court employees, county officials, and the county boards of the affected counties shall cooperate with the state and district court administrators in implementing all phases of the pilot project.

Subd. 6. ACCOUNTING PLAN. The supreme court shall consult with all district administrators and appropriate county officials in the other judicial districts and develop a uniform plan for accounting and shall implement detailed reporting of the costs of the various functions of the judicial districts and court costs in the counties. The plan shall also include the costs of items not mentioned in this section that the supreme court believes may be a function that the state could take over if it were to fund the state trial court system. These costs must be included in any report to the legislature on state takeover of the trial court and public defense systems. Counties in all the judicial districts shall cooperate with the supreme court and the state board of public defense in developing these standards and calculating and reporting these costs in a timely and accurate manner.

Subd. 7. REPORT TO LEGISLATURE. The supreme court shall make a report to the legislature by February 1, 1991, on the results of the eighth district

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

project and the potential costs and revenues to be transferred to the state if the state were to fund the takeover of the trial court system statewide. The report shall include an analysis of all the costs of and revenues from the operations of all the trial courts in the state. The analysis must identify appropriate job classifications and salary ranges for court employees, and the costs and benefits associated with a change from county to state employment. The report must also include an evaluation of the improvement of the administration of justice, if any, that results from the eighth district project and that may result as a consequence of the state takeover. The report must also include recommendations for state takeover of trial court costs statewide including a detailed estimate of the costs and benefits, employee status, types of costs that may be associated with a state takeover, and an accounting system for the courts.

Subd. 8. **LEVY.** During the pilot project the counties that make up the eighth judicial district shall continue to levy for and pay the costs to operate the eighth judicial district and public defense services that the state does not fund during the eighth district project. The supreme court shall certify to the counties on or before October 1 of each year the amount necessary in excess of the state-funded eighth district project costs. The counties are responsible on a per capita prorated basis for the costs that the state is not assuming. These include but are not limited to capital costs, rent, and other associated costs. The county administrator of each of the counties shall consult with the supreme court and the eighth judicial district administrator regarding these costs before setting county budgets and levies for calendar year 1990.

Subd. 9. **LIMITS.** The costs to the state for the eighth district project are limited to the appropriations in article 1 for the project and for contingencies as provided in subdivision 3.

Sec. 55. **DO NOT APPLY.**

Minnesota Statutes 1988, sections 487.31, subdivision 4; and 525.012, subdivisions 1 to 4, do not apply in the eighth judicial district during the period from January 1, 1990, to July 1, 1990.

Sec. 56. **DE NOVO HEARINGS FROM CONCILIATION COURT.**

Fees collected under county court rule No. 1.21, and special rules of procedure for county court of St. Louis county No. 29.21, shall be forwarded to the state treasurer for deposit in the state treasury and credit to the general fund.

Sec. 57. **REPEALERS.**

Subdivision 1. JANUARY 1, 1990. Minnesota Statutes 1988, sections 611.07; 611.071; and 611.25, subdivision 2, are repealed January 1, 1990.

Subd. 2. JULY 1, 1990. Minnesota Statutes 1988, sections 383B.63, subdivisions 4 and 5; 487.31, subdivision 4; 525.012, subdivisions 1, 2, 3, and 4; 611.12; and 611.214; and Laws 1975, chapter 258, section 6, subdivisions 1, 3, 4, and 5, are repealed July 1, 1990.

New language is indicated by underline, deletions by strikeout.

Subd. 3. JANUARY 1, 1992. Minnesota Statutes 1988, sections 486.07; 488A.05; 488A.111; 488A.22; and 488A.281, are repealed January 1, 1992.

Sec. 58. EFFECTIVE DATES.

Subdivision 1. JANUARY 1, 1992; EXCEPTIONS. (a) In all judicial districts except the eighth, sections 1, 2, 3, 4, 5, 14, 17, 18, 19, 20, 21, and 26, are effective January 1, 1992; except that these sections are effective to make affected district administration staff, other than district administration staff in the second and fourth judicial districts, state employees on July 1, 1990, and law clerks state employees October 1, 1990.

(b) The sections listed in paragraph (a) are effective January 1, 1990, for all court employees in the eighth judicial district including court administrators and staff.

(c) Section 1 is effective July 1, 1989, for guardians ad litem.

Subd. 2. JULY 1, 1990, OUTSIDE 8TH. In all judicial districts except the eighth, sections 6, 7, 8, 11, 13, 15, 22, 23, 30, 31, 32, 33, 34, 35, 36, 37, 38, and 56, are effective July 1, 1990.

ARTICLE 4

FUND CONSOLIDATION

Section 1. STATEMENT OF PURPOSE.

During recent years the state of Minnesota has experienced a significant increase in the number of special revenue accounts and funds that has created a large base of nongeneral fund budget activities. The resulting structure is complicated and at best difficult for the legislature to exercise adequate legislative oversight of. Executive branch agencies are also being faced with increased administrative costs and programmatic restrictions because of the growing number of special revenue funds and accounts. This article is an attempt to simplify the existing accounting structure and develop an accounting organizational structure that is reflective of agency functional organizations.

The consolidations in this article are not intended to restructure programs within agencies by reducing the number of special revenue accounts and funds. Fund consolidation in this article shall not be accomplished at the expense of those user groups who pay fees to the current special revenue accounts and funds. Fees currently being paid shall continue to be used for the purposes for which the fees were created.

Sec. 2. Minnesota Statutes 1988, section 6.48, is amended to read:

6.48 EXAMINATION OF COUNTIES; COST, FEES.

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

All the powers and duties conferred and imposed upon the state auditor shall be exercised and performed by the state auditor in respect to the offices, institutions, public property, and improvements of several counties of the state. At least once in each year, if funds and personnel permit, the state auditor shall visit, without previous notice, each county and make a thorough examination of all accounts and records relating to the receipt and disbursement of the public funds and the custody of the public funds, including the game and fish funds, and other property. The state auditor shall prescribe and install systems of accounts and financial reports that shall be uniform, so far as practicable, for the same class of offices. A copy of the report of such examination shall be filed and be subject to public inspection in the office of the state auditor and another copy in the office of the auditor of the county thus examined. The state auditor may accept the records and audit, or any part thereof, of the department of human services in lieu of examination of the county social welfare funds, if such audit has been made within any period covered by the state auditor's audit of the other records of the county. If any such examination shall disclose malfeasance, misfeasance, or nonfeasance in any office of such county, such report shall be filed with the county attorney of the county, and the county attorney shall institute such civil and criminal proceedings as the law and the protection of the public interests shall require.

The county receiving such examination, and the division of game and fish of the department of natural resources of the state of Minnesota, in the case of the examination of the game and fish funds, shall pay to the state auditor's revolving general fund, notwithstanding the provisions of section 16A.125, the total cost and expenses of such examinations, including the salaries paid to the examiners while actually engaged in making such examination. The state auditor on deeming it advisable may bill counties, having a population of 200,000 or over, monthly for services rendered and the officials responsible for approving and paying claims shall cause said bill to be promptly paid. The revolving general fund ~~of the state auditor~~ shall be credited with all collections made for any such examinations.

Sec. 3. Minnesota Statutes 1988, section 6.56, is amended to read:

6.56 COST OF EXAMINATION, PAYMENT.

Upon the examination of the books, records, accounts, and affairs of any county, city, town, or school district, as provided by law, such county, city, town, or school district shall be liable to the state for the total cost and expenses of such examination, including the salaries paid to the examiners while actually engaged in making such examination. The state auditor may bill such county, city, town, or school district monthly for service rendered and the officials responsible for approving and paying claims are authorized to pay said bill promptly. Said payments shall be without prejudice to any defense against said claims that may exist or be asserted. The revolving general fund ~~of the state auditor~~ shall be credited with all collections made for any such examinations.

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

Sec. 4. Minnesota Statutes 1988, section 6.58, is amended to read:

6.58 REVOLVING GENERAL FUND.

The revolving general fund established by Laws 1947, chapter 634, section 24, shall be used to provide personnel, pay other expenses, and for the acquisition of equipment used in connection with reimbursable examinations and other duties pursuant to law. When full-time personnel are not available, the state auditor may contract with private persons, firms, or corporations for accounting and other technical services. Notwithstanding any law to the contrary, the acquisition of equipment may include duplicating equipment to be used in producing the reports issued by the department. All receipts from such reimbursable examinations shall be deposited in the general fund ~~and are hereby reappropriated to that purpose.~~ The state auditor is directed to adjust the schedule of charges for such examinations to provide that such charges shall be sufficient to cover all costs of such examinations and that the aggregate charges collected shall be sufficient to pay all salaries and other expenses including charges for the use of the equipment used in connection with such reimbursable examinations and including the cost of contracting for accounting and other technical services. The schedule of charges shall be based upon an estimate of the cost of performing reimbursable examinations including, but not limited to, salaries, office overhead, equipment, authorized contracts, and other expenses. The state auditor may allocate a proportionate part of the total costs to an hourly or daily charge for each person or class of persons engaged in the performance of an examination. The schedule of charges shall reflect an equitable charge for the expenses incurred in the performance of any given examination. The state auditor shall review and adjust the schedule of charges for such examinations at least annually and have all schedules of charges approved by the commissioner of finance before they are adopted so as to insure that the amount collected shall be sufficient to pay all the costs connected with such examinations during the fiscal year ~~and that the unobligated balance, including accounts receivable, in the revolving fund at the end of each fiscal year shall not be less than \$315,000. The unobligated balance in the revolving fund in excess of \$350,000, as of June 30 of each fiscal year, shall be canceled into the general fund.~~

Sec. 5. Minnesota Statutes 1988, section 8.31, subdivision 2c, is amended to read:

Subd. 2c. **CONSUMER EDUCATION ACCOUNT FUND.** If a court of competent jurisdiction finds that a sum recovered under this section for the benefit of injured persons cannot reasonably be distributed to the victims, because the victims cannot readily be located or identified, or because the cost of distributing the money would outweigh the benefit to the victims, then the court may order that the money be paid into a consumer education account ~~the~~ general fund. All sums recovered must be deposited into the state treasury and credited to the consumer education account general fund. ~~The money credited to the account may be expended only as appropriated by law for the following purposes:~~

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

(1) to prepare and distribute educational materials to inform the public regarding consumer protection laws and consumer rights;

(2) to underwrite educational seminars and other forms of educational projects for the benefit of consumers and businesses;

(3) to contract for or conduct educational or research projects in the field of consumer protection; to further the purposes of the laws referred to in subdivision 1; and

(4) to assist the commissioner of education in establishing curriculum guidelines for elementary and secondary schools in the areas of consumer protection and consumer literacy.

Sec. 6. Minnesota Statutes 1988, section 8.31, subdivision 3, is amended to read:

Subd. 3. **INJUNCTIVE RELIEF.** In addition to the penalties provided by law for violation of the laws referred to in subdivision 1, specifically and generally, whether or not injunctive relief is otherwise provided by law, the courts of this state are vested with jurisdiction to prevent and restrain violations of those laws, to require the payment of civil penalties, to require payment into a ~~consumer education account~~ the general fund, and to appoint administrators as provided in subdivision 3C. On becoming satisfied that any of those laws has been or is being violated, or is about to be violated, the attorney general shall be entitled, on behalf of the state; (a) to sue for and have injunctive relief in any court of competent jurisdiction against any such violation or threatened violation without abridging the penalties provided by law; and (b) to sue for and recover for the state, from any person who is found to have violated any of the laws referred to in subdivision 1, a civil penalty, in an amount to be determined by the court, not in excess of \$25,000. All sums recovered by the attorney general under this section shall be deposited in the general fund ~~of the state treasury; but sums recovered and deposited pursuant to subdivision 2C must be credited to a consumer education account as provided in subdivision 2C.~~

Sec. 7. Minnesota Statutes 1988, section 16A.125, subdivision 5, is amended to read:

Subd. 5. **SUSPENSE ACCOUNT.** The term "state forest trust fund lands" as used in this subdivision, means public land in trust under the constitution set apart as "forest lands under the authority of the commissioner" of natural resources as defined by section 89.001, subdivision 13.

The commissioner of finance and the treasurer shall credit the revenue from the forest trust fund lands to the forest suspense account. The account must specify the trust funds interested in the lands and the respective receipts of the lands.

After a fiscal year, the commissioner of finance shall certify the total costs

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

incurred for forestry during that year under appropriations for the protection, improvement, administration, and management of state forest trust fund lands. The certificate must specify the trust funds interested in the lands. The commissioner of natural resources shall supply the commissioner of finance with the information needed on the certificate.

After a fiscal year, the commissioner and the treasurer shall distribute the receipts credited to the suspense account during that fiscal year as follows:

(a) The amount of the certified costs incurred by the state for forest management during the fiscal year shall be transferred to the ~~state forest development account~~ general fund. ~~If these costs exceed \$500,000, the amount of the excess shall be transferred to the forest management fund of section 89.04.~~

(b) The balance of the receipts shall then be returned prorated to the trust funds in proportion to their respective interests in the lands which produced the receipts.

Sec. 8. ~~[16A.531]~~ FUNDS CREATED.

Subdivision 1. ENVIRONMENTAL FUND. There is created in the state treasury an environmental fund as a special revenue fund for deposit of receipts from environmentally related fees and activities conducted by the state.

Subd. 2. NATURAL RESOURCES FUND. There is created in the state treasury a natural resources fund as a special revenue fund for deposit of certain receipts from fees and services associated with natural resource management by the state.

Sec. 9. Minnesota Statutes 1988, section 16B.42, subdivision 4, is amended to read:

Subd. 4. **FUNDING.** Appropriations and other funds made available to the council for staff, operational expenses, and grants must be administered through the department of administration. Fees charged to local units of government for the administrative costs of the council and revenues derived from royalties, reimbursements, or other fees from software programs, systems, or technical services arising out of activities funded by current or prior state appropriations must be credited to ~~an account in the special revenue fund and are appropriated to the council for the purposes enumerated in subdivision 2.~~ general fund appropriations for the council may also be credited by the commissioner of administration to the account in the special revenue fund. The unencumbered balance of an appropriation for grants in the first year of a biennium does not cancel but is available for the second year of the biennium.

Sec. 10. Minnesota Statutes 1988, section 16B.48, subdivision 2, is amended to read:

Subd. 2. **PURPOSE OF FUNDS.** Money in the state treasury credited to the general services revolving fund and money which is deposited in the fund is appropriated annually to the commissioner for the following purposes:

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

- (1) to operate a central store and equipment service;
- (2) to operate a central duplication and printing service;
- (3) to purchase postage and related items and to refund postage deposits as necessary to operate the central mailing service;
- (4) to operate a documents service as prescribed by section 16B.51;
- (5) to provide advice and other services to political subdivisions for the management of their ~~records, information, and~~ telecommunication systems;
- (6) to provide services for the maintenance, operation, and upkeep of buildings and grounds managed by the commissioner of administration;
- (7) to provide analytical, statistical, and organizational development services to state agencies, local units of government, metropolitan and regional agencies, and school districts;
- (8) to provide capitol security services through the department of public safety; and
- (9) to perform services for any other agency. Money shall be expended for this purpose only when directed by the governor. The agency receiving the services shall reimburse the fund for their cost, and the commissioner shall make the appropriate transfers when requested. The term "services" as used in this clause means compensation paid officers and employees of the state government; supplies, materials, equipment, and other articles and things used by or furnished to an agency; and utility services, and other services for the maintenance, operation, and upkeep of buildings and offices of the state government.

Sec. 11. Minnesota Statutes 1988, section 16B.70, is amended to read:

16B.70 SURCHARGE.

Subdivision 1. **COMPUTATION.** To defray the costs of administering sections 16B.59 to 16B.73, a surcharge is imposed on all permits issued by municipalities in connection with the construction of or addition or alteration to buildings and equipment or appurtenances after June 30, 1971, as follows:

If the fee for the permit issued is fixed in amount the surcharge is equivalent to one-half mill (.0005) of the fee or 50 cents, whichever amount is greater. For all other permits, the surcharge is as follows: (a) if the valuation of the structure, addition, or alteration is \$1,000,000 or less, the surcharge is equivalent to one-half mill (.0005) of the valuation of the structure, addition, or alteration; (b) if the valuation is greater than \$1,000,000, the surcharge is \$500 plus two-fifths mill (.0004) of the value between \$1,000,000 and \$2,000,000; (c) if the valuation is greater than \$2,000,000 the surcharge is \$900 plus three-tenths mill (.0003) of the value between \$2,000,000 and \$3,000,000; (d) if the valuation is greater than \$3,000,000 the surcharge is \$1,200 plus one-fifth mill (.0002) of the value between

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

\$3,000,000 and \$4,000,000; (e) if the valuation is greater than \$4,000,000 the surcharge is \$1,400 plus one-tenth mill (.0001) of the value between \$4,000,000 and \$5,000,000; and (f) if the valuation exceeds \$5,000,000 the surcharge is \$1,500 plus one-twentieth mill (.00005) of the value which exceeds \$5,000,000.

By September 1 of each odd-numbered year, the commissioner shall rebate to municipalities any money received under this section and section 16B.62 in the previous biennium in excess of the cost to the building code division and the passenger elevator inspector in the department of labor and industry in that biennium of carrying out their duties under sections 16B.59 to 16B.73. The rebate to each municipality must be in proportion to the amount of the surcharges collected by that municipality and remitted to the state. The amount necessary to meet the commissioner's rebate obligations under this subdivision is appropriated to the commissioner from the ~~special revenue~~ general fund.

Subd. 2. **COLLECTION AND REPORTS.** All permit surcharges must be collected by each municipality and a portion of them remitted to the state. Each municipality having a population greater than 20,000 people shall prepare and submit to the commissioner once a month a report of fees and surcharges on fees collected during the previous month, but shall retain two percent of the surcharges collected to apply against the administrative expenses the municipality incurs in collecting the surcharges. All other municipalities shall submit the report and surcharges on fees once a quarter, but shall retain four percent of the surcharges collected to apply against the administrative expenses the municipalities incur in collecting the surcharges. The report, which must be in a form prescribed by the commissioner, must be submitted together with a remittance covering the surcharges collected by the 15th day following the month or quarter in which the surcharges are collected. All surcharges and other fees prescribed by sections 16B.59 to 16B.71, which are payable to the state, must be paid to the commissioner who shall deposit them in the state treasury for credit to the special revenue general fund.

Sec. 12. Minnesota Statutes 1988, section 41A.02, subdivision 4, is amended to read:

Subd. 4. **MINNESOTA AGRICULTURAL AND ECONOMIC DEVELOPMENT ~~FUND ACCOUNT~~; DEVELOPMENT ~~FUND ACCOUNT~~.** "Minnesota agricultural and economic development ~~fund account~~" or "development ~~fund account~~" means the fund account created by section 41A.05.

Sec. 13. Minnesota Statutes 1988, section 41A.05, subdivision 1, is amended to read:

Subdivision 1. **ESTABLISHMENT OF ~~FUND ACCOUNT~~.** The Minnesota agricultural and economic development fund account is established as ~~a in the special and dedicated revenue fund to be held and may be~~ invested separately from all other funds of the state. All money appropriated to the fund account, and all guaranty fees, retail sales taxes, property tax increments, and other money from any source which may be credited to the fund account are appropri-

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

ated to the board to carry out the purposes of this chapter. The board may maintain or establish within the Minnesota agricultural and economic development ~~fund~~ account reserve accounts, project accounts, trustee accounts, special guaranty fund accounts, or other restrictions it determines necessary or appropriate. The board may enter into pledge and escrow agreements or indentures of trust with a trustee for the purpose of maintaining the accounts.

Sec. 14. TRANSFER; MINNESOTA AGRICULTURAL AND ECONOMIC DEVELOPMENT FUND.

All accounts and all money in the accounts of the Minnesota agricultural and economic development fund established under Minnesota Statutes, section 41A.05, subdivision 1, are transferred to an account in the special revenue fund. All loan repayments, earnings, releases from insurance accounts and trustee accounts, and other income of the account must be credited to the account.

Sec. 15. TRANSFER; ECONOMIC DEVELOPMENT FUND.

All accounts and money in those accounts of the economic development fund, established under Minnesota Statutes 1986, section 116M.06, subdivision 4, and continued under Minnesota Statutes 1988, section 116J.968, that are related to the certified development company established under Minnesota Statutes 1988, section 41A.065, are transferred to accounts in the special revenue fund. The trustee and insurance accounts related to the energy loan insurance program established under Minnesota Statutes 1986, section 116M.11, are transferred to the energy loan insurance account of the special revenue fund. All repayments, earnings, releases from insurance accounts, and trust accounts of the energy loan insurance account must be credited to the energy loan insurance account. All other money in the economic development account is credited to the general fund.

Sec. 16. Minnesota Statutes 1988, section 44A.0311, is amended to read:

44A.0311 WORLD TRADE CENTER CORPORATION ~~FUND~~ ACCOUNT.

The world trade center corporation ~~fund~~ account is ~~an account~~ in the state treasury special revenue fund. All money received by the corporation, including money generated from the use of the conference and service center, except money generated from the use of the center by the Minnesota trade division, must be deposited in the ~~fund~~ account. Money in the ~~fund~~ account including interest earned is appropriated to the board and must be used exclusively for corporation purposes.

Sec. 17. Minnesota Statutes 1988, section 84.83, subdivision 1, is amended to read:

Subdivision 1. **CREATION.** There is created in the state treasury an account known as the snowmobile trails and enforcement account in the natural resources fund.

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

Sec. 18. Minnesota Statutes 1988, section 84.922, subdivision 3, is amended to read:

Subd. 3. **REGISTRATION CARD.** The commissioner shall provide to the registrant a registration card that includes the registration number, the date of registration, the make and serial number of the vehicle, the owner's name and address, and additional information the commissioner may require. Information concerning each registration shall be retained by the commissioner. Upon a satisfactory showing that the registration card has been lost or destroyed the commissioner shall issue a replacement registration card upon payment of a fee of \$4. The fees collected from replacement registration cards shall be deposited in the all-terrain vehicle account in in the natural resources fund.

Sec. 19. Minnesota Statutes 1988, section 84.927, subdivision 1, is amended to read:

Subdivision 1. **REGISTRATION REVENUE.** Fees from the registration of all-terrain vehicles and the unrefunded gasoline tax attributable to all-terrain vehicle use under section 296.16 shall be deposited in the state treasury and credited to the all-terrain vehicle account in the natural resources fund.

Sec. 20. Minnesota Statutes 1988, section 84A.51, subdivision 2, is amended to read:

Subd. 2. **FUNDS TRANSFERRED; APPROPRIATED.** Money in any fund established under section 84A.03, 84A.22, or 84A.32, subdivision 2, is transferred to the consolidated ~~fund~~ account, except as provided in subdivision 3. The money in the consolidated ~~fund~~ account, or as much of it as necessary, is appropriated for the purposes of sections 84A.52 and 84A.53. Any remaining balance is transferred to the general fund.

Sec. 21. Minnesota Statutes 1988, section 84A.55, subdivision 14, is amended to read:

Subd. 14. **SOURCE OF FUNDS.** Salaries and expenses incurred to carry out this section must be paid from money appropriated from the consolidated ~~fund~~ account or other fund or account designated in the applicable appropriation.

Sec. 22. Minnesota Statutes 1988, section 85.055, subdivision 2, is amended to read:

Subd. 2. **FEE DEPOSIT AND APPROPRIATION.** The fees collected under this section shall be deposited in the state treasury and credited to the ~~state park maintenance and operation account~~ general fund. ~~Appropriations from the account shall be for state park maintenance and operation.~~

Sec. 23. Minnesota Statutes 1988, section 85.22, subdivision 1, is amended to read:

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

Subdivision 1. **DESIGNATION.** The revolving fund heretofore established pursuant to under Laws 1941, chapter 548, section 37, subdivision E, item 4 shall hereafter be known and designated as is the state parks working capital fund, which fund account. The account is to be used to maintain and operate the revenue producing facilities in the state parks within the limitations hereinafter established limits in this section.

Sec. 24. Minnesota Statutes 1988, section 85.22, subdivision 2a, is amended to read:

Subd. 2a. **RECEIPTS, APPROPRIATION.** All receipts derived from the rental or sale of items in state parks shall be deposited in the state treasury and be credited to the state parks working capital fund, which fund account. The money in the account is annually appropriated solely for the purchase and payment of expenses attributable to items for resale or rental. Annually, as of the close of business on June 30, the unencumbered balance in excess of \$100,000 shall be canceled into the state park maintenance and operation account.

Sec. 25. Minnesota Statutes 1988, section 85A.04, subdivision 1, is amended to read:

Subdivision 1. **DEPOSIT.** All receipts from the operation of parking and admission to the Minnesota zoological garden shall be deposited in the state treasury and credited to a zoo fund the general fund. Investment income and investment losses attributable to investment of the zoo fund must be credited to the zoo fund. Money in the zoo fund is appropriated to the board for the operation of the Minnesota zoological garden.

Sec. 26. Minnesota Statutes 1988, section 85A.04, subdivision 4, is amended to read:

Subd. 4. **ZOO ~~RIDE~~ CONCESSION AND REVENUE ACCOUNT.** All receipts from the operation of the zoo ride shall concessions, memberships, and donations must be deposited in a special account in the state treasury special revenue fund and are appropriated to the board. All receipts from the zoo ride are appropriated to the board for the purposes of the zoo ride. These receipts are the only money appropriated for zoo ride operating expenses or debt service.

Sec. 27. Minnesota Statutes 1988, section 89.035, is amended to read:

89.035 INCOME FROM STATE FOREST LANDS, DISPOSITION.

All income which may be received from lands acquired by the state heretofore or hereafter for state forest purposes by gift, purchase or eminent domain and tax-forfeited lands to which the county has relinquished its equity to the state for state forest purposes shall be paid into the state treasury and credited to a fund designated as the state forest fund account except where the conveyance to and acceptance by the state of lands for state forest purposes provides for other disposition of receipts.

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

Sec. 28. Minnesota Statutes 1988, section 89.036, is amended to read:

89.036 FUNDS APPORTIONED TO COUNTY.

The state of Minnesota shall ~~hereafter~~ annually on July 1 or as soon thereafter as may be practical, pay from the state forest ~~fund~~ account to each county, in which there now are, or hereafter shall be situated, any state forests, a sum equal to 50 percent of the gross receipts of such state forests located within such county, which have been received during the preceding fiscal year and credited to the state forest ~~fund~~ account, which payment shall be received and distributed by the county treasurer, as if such payment had been received as taxes on such lands payable in the current year.

After making such payment to the county, the balance of said funds in the state forest ~~fund~~ account on July 1 shall be transferred and credited to the ~~forest management~~ general fund ~~established under section 89.04.~~

The commissioner of finance shall annually draw warrants upon the state treasurer for the proper amounts in favor of the respective counties entitled thereto and the state treasurer shall pay such warrants from the state forest ~~fund~~ account.

The commissioner of finance and the state treasurer shall, ~~and are hereby authorized and empowered to~~ devise, adopt, and use ~~such~~ the accounting methods as they may deem proper, and to do any and all other things reasonably necessary in carrying out ~~the provisions of~~ this section.

There is ~~hereby~~ appropriated to the counties entitled to such payment, from the state forest ~~fund~~ account in the state treasury, an amount sufficient to make the payments specified ~~herein~~ in this section.

Sec. 29. Minnesota Statutes 1988, section 89.21, is amended to read:

89.21 CAMPGROUNDS, ESTABLISHMENT AND FEES.

The commissioner is authorized to establish and develop state forest campgrounds and may establish minimum standards not inconsistent with the laws of the state for the care and use of such campgrounds and charge fees for such uses as specified by the commissioner of natural resources.

All fees shall be deposited in the ~~state treasury and appropriated to the division of lands and forestry in the department of natural resources to defray costs of maintenance, operation and development of state forest campgrounds~~ general fund.

Sec. 30. Minnesota Statutes 1988, section 93.335, subdivision 4, is amended to read:

Subd. 4. **RENTAL AND ROYALTIES, ANNUAL DISTRIBUTION; APPROPRIATION.** If the lands or minerals and mineral rights covered by any

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

such permit or lease are held by the state in trust for the taxing districts, the rentals and royalties paid under any such permit or lease shall be distributed annually by the commissioner of finance on the first day of September as follows: 20 percent to the ~~mineral lease account established in the state treasury under section 93.221,~~ general fund and 80 percent to the respective counties in which the lands lie, to be apportioned among the taxing districts interested therein as follows: county, three-ninths; town, or city, two-ninths; and school district, four-ninths.

There is hereby appropriated from such moneys in the state treasury not otherwise appropriated to such persons or political subdivisions as are entitled to payment herein, an amount sufficient to make the payment.

Sec. 31. Minnesota Statutes 1988, section 106A.661, subdivision 2, is amended to read:

Subd. 2. **PAYMENT OF EXPENSES.** The compensation and travel and hotel expenses of the examining accountant must be audited, allowed, and paid into the state treasury by the board. The money must be credited to the ~~revolving~~ general fund of the state auditor. The county auditor shall apportion the expenses among the drainage systems in the county.

Sec. 32. Minnesota Statutes 1988, section 112.73, is amended to read:

112.73 ANNUAL AUDIT.

The managers shall make the reports demanded by the state auditor. The managers shall have the books and accounts of the district audited annually. The audit may be made by either a public accountant or by the state auditor. If the audit is to be made by the state auditor it must be initiated by a petition of the resident freeholders of the district or resolution of the managers of the watershed district requesting the audit under the authority granted municipalities under sections 6.54 and 6.55. If the audit is made by the state auditor the district receiving the examination shall pay to the state the total cost and expenses of the examination, including the salaries paid to the examiners while actually engaged in making the examination. The ~~revolving~~ general fund of the state auditor must be credited with all collections made for the examinations.

Sec. 33. Minnesota Statutes 1988, section 115.03, subdivision 1, is amended to read:

Subdivision 1. The agency is hereby given and charged with the following powers and duties:

(a) To administer and enforce all laws relating to the pollution of any of the waters of the state;

(b) To investigate the extent, character, and effect of the pollution of the waters of this state and to gather data and information necessary or desirable in the administration or enforcement of pollution laws, and to make such classification of the waters of the state as it may deem advisable;

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

(c) To establish and alter such reasonable pollution standards for any waters of the state in relation to the public use to which they are or may be put as it shall deem necessary for the purposes of this chapter and, with respect to the pollution of waters of the state, chapter 116;

(d) To encourage waste treatment, including advanced waste treatment, instead of stream low-flow augmentation for dilution purposes to control and prevent pollution;

(e) To adopt, issue, reissue, modify, deny, or revoke, enter into or enforce reasonable orders, permits, variances, standards, rules, schedules of compliance, and stipulation agreements, under such conditions as it may prescribe, in order to prevent, control or abate water pollution, or for the installation or operation of disposal systems or parts thereof, or for other equipment and facilities;

(1) Requiring the discontinuance of the discharge of sewage, industrial waste or other wastes into any waters of the state resulting in pollution in excess of the applicable pollution standard established under this chapter;

(2) Prohibiting or directing the abatement of any discharge of sewage, industrial waste, or other wastes, into any waters of the state or the deposit thereof or the discharge into any municipal disposal system where the same is likely to get into any waters of the state in violation of this chapter and, with respect to the pollution of waters of the state, chapter 116, or standards or rules promulgated or permits issued pursuant thereto, and specifying the schedule of compliance within which such prohibition or abatement must be accomplished;

(3) Prohibiting the storage of any liquid or solid substance or other pollutant in a manner which does not reasonably assure proper retention against entry into any waters of the state that would be likely to pollute any waters of the state;

(4) Requiring the construction, installation, maintenance, and operation by any person of any disposal system or any part thereof, or other equipment and facilities, or the reconstruction, alteration, or enlargement of its existing disposal system or any part thereof, or the adoption of other remedial measures to prevent, control or abate any discharge or deposit of sewage, industrial waste or other wastes by any person;

(5) Establishing, and from time to time revising, standards of performance for new sources taking into consideration, among other things, classes, types, sizes, and categories of sources, processes, pollution control technology, cost of achieving such effluent reduction, and any nonwater quality environmental impact and energy requirements. Said standards of performance for new sources shall encompass those standards for the control of the discharge of pollutants which reflect the greatest degree of effluent reduction which the agency determines to be achievable through application of the best available demonstrated control technology, processes, operating methods, or other alternatives, including, where practicable, a standard permitting no discharge of pollutants. New sources shall

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

encompass buildings, structures, facilities, or installations from which there is or may be the discharge of pollutants, the construction of which is commenced after the publication by the agency of proposed rules prescribing a standard of performance which will be applicable to such source. Notwithstanding any other provision of the law of this state, any point source the construction of which is commenced after May 20, 1973 and which is so constructed as to meet all applicable standards of performance for new sources shall, consistent with and subject to the provisions of section 306(d) of the Amendments of 1972 to the Federal Water Pollution Control Act, not be subject to any more stringent standard of performance for new sources during a ten-year period beginning on the date of completion of such construction or during the period of depreciation or amortization of such facility for the purposes of section 167 or 169, or both, of the Federal Internal Revenue Code of 1954, whichever period ends first. Construction shall encompass any placement, assembly, or installation of facilities or equipment, including contractual obligations to purchase such facilities or equipment, at the premises where such equipment will be used, including preparation work at such premises;

(6) Establishing and revising pretreatment standards to prevent or abate the discharge of any pollutant into any publicly owned disposal system, which pollutant interferes with, passes through, or otherwise is incompatible with such disposal system;

(7) Requiring the owner or operator of any disposal system or any point source to establish and maintain such records, make such reports, install, use, and maintain such monitoring equipment or methods, including where appropriate biological monitoring methods, sample such effluents in accordance with such methods, at such locations, at such intervals, and in such a manner as the agency shall prescribe, and providing such other information as the agency may reasonably require;

(8) Notwithstanding any other provision of this chapter, and with respect to the pollution of waters of the state, chapter 116, requiring the achievement of more stringent limitations than otherwise imposed by effluent limitations in order to meet any applicable water quality standard by establishing new effluent limitations, based upon section 115.01, subdivision 5, clause (b), including alternative effluent control strategies for any point source or group of point sources to insure the integrity of water quality classifications, whenever the agency determines that discharges of pollutants from such point source or sources, with the application of effluent limitations required to comply with any standard of best available technology, would interfere with the attainment or maintenance of the water quality classification in a specific portion of the waters of the state. Prior to establishment of any such effluent limitation, the agency shall hold a public hearing to determine the relationship of the economic and social costs of achieving such limitation or limitations, including any economic or social dislocation in the affected community or communities, to the social and economic benefits to be obtained and to determine whether or not such effluent limitation can be implemented with available technology or other alternative control strat-

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

egies. If a person affected by such limitation demonstrates at such hearing that, whether or not such technology or other alternative control strategies are available, there is no reasonable relationship between the economic and social costs and the benefits to be obtained, such limitation shall not become effective and shall be adjusted as it applies to such person;

(9) Modifying, in its discretion, any requirement or limitation based upon best available technology with respect to any point source for which a permit application is filed after July 1, 1977 upon a showing by the owner or operator of such point source satisfactory to the agency that such modified requirements will represent the maximum use of technology within the economic capability of the owner or operator and will result in reasonable further progress toward the elimination of the discharge of pollutants;

(f) To require to be submitted and to approve plans and specifications for disposal systems or point sources, or any part thereof and to inspect the construction thereof for compliance with the approved plans and specifications thereof;

(g) To prescribe and alter rules, not inconsistent with law, for the conduct of the agency and other matters within the scope of the powers granted to and imposed upon it by this chapter and, with respect to pollution of waters of the state, in chapter 116, provided that every rule affecting any other department or agency of the state or any person other than a member or employee of the agency shall be filed with the secretary of state;

(h) To conduct such investigations, issue such notices, public and otherwise, and hold such hearings as are necessary or which it may deem advisable for the discharge of its duties under this chapter and, with respect to the pollution of waters of the state, under chapter 116, including, but not limited to, the issuance of permits, and to authorize any member, employee, or agent appointed by it to conduct such investigations or, issue such notices and hold such hearings;

(i) For the purpose of water pollution control planning by the state and pursuant to the Federal Water Pollution Control Act, as amended, to establish and revise planning areas, adopt plans and programs and continuing planning processes, including, but not limited to, basin plans and areawide waste treatment management plans, and to provide for the implementation of any such plans by means of, including, but not limited to, standards, plan elements, procedures for revision, intergovernmental cooperation, residual treatment process waste controls, and needs inventory and ranking for construction of disposal systems;

(j) To train water pollution control personnel, and charge such fees therefor as are necessary to cover the agency's costs. All such fees received shall be paid into the state treasury and credited to the water pollution control pollution control agency training fund of the agency account; ~~from which the agency shall have the power to make disbursements to pay expenses relating to such training;~~

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

(k) To impose as additional conditions in permits to publicly owned disposal systems appropriate measures to insure compliance by industrial and other users with any pretreatment standard, including, but not limited to, those related to toxic pollutants, and any system of user charges ratably as is hereby required under state law or said Federal Water Pollution Control Act, as amended, or any regulations or guidelines promulgated thereunder;

(l) To set a period not to exceed five years for the duration of any National Pollutant Discharge Elimination System permit; and

(m) To require a governmental subdivision that owns or operates a wastewater disposal system to have a plan to address its ability to pay the costs of making major repairs to the existing system and planning and constructing an adequate replacement system at the end of the existing system's expected useful life.

Sec. 34. Minnesota Statutes 1988, section 115A.14, subdivision 4, is amended to read:

Subd. 4. **POWERS AND DUTIES.** (a) The commission shall oversee the activities of the board under this chapter relating to solid and hazardous waste management, the activities of the agency under sections 116.16 to 116.181 relating to water pollution control, and the activities of the metropolitan council relating to metropolitan waste management under sections 473.801 to 473.848, and direct such changes or additions in the work plan of the board and agency as it deems fit.

(b) The commission shall make recommendations to the standing legislative committees on finance and appropriations for appropriations from:

(1) the environmental response, compensation, and compliance ~~fund~~ account in the environmental fund under section 115B.20, subdivision 5;

(2) the metropolitan landfill abatement ~~fund~~ account under section 473.844; and

(3) the metropolitan landfill contingency action trust fund under section 473.845.

(c) The commission may conduct public hearings and otherwise secure data and expressions of opinion. The commission shall make such recommendations as it deems proper to assist the legislature in formulating legislation. Any data or information compiled by the commission shall be made available to any standing or interim committee of the legislature upon request of the chair of the respective committee.

Sec. 35. Minnesota Statutes 1988, section 115A.908, subdivision 2, is amended to read:

Subd. 2. **DEPOSIT OF REVENUE.** Revenue collected shall be credited to a ~~motor vehicle transfer~~ the environmental fund.

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

Sec. 36. Minnesota Statutes 1988, section 115B.17, subdivision 7, is amended to read:

Subd. 7. **ACTIONS RELATING TO NATURAL RESOURCES.** For the purpose of this subdivision, the state is the trustee of the air, water and wildlife of the state. An action pursuant to section 115B.04 for damages with respect to air, water or wildlife may be brought by the attorney general in the name of the state as trustee for those natural resources. Any damages recovered by the attorney general pursuant to section 115B.04 or any other law for injury to, destruction of, or loss of natural resources resulting from the release of a hazardous substance, or a pollutant or contaminant, shall be deposited in the ~~fund and credited to a special account for the purposes provided in section 115B.20, subdivision 2; clause (f)~~ account.

Sec. 37. Minnesota Statutes 1988, section 115B.20, subdivision 1, is amended to read:

Subdivision 1. **ESTABLISHMENT.** The environmental response, compensation and compliance ~~fund is created as an~~ account is in the environmental fund in the state treasury and may be spent only for the purposes provided in subdivision 2.

Sec. 38. Minnesota Statutes 1988, section 115B.20, subdivision 4, is amended to read:

Subd. 4. **REVENUE SOURCES.** Revenue from the following sources shall be deposited in the ~~environmental response, compensation and compliance fund~~ account:

(a) The proceeds of the taxes imposed pursuant to section 115B.22, including interest and penalties;

(b) All money recovered by the state under sections 115B.01 to 115B.18 or under any other statute or rule related to the regulation of hazardous waste or hazardous substances, including civil penalties and money paid under any agreement, stipulation or settlement but excluding fees imposed under section 116.12;

(c) All interest attributable to investment of money deposited in the ~~fund~~ account; and

(d) All money received in the form of gifts, grants, reimbursement or appropriation from any source for any of the purposes provided in subdivision 2, except federal grants.

Sec. 39. Minnesota Statutes 1988, section 115B.20, subdivision 6, is amended to read:

Subd. 6. **REPORT TO LEGISLATURE.** By November 1, 1984, and each year thereafter, the agency shall submit to the senate finance committee, the house appropriations committee and the legislative commission on waste man-

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

agement a report detailing the activities for which money from the environmental response, compensation and compliance fund account has been spent during the previous fiscal year.

Sec. 40. Minnesota Statutes 1988, section 115B.22, subdivision 7, is amended to read:

Subd. 7. **DISPOSITION OF PROCEEDS.** The proceeds of the taxes imposed under this section including any interest and penalties shall be deposited in the fund environmental response, compensation, and compliance account.

Sec. 41. Minnesota Statutes 1988, section 115B.24, subdivision 10, is amended to read:

Subd. 10. **ADMINISTRATIVE EXPENSES.** Any amount expended by the commissioner from a general fund appropriation to enforce and administer section 115B.22 and this section shall be reimbursed to the general fund and the amount necessary to make the reimbursement is appropriated from the fund environmental response, compensation, and compliance account to the commissioner of finance for transfer to the general fund.

Sec. 42. Minnesota Statutes 1988, section 115B.25, subdivision 7, is amended to read:

Subd. 7. **FUND ACCOUNT.** Except when another account is specified, "fund account" means the hazardous substance injury compensation fund account established in section 115B.26.

Sec. 43. Minnesota Statutes 1988, section 115B.26, is amended to read:

115B.26 HAZARDOUS SUBSTANCE INJURY COMPENSATION FUND ACCOUNT.

Subdivision 1. **ESTABLISHMENT.** A hazardous substance injury compensation fund account is established as an account in the environmental fund in the state treasury. Earnings, such as interest, dividends, and any other earnings arising from fund account assets, must be credited to the fund.

Subd. 2. **APPROPRIATION.** The amount necessary to pay for staff assistance, administrative services, and office space under section 115B.28, subdivision 4, and to pay claims of compensation granted by the board under sections 115B.25 to 115B.37 is appropriated to the board from the hazardous substance injury compensation fund account.

Subd. 3. **PAYMENT OF CLAIMS WHEN FUND ACCOUNT INSUFFICIENT.** If the amount of the claims granted exceeds the amount in the fund account, the board shall request a transfer from the general contingent account to the hazardous substance injury compensation fund account as provided in section 3.30. If no transfer is approved, the board shall pay the claims which have been granted in the order granted only to the extent of the money remain-

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

ing in the ~~fund~~ account. The board shall pay the remaining claims which have been granted after additional money is credited to the ~~fund~~ account.

Sec. 44. Minnesota Statutes 1988, section 115C.02, subdivision 6, is amended to read:

Subd. 6. **FUND ACCOUNT.** "Fund Account" means the petroleum tank release cleanup ~~account in the environmental~~ fund.

Sec. 45. Minnesota Statutes 1988, section 115C.08, subdivision 1, is amended to read:

Subdivision 1. **REVENUE SOURCES.** Revenue from the following sources must be deposited in the state treasury and credited to a petroleum tank release cleanup ~~fund~~ account in the environmental fund in the state treasury:

- (1) the proceeds of the fee imposed by subdivision 3;
- (2) money recovered by the state under sections 115C.04, 115C.05, and 116.491, including administrative expenses, civil penalties, and money paid under an agreement, stipulation, or settlement;
- (3) interest attributable to investment of money in the ~~fund~~ account;
- (4) money received by the board and agency in the form of gifts, grants other than federal grants, reimbursements, or appropriations from any source intended to be used for the purposes of the ~~fund~~ account; and
- (5) fees charged for the operation of the tank installer certification program established under section 116.491.

Sec. 46. Minnesota Statutes 1988, section 116.41, subdivision 2, is amended to read:

Subd. 2. **TRAINING AND CERTIFICATION PROGRAMS.** The agency shall develop standards of competence for persons operating and inspecting various classes of disposal facilities. The agency shall conduct training programs for persons operating facilities for the disposal of waste and for inspectors of such facilities, and may charge such fees as are necessary to cover the actual costs of the training programs. All fees received shall be paid into the state treasury and credited to a ~~separate waste disposal~~ the pollution control agency training account and are appropriated to the agency to pay expenses relating to the training of disposal facility personnel.

The agency shall require operators and inspectors of such facilities to obtain from the agency a certificate of competence. The agency shall conduct examinations to test the competence of applicants for certification, and shall require that certificates be renewed at reasonable intervals. The agency may charge such fees as are necessary to cover the actual costs of receiving and processing applications, conducting examinations, and issuing and renewing certificates. Certificates

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

shall not be required for a private individual for landspreading and associated interim and temporary storage of sewage sludge on property owned or farmed by that individual.

Sec. 47. Minnesota Statutes 1988, section 116J.64, subdivision 6, is amended to read:

Subd. 6. The remaining 20 percent of the tax revenue received by the county auditor under section 273.165, subdivision 1 shall be remitted by the county auditor to the state treasurer and shall be deposited in a ~~special account~~ called the ~~"Indian business loan account," which shall be a revolving fund created and an account in the special revenue fund.~~ The account is established under the jurisdiction and control of the agency, which may engage in a business loan program for American Indians as that term is defined in subdivision 2. The tribal councils may administer the ~~fund~~ account, provided that, before making any eligible loans, each tribal council must submit to the agency, for its review and approval, a plan for that council's loan program which specifically describes, as to that program, its content, utilization of ~~funds~~ money, administration, operation, implementation, and other matters required by the agency. All such programs must provide for a reasonable balance in the distribution of ~~funds~~ money appropriated pursuant to this section ~~for the purpose of making to make~~ business loans between Indians residing on and off the reservations within the state. As a condition to the making of such eligible loans, the tribal councils shall enter into a loan agreement and other contractual arrangements with the agency ~~for the purpose of carrying to carry out the provisions of this chapter,~~ and shall agree that all official books and records relating to the business loan program shall be subject to audit by the legislative auditor in the same manner prescribed for agencies of state government.

Whenever ~~any moneys are~~ money is appropriated by the state treasurer to the agency solely for the ~~above-specified purpose or purposes in this subdivision,~~ the agency shall ~~establish a separate bookkeeping account or accounts record in the Indian business loan fund to record~~ account the receipt and disbursement of ~~such the~~ money and of the income, gain and loss from the investment and reinvestment ~~thereof of the~~ money.

Sec. 48. Minnesota Statutes 1988, section 116J.873, subdivision 4, is amended to read:

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

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

sioner of trade and economic development for the purpose of making additional economic recovery grants must be credited to the general fund.

Sec. 49. Minnesota Statutes 1988, section 116J.955, subdivision 1, is amended to read:

Subdivision 1. **ESTABLISHMENT.** The rural rehabilitation ~~revolving fund~~ account is established as an ~~account~~ in the state treasury special revenue fund. The money transferred to the state as a result of liquidating the rural rehabilitation corporation trust, and money derived from transfer of the trust to the state, must be credited to the rural rehabilitation ~~revolving fund~~ account. The principal amount of the rural rehabilitation ~~revolving fund~~ account must be invested by the state investment board. The income attributable to investment of the principal is appropriated to the commissioner for the purposes of Laws 1987, chapter 386, article 1.

Sec. 50. Minnesota Statutes 1988, section 116J.955, subdivision 2, is amended to read:

Subd. 2. **EXPENDITURE OF FUND ACCOUNT.** The commissioner may use the rural rehabilitation ~~revolving fund~~ account for the purposes that are allowed under the Minnesota rural rehabilitation corporation's charter and agreement with the United States Secretary of Agriculture as provided in Public Law Number 499, 81st Congress, enacted May 3, 1950 and as allowed under Laws 1987, chapter 386, article 1. Not more than three percent of the book value of the Minnesota rural rehabilitation corporation's assets may be used for administrative purposes in a year without approval of the United States Secretary of Agriculture. ~~The commissioner may create separate accounts within the fund for use in accordance with the fund's purposes.~~

Sec. 51. Minnesota Statutes 1988, section 116J.9673, subdivision 4, is amended to read:

Subd. 4. **WORKING CAPITAL ACCOUNT.** An export finance authority working capital account is created as a special account in the state treasury. All premiums, and interest, ~~and~~ fees collected under subdivision 3, clause (6), must be deposited into this account. Fees collected must be credited to the general fund. The balance in the account may exceed \$1,000,000 through accumulated earnings. Money in the account including interest earned and appropriations made by the legislature for the purposes of this section, is appropriated annually to the finance authority for the purposes of this section. The balance in the account may decline below \$1,000,000 as required to pay defaults on guaranteed loans.

Sec. 52. Minnesota Statutes 1988, section 116N.02, subdivision 6, is amended to read:

Subd. 6. **FUND ACCOUNT ALLOCATION.** The commissioner shall allocate \$6,000,000 from the rural rehabilitation ~~revolving fund~~ account to be used for the challenge grant program.

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

Sec. 53. Minnesota Statutes 1988, section 116N.08, subdivision 4, is amended to read:

Subd. 4. **REVOLVING LOAN FUND.** A regional organization shall establish a board certified revolving loan fund to provide loans to new and expanding businesses in rural Minnesota to promote economic development. Eligible business enterprises include technologically innovative industries, value-added manufacturing, agriprocessing, information industries, and agricultural marketing. Loan applications given preliminary approval by the organization must be forwarded to the commissioner for final approval. The amount of state money allocated for each loan is appropriated from the rural rehabilitation ~~revolving fund~~ fund account established in section 116J.955 to the organization's regional revolving loan fund when the commissioner gives final approval for each loan. The amount of money appropriated from the rural rehabilitation ~~revolving fund~~ account may not exceed 50 percent for each loan. The amount of nonpublic money must equal at least 50 percent for each loan.

Sec. 54. Minnesota Statutes 1988, section 116N.08, subdivision 8, is amended to read:

Subd. 8. **LOCAL GOVERNMENTAL UNIT LOANS.** A local governmental unit may receive a loan under this section if the local governmental unit has established a local revolving loan fund and can provide at least an equal match to the loan received from a regional organization. For the purpose of providing the match to establish the local revolving loan fund, the local governmental unit may use any unencumbered money in the general fund of the unit. Revenues from tax increments derived from a district located within the boundaries of the local governmental unit may be used to fund a second local revolving loan fund only if (1) those revenues are loaned in a manner authorized in the district's tax increment financing plan to a business located within the tax increment district, and (2) the revenues are deposited in a loan fund that is separate from the loan fund in which general fund money is established. The local governmental unit may deposit up to \$50,000 of local public money in each of the local revolving funds that may be established under this subdivision. The maximum loan available to a local governmental unit under this section is \$50,000. The money loaned to a local governmental unit by a regional organization must be matched by the local revolving loan fund and used to provide loans to businesses to promote local economic development. One-half of the money loaned to a local governmental unit under this section by a regional organization must be repaid to the rural rehabilitation ~~revolving fund~~ fund account. One-half of the money may be retained by the local governmental unit's revolving loan fund for further distribution by the local governmental unit.

Sec. 55. Minnesota Statutes 1988, section 116O.03, subdivision 3, is amended to read:

Subd. 3. **BYLAWS.** The board of directors shall adopt bylaws necessary for the conduct of the business of the corporation, consistent with this chapter. The corporation must publish the bylaws and amendments to the bylaws in the State Register.

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

Sec. 56. Minnesota Statutes 1988, section 116O.03, is amended by adding a subdivision to read:

Subd. 11. STATEMENTS OF ECONOMIC INTEREST. Directors, officers, and employees of the corporation are public officials for the purpose of section 10A.09, and must file statements of economic interest with the ethical practices board.

Sec. 57. Minnesota Statutes 1988, section 116O.04, is amended by adding a subdivision to read:

Subd. 4. PERSONNEL POLICIES. (a) The corporation must adopt and periodically revise, if necessary, an affirmative action plan similar to the affirmative action plan under section 43A.19, subdivision 1. The corporation is subject to the audit and reporting requirements under section 43A.191, subdivision 3.

(b) Employees of the corporation are subject to the prohibition of political activities and required leave of absences under section 43A.32.

(c) Employees of the corporation are subject to the code of ethics requirements under section 43A.38.

Sec. 58. Minnesota Statutes 1988, section 116O.05, is amended to read:

116O.05 POWERS OF THE CORPORATION.

(a) Except as otherwise provided in this article, the corporation has the powers granted to a business corporation by section 302A.161, subdivisions 3; 4; 5; 7; 8; 9; 11; 12; 13, except that the corporation may not act as a general partner in any partnership; 14; 15; 16; 17; 18; and 22.

(b) The state is not liable for the obligations of the corporation.

(c) Section 302A.041 applies to this ~~article~~ chapter and the corporation in the same manner that it applies to business corporations established under chapter 302A.

(d) The corporation is a state agency for the purposes of the following accounting and budgeting requirements:

(1) financial reports and other requirements under section 16A.06;

(2) the state budget system under sections 16A.095, 16A.10, and 16A.11;

(3) the state allotment and encumbrance, and accounting systems under sections 16A.14, subdivisions 2, 3, 4, and 5; and 16A.15, subdivisions 2 and 3; and

(4) indirect costs under section 16A.127.

Sec. 59. Minnesota Statutes 1988, section 116O.12, is amended to read:

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

116O.12 GREATER MINNESOTA FUND ACCOUNT.

(a) The Greater Minnesota fund account is created in the state treasury. ~~The board may require the commissioner of finance to create separate accounts within the fund for use in accordance with the fund's purposes~~ special revenue fund. Money in the fund account not needed for the immediate purposes of the corporation may be invested by the ~~corporation~~ state board of investment in any way authorized by section 11A.24. Money in the fund account is appropriated to the corporation to be used as provided in this chapter.

(b) The fund account consists of:

- (1) money appropriated and transferred from other state funds;
- (2) fees and charges collected by the corporation;
- (3) income from investments and purchases;
- (4) revenue from loans, rentals, royalties, dividends, and other proceeds collected in connection with lawful corporate purposes;
- (5) gifts, donations, and bequests made to the corporation; and
- (6) through the first five full fiscal years, during which proceeds from the lottery are received, one-half of the net proceeds of the state-operated lottery must be credited to the greater Minnesota corporation fund account. Thereafter, up to one-half, as determined by law each biennium, of the net proceeds from the state-operated lottery must be credited to the greater Minnesota corporation fund account.

Sec. 60. Minnesota Statutes 1988, section 116O.13, is amended to read:

116O.13 AGRICULTURAL PROJECT UTILIZATION FUND ACCOUNT.

The agricultural project utilization fund account is a fund an account in the ~~state treasury~~ special revenue fund. Money in the fund account is appropriated to the agricultural utilization research institute to be used for agricultural research grants as provided in section 116O.09, subdivision 4, and for the agricultural utilization research institute.

Sec. 61. Minnesota Statutes 1988, section 148B.17, is amended to read:

148B.17 FEES.

Each board shall by rule establish fees, including late fees, for licenses or filings and renewals so that the total fees collected by the board will as closely as possible equal anticipated expenditures during the fiscal biennium, as provided in section 16A.128, plus the prorated costs of the office of social work and mental health boards. Fees must be credited to accounts in the special revenue fund.

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

Sec. 62. Minnesota Statutes 1988, section 169.121, subdivision 5a, is amended to read:

Subd. 5a. **CHEMICAL DEPENDENCY ASSESSMENT CHARGE.** When a court sentences a person convicted of an offense enumerated in section 169.126, subdivision 1, it shall impose a chemical dependency assessment charge of \$75. This section applies when the sentence is executed, stayed, or suspended. The court may not waive payment or authorize payment of the assessment charge in installments unless it makes written findings on the record that the convicted person is indigent or that the assessment charge would create undue hardship for the convicted person or that person's immediate family.

The court shall collect and forward to the commissioner of finance the total amount of the chemical dependency assessment charge within 60 days after sentencing or explain to the commissioner in writing why the money was not forwarded within this time period. The commissioner shall credit the money to the ~~drinking and driving repeat offense prevention account created in section 169.126, subdivision 4a~~ general fund.

The chemical dependency assessment charge required under this section is in addition to the surcharge required by section 609.101.

Sec. 63. Minnesota Statutes 1988, section 169.126, subdivision 4, is amended to read:

Subd. 4. **CHEMICAL USE ASSESSMENT.** (a) Except as otherwise provided in paragraph (d), when an alcohol problem screening shows that the defendant has an identifiable chemical use problem, the court shall require the defendant to undergo a comprehensive chemical use assessment conducted by an assessor qualified under rules adopted by the commissioner of human services under section 254A.03, subdivision 3. An assessor providing a chemical use assessment for the court may not have any direct or shared financial interest or referral relationship resulting in shared financial gain with a treatment provider. If an independent assessor is not available, the court may use the services of an assessor authorized to perform assessments for the county social services agency under a variance granted under rules adopted by the commissioner of human services under section 254A.03, subdivision 3. An appointment for the defendant to undergo the chemical use assessment shall be made by the court, a court services probation officer, or the court administrator as soon as possible but in no case more than one week after the defendant's court appearance. The comprehensive chemical use assessment must be completed no later than two weeks after the appointment date.

(b) The chemical use assessment report must include a recommended level of care for the defendant in accordance with the criteria contained in rules adopted by the commissioner of human services under section 254A.03, subdivision 3.

(c) The state shall reimburse the county for the entire cost of each chemical

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

use assessment and report at a rate established by the department of human services up to a maximum of \$100 in each case. The county may not be reimbursed for the cost of any chemical use assessment or report not completed within the time limit provided in this subdivision. Reimbursement to the county must be made from the special account established in subdivision 4a general fund.

(d) If the preliminary alcohol problem screening is conducted by an assessor qualified under rules adopted by the commissioner of human services under section 254A.03, subdivision 3, consists of a comprehensive chemical use assessment of the defendant, and complies with the chemical use assessment report requirements of paragraph (b), it is a chemical use assessment for the purposes of this section and the court may not require the defendant to undergo a second chemical use assessment under paragraph (a). The state shall reimburse counties for the cost of alcohol problem screenings that qualify as chemical use assessments under this paragraph in the manner provided in paragraph (c) in lieu of the reimbursement provisions of section 169.124, subdivision 3.

Sec. 64. Minnesota Statutes 1988, section 169.126, subdivision 4a, is amended to read:

Subd. 4a. **DRINKING AND DRIVING REPEAT OFFENSE PREVENTION ACCOUNT.** ~~A special account is established in the state treasury known as the drinking and driving repeat offense prevention account. Money credited to the account is appropriated continuously to~~ The commissioner of public safety and shall be spent by the commissioner to reimburse counties for the entire cost of each chemical use assessment and report completed within the time limit provided under subdivision 4, up to a maximum of \$100 in each case.

Sec. 65. Minnesota Statutes 1988, section 190.25, subdivision 3, is amended to read:

Subd. 3. The adjutant general is authorized to sell in the manner provided by law any or all timber, growing crops, buildings and other improvements, if any, situated upon the lands acquired under the authority of subdivision 1 or which may hereafter comprise the Camp Ripley military field training center and not needed for military training purposes. The proceeds of any sales shall be deposited in the military land general fund, and the moneys deposited are ~~appropriated to the adjutant general out of the fund for: the acquisition of land as provided in subdivision 1; the payment of expenses of forest management on land forming the Camp Ripley military reservation; and the provision of an enlisted persons' service center.~~

Sec. 66. Minnesota Statutes 1988, section 214.06, subdivision 1, is amended to read:

Subdivision 1. Notwithstanding any law to the contrary, the commissioner of health as authorized by section 214.13, all health-related licensing boards and all non-health-related licensing boards shall by rule, with the approval of the

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

commissioner of finance, adjust any fee which the commissioner of health or the board is empowered to assess a sufficient amount so that the total fees collected by each board will as closely as possible equal anticipated expenditures during the fiscal biennium, as provided in section 16A.128. For members of an occupation registered after July 1, 1984 by the commissioner of health under the provisions of section 214.13, the fee established must include an amount necessary to recover, over a five-year period, the commissioner's direct expenditures for adoption of the rules providing for registration of members of the occupation. All fees received shall be deposited in the state treasury. Fees received by health-related licensing boards must be credited to the special revenue fund. ~~Any balance remaining in the special revenue fund at the end of each fiscal year, after payment of health-related licensing board expenses including salaries, attorney general fees, and indirect costs, must be credited to the public health fund.~~

Sec. 67. Minnesota Statutes 1988, section 256.482, subdivision 7, is amended to read:

Subd. 7. **COLLECTION OF FEES.** The council is empowered to establish and collect fees for documents or technical services provided to the public. The fees shall be set at a level to reimburse the council for the actual cost incurred in providing the document or service. ~~Notwithstanding the provisions of section 16A.72,~~ All fees collected shall be deposited into the state treasury and credited to a separate dedicated account for council services. ~~All money in this dedicated account is appropriated by law to the council to provide documents and technical services to the public~~ general fund.

Sec. 68. Minnesota Statutes 1988, section 260.193, subdivision 8, is amended to read:

Subd. 8. If the juvenile court finds that the child is a juvenile major highway or water traffic offender, it may make any one or more of the following dispositions of the case:

- (a) Reprimand the child and counsel with the child and the parents;
- (b) Continue the case for a reasonable period under such conditions governing the child's use and operation of any motor vehicles or boat as the court may set;
- (c) Require the child to attend a driver improvement school if one is available within the county;
- (d) Recommend to the department of public safety suspension of the child's driver's license as provided in section 171.16;
- (e) If the child is found to have committed two moving highway traffic violations or to have contributed to a highway accident involving death, injury, or physical damage in excess of \$100, the court may recommend to the commissioner of public safety or to the licensing authority of another state the cancella-

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

tion of the child's license until the child reaches the age of 18 years, and the commissioner of public safety is hereby authorized to cancel the license without hearing. At any time before the termination of the period of cancellation, the court may, for good cause, recommend to the commissioner of public safety, or to the licensing authority of another state, that the child's license be returned, and the commissioner of public safety is authorized to return the license;

(f) Place the child under the supervision of a probation officer in the child's own home under conditions prescribed by the court including reasonable rules relating to operation and use of motor vehicles or boats directed to the correction of the child's driving habits;

(g) Require the child to pay a fine of up to \$700. The court shall order payment of the fine in accordance with a time payment schedule which shall not impose an undue financial hardship on the child;

(h) If the court finds that the child committed an offense described in section 169.121, the court shall order that an alcohol problem screening be conducted and a screening report submitted to the court in the manner prescribed in section 169.126. Except as otherwise provided in section 169.126, subdivision 4, paragraph (d), if the alcohol problem screening shows that the child has an identifiable chemical use problem, the court shall require the child to undergo a comprehensive chemical use assessment in accordance with section 169.126, subdivision 4. If the chemical use assessment recommends a level of care for the child, the court may require that level of care in its disposition order. In addition, the court may require any child ordered to undergo a chemical use assessment to pay a chemical dependency assessment charge of \$75. The court shall forward the assessment charge to the commissioner of finance to be credited to the ~~special account created in section 169.126, subdivision 4~~ general fund. The state shall reimburse counties for the total cost of the chemical use assessment in the manner provided in section 169.126, subdivision 4.

Sec. 69. Minnesota Statutes 1988, section 270.069, is amended to read:

270.069 COMMISSIONER TO COLLECT CERTAIN LOCAL TAXES.

Subdivision 1. COSTS DEDUCTED; APPROPRIATION. If the commissioner of revenue agrees to collect a locally imposed tax, the local unit of government must agree that all the direct and indirect costs of the department of revenue for collecting the tax and any other statewide indirect costs will be deducted from the amounts collected and paid to the local unit of government. The amounts deducted must be deposited in the state treasury and credited to a ~~local tax collection account. Money in the account is appropriated to the commissioner of revenue to collect the locally imposed tax~~ the general fund.

Subd. 2. DEVELOPMENT COSTS. If the commissioner determines that a new computer system will be required to collect the locally imposed taxes, the costs of development of the system will be charged to the first local units of

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

government to be included in the system. Any additional local units of government that by agreement are added to the system will be charged for a share of the development costs. The charge will be determined by the commissioner who shall then refund to the original local units of government their portion of the development costs recovered from the additional users. ~~The amounts necessary to make the refunds are appropriated from the local tax collection account to the commissioner of revenue.~~

Sec. 70. Minnesota Statutes 1988, section 270.185, subdivision 1, is amended to read:

Subdivision 1. A ~~permanent~~ reassessment revolving fund account of \$250,000 is created in the special revenue fund. ~~\$250,000 is appropriated from the general fund to the permanent reassessment revolving fund.~~ The fund money in the account is annually appropriated to the commissioner of revenue for the purposes of this section.

Sec. 71. Minnesota Statutes 1988, section 273.02, subdivision 5, is amended to read:

Subd. 5. **REFUNDS FOR IRON ORE NOT FOUND.** Any taxpayer having paid real estate taxes on valuations of iron ore, considered to be commercially mineable, which was believed to have existed, and was subsequently determined not to exist, may apply to the commissioner of revenue for a refund of taxes paid thereon, as provided herein. Such application for refund shall be filed in the year in which it is determined that the iron ore does not exist. No refund shall be made for taxes paid or payable more than six years previous to the date of said application. The refunds shall be paid from the ~~special~~ general fund established in subdivision 6; ~~and so much as is needed to pay such refunds is hereby appropriated.~~

Sec. 72. Minnesota Statutes 1988, section 273.02, subdivision 6, is amended to read:

Subd. 6. **~~SPECIAL~~ GENERAL FUND.** The taxes collected in accordance with subdivision 4 shall be transmitted by the county treasurer to the state treasurer and deposited in a ~~special~~ the general fund. There shall be paid from ~~this special~~ the general fund the amount of refunds determined in accordance with subdivision 5. ~~In the event the amount in such fund is not sufficient to pay such refunds, the refunds shall be paid as soon as sufficient amounts are available in the fund.~~

~~The balance in such fund shall be distributed at the end of each fiscal year to the iron range resources and rehabilitation board account.~~

Sec. 73. Minnesota Statutes 1988, section 284.28, subdivision 8, is amended to read:

Subd. 8. ~~There is established in the state treasury a real estate assurance~~

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

~~account. This account is composed of money appropriated by the legislature for this purpose and all money deposited in the state treasury and credited to the account. Money in the state treasury credited to the real estate assurance account from all sources is annually appropriated to the state treasurer for the purpose of paying claims ordered by the district court to be paid from the fund. At the time of sale of a parcel of tax forfeited land, the county auditor shall charge and collect in full an amount equal to three percent of the total sale price of land. Before filing a notice of expiration of time for redemption, in cases where an auditor's certificate of sale or a state assignment certificate has been issued, the county auditor shall charge and collect in full from the holder of the certificate an amount equal to three percent of the appraised value of the property for tax purposes. The amounts so collected by the auditor shall be deposited in the state treasury and credited to the real estate assurance account general fund. Income earned from moneys in the account shall be credited to the account. The state treasurer may separately invest account moneys.~~

In determining compensation for the unjust deprivation suffered by the claimant, which may include severance damages sustained if the claimant owns adjoining land, the court shall take into account delinquent taxes, penalties, costs, and interest which would have been due and owing if the claimant had redeemed the land.

No claimant shall recover the value of improvements made to the land by other persons or the increment in value of land that occurs after the claimant has actual notice of the forfeiture proceeding. All claims ~~against the real estate assurance account~~ and ordered by the district court to be paid ~~therefrom~~ shall be obligations of the state and shall be paid out of the ~~first moneys coming into the assurance~~ general fund from legislative appropriations, the collection of money by county auditors or from any other sources as provided by law.

There is appropriated from the general fund to the state treasurer amounts sufficient to pay the amount by which any claims ordered to be paid ~~from the real estate assurance account pursuant to~~ under this subdivision, ~~exceed the amount existing in the account at the time of the order, but the total amount appropriated from the general fund shall not exceed the amounts transferred from the real estate assurance account to the general fund pursuant to Laws 1981, chapter 356, section 339, plus interest.~~

Sec. 74. Minnesota Statutes 1988, section 284.28, subdivision 9, is amended to read:

Subd. 9. In any action brought to recover loss or damage from the ~~real estate assurance account~~ general fund, the state treasurer, in that official capacity, shall be named as defendant. ~~If the assurance account is insufficient to pay the amount of any judgment, in full, the unpaid balance thereof shall bear interest at the legal rate and shall be paid together with any accrued interest thereon.~~ The attorney general or, at the attorney general's request, the county attorney of the county in which the land or a major part of it lies, shall defend the state treasurer in all such actions.

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

Sec. 75. Minnesota Statutes 1988, section 284.28, subdivision 10, is amended to read:

Subd. 10. Any action or proceeding pursuant to this section to recover damages ~~out of the real estate assurance fund~~ shall be commenced within ten years after the expiration of the periods within which claims may be asserted pursuant to subdivisions 2 and 3, and not afterwards. If, within this ten year period the person entitled to bring such action or proceeding is under legal disability, such person, or anyone claiming under the person, may commence such action or proceeding within the period expiring two years after such disability is removed or within the ten year period, whichever period is greater.

Sec. 76. Minnesota Statutes 1988, section 296.421, subdivision 8, is amended to read:

Subd. 8. **COMPUTATION AND DISTRIBUTION OF UNREFUNDED TAXES FOR FOREST ROADS.** The amount of unrefunded tax paid on gasoline and special fuel used to operate motor vehicles on forest roads, except gasoline and special fuel used for aviation purposes, is \$675,000 annually and is appropriated from the highway user tax distribution fund and must be transferred and credited in equal installments on July 1 and January 1 ~~as follows: \$400,000 must be credited to a the state forest road account and established in section 89.70. \$275,000 must be credited to a county management access road account of this amount must be annually transferred to counties for management and maintenance of county forest roads.~~

Sec. 77. Minnesota Statutes 1988, section 297.13, subdivision 1, is amended to read:

Subdivision 1. **CIGARETTE TAX APPORTIONMENT.** Revenues received from taxes, penalties, and interest under sections 297.01 to 297.13 and from license fees and miscellaneous sources of revenue shall be deposited by the commissioner of revenue ~~in a separate and special fund, designated as the tobacco tax revenue fund,~~ in the state treasury and credited as follows:

(a) first to the general obligation special tax bond debt service account in each fiscal year the amount required to increase the balance on hand in the account on each December 1 to an amount equal to the full amount of principal and interest to come due on all outstanding bonds whose debt service is payable primarily from the proceeds of the tax to and including the second following July 1; and

(b) after the requirements of paragraph (a) have been met:

(1) the revenue produced by one mill of the tax on cigarettes weighing not more than three pounds a thousand and two mills of the tax on cigarettes weighing more than three pounds a thousand must be credited to the Minnesota future resources account;

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

(2) the revenue produced by two mills of the tax on cigarettes weighing not more than three pounds a thousand and four mills of the tax on cigarettes weighing more than three pounds a thousand must be credited to the Minnesota state water pollution control fund created in section 116.16; provided that, if the tax on cigarettes imposed by United States Code, title 26, section 5701, as amended, is reduced after June 1, 1985, an additional one mill of the tax on cigarettes weighing not more than three pounds a thousand and two mills of the tax on cigarettes weighing more than three pounds a thousand must be credited to the Minnesota state water pollution control fund created in section 116.16 less any amount credited to the general obligation special tax debt service account under paragraph (a); with respect to bonds issued for the prevention, control, and abatement of water pollution;

(3) the revenue produced by one mill of the tax on cigarettes weighing not more than three pounds a thousand and two mills of the tax on cigarettes weighing more than three pounds a thousand must be credited to a public health fund; provided that if the tax on cigarettes imposed by United States Code, title 26, section 5701, as amended, is reduced after June 1, 1985, an additional two-tenths of one mill of the tax on cigarettes weighing not more than three pounds a thousand and an additional four-tenths of one mill of the tax on cigarettes weighing more than three pounds a thousand must be credited to the public health fund;

(4) the balance of the revenues derived from taxes, penalties, and interest under sections 297.01 to 297.13 and from license fees and miscellaneous sources of revenue shall be credited to the general fund.

Sec. 78. Minnesota Statutes 1988, section 297.26, is amended to read:

297.26 REVENUE DISTRIBUTION.

All revenues derived from taxes, penalties, and interest under sections 297.21 to 297.26 shall be deposited by the commissioner in the ~~tobacco tax revenue fund~~ state treasury and disposed of in the same manner as provided by section 297.13 for revenues received under sections 297.01 to 297.13.

Sec. 79. Minnesota Statutes 1988, section 297.32, subdivision 9, is amended to read:

Subd. 9. Revenue derived from the taxes imposed by this section must be deposited by the commissioner in the state treasury and credited as follows:

(1) the revenue produced by the tax on five percent of the wholesale sales price or cost of the ~~tobacco products except little cigars~~ must be credited to the Minnesota state water pollution control fund created in section 116.16; and

(2) the balance of the revenue must be credited to the general fund.

Sec. 80. Minnesota Statutes 1988, section 297A.44, subdivision 1, is amended to read:

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

Subdivision 1. (a) Except as provided in paragraphs (b) and (c) all revenues, including interest and penalties, derived from the excise and use taxes imposed by sections 297A.01 to 297A.44 shall be deposited by the commissioner in the state treasury and credited to the general fund.

(b) All excise and use taxes derived from sales and use of property and services purchased for the construction and operation of an agricultural resource project, from and after the date on which a conditional commitment for a loan guaranty for the project is made pursuant to section 41A.04, subdivision 3, shall be deposited in the Minnesota agricultural and economic ~~development~~ account in the special revenue fund. The commissioner of finance shall certify to the commissioner the date on which the project received the conditional commitment. The amount deposited in the loan guaranty ~~fund~~ account shall be reduced by any refunds and by the costs incurred by the department of revenue to administer and enforce the assessment and collection of the taxes.

(c) All revenues, including interest and penalties, derived from the excise and use taxes imposed on sales and purchases included in section 297A.01, subdivision 3, paragraphs (d) and (l), clauses (1) and (2), must be deposited by the commissioner ~~of revenue in a separate and special fund, designated as the sports and health club sales tax revenue fund~~ in the state treasury, and credited as follows:

(1) first to the general obligation special tax bond debt service account in each fiscal year the amount required by section 16A.661, subdivision 3, paragraph (b); and

(2) after the requirements of clause (1) have been met, the balance must be credited to the general fund.

Sec. 81. Minnesota Statutes 1988, section 336.9-413, is amended to read:

336.9-413 UNIFORM COMMERCIAL CODE ACCOUNT.

(a) The uniform commercial code account is established as an account in the state treasury.

(b) The filing officer with whom a financing statement, assignment, or continuation statement is filed, or to whom a request for search is made, shall collect a \$2 surcharge on each filing or search. By the 15th day following the end of each fiscal quarter, each county recorder shall forward the receipts from the surcharge accumulated during that fiscal quarter to the secretary of state. The surcharge does not apply to a search request made by a natural person who is the subject of the data to be searched except when a certificate is requested as a part of the search.

(c) The surcharge amounts received from county recorders and the surcharge amounts collected by the secretary of state's office must be deposited in the state treasury and credited to the ~~uniform commercial code account~~ general fund.

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

(d) Fees that are not expressly set by statute but are charged by the secretary of state to offset the costs of providing a service under sections 336.9-411 to 336.9-413 must be deposited in the state treasury and credited to the uniform commercial code account.

(e) Fees that are not expressly set by statute but are charged by the secretary of state to offset the costs of providing information contained in the computerized records maintained by the secretary of state must be deposited in the state treasury and credited to the uniform commercial code account.

(f) Money in the uniform commercial code account is continuously appropriated to the secretary of state to implement and maintain the computerized uniform commercial code filing system under section 336.9-411 and to provide electronic-view-only access to other computerized records maintained by the secretary of state.

Sec. 82. Minnesota Statutes 1988, section 357.021, subdivision 2a, is amended to read:

Subd. 2a. **CERTAIN FEE PURPOSES.** Of the marriage dissolution fee collected pursuant to subdivision 4 2, the court administrator shall pay \$35 to the state treasurer to be deposited in the ~~special revenue~~ general fund to be used as follows: \$15 for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections ~~611A.31 to 611A.36~~ and for administering displaced homemaker programs established under section ~~268.96~~; and \$20 is appropriated to the commissioner of corrections for the purpose of funding emergency shelter services and support services to battered women, on a matching basis with local money for 20 percent of the costs and state money for 80 percent. Of the \$15 for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections ~~611A.31 to 611A.36~~ and for administering displaced homemaker programs established under section ~~268.96~~, \$6.75 is appropriated to the commissioner of corrections and \$8.25 is appropriated to the commissioner of jobs and training. The commissioner of jobs and training may use money appropriated in this subdivision for the administration of a displaced homemaker program regardless of the date on which the program was established.

Sec. 83. Minnesota Statutes 1988, section 373.27, subdivision 3, is amended to read:

Subd. 3. All money grants under subdivision 1 shall be deposited in the general special revenue fund in the state treasury in a special account in the name of the commission or commissioner named in subdivision 1 to whom it was granted, and is appropriated to the commission or commissioner for the purposes specified in the grant. The money shall not cancel but shall remain available until expended for the purpose or purposes for which it was granted. If no specific purpose is named in the grant, the money shall be available to the commission or commissioner for any of the purposes set forth in subdivision 1.

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

Sec. 84. Minnesota Statutes 1988, section 402.065, is amended to read:

402.065 BUDGET, LEVY; AUDIT.

In conjunction with the county budget setting process, the human services board shall submit to each county board of commissioners participating in the human services board an estimate of the amount needed by it to perform its duties, including expenses of administration, and, if approved, each county shall levy a tax as provided by law for these purposes. In the event the estimate is not approved, each county board of commissioners participating in the human services board shall confer with the human services board, develop a budget and levy a tax for the amount required. The state auditor shall audit the books and accounts of the human services board once each year. The human services board shall pay to the state the total cost and expenses of the examination, including the salaries paid to auditors while actually engaged in making the examination. ~~The revolving general fund of the state auditor~~ shall be credited with all collections made for any examination.

Sec. 85. Minnesota Statutes 1988, section 403.11, subdivision 1, is amended to read:

Subdivision 1. **EMERGENCY TELEPHONE SERVICE FEE.** (a) Each customer of a local exchange company is assessed a fee to cover the costs of ongoing maintenance and related improvements for trunking and central office switching equipment for minimum 911 emergency telephone service, plus administrative and staffing costs of the department of administration related to managing the 911 emergency telephone service program.

(b) The fee may not be less than eight cents nor more than 30 cents a month for each customer access line, including trunk equivalents as designated by the public utilities commission for access charge purposes. The fee must be the same for all customers.

(c) The fee must be collected by each utility providing local exchange telephone service. Fees are payable to and must be submitted to the commissioner of administration monthly before the 25th of each month following the month of collection, except that fees may be submitted quarterly if less than \$250 a month is due, or annually if less than \$25 a month is due. Receipts must be deposited in the state treasury and credited to a 911 emergency telephone service account in the special revenue fund. The money in the account may only be used for 911 telephone services as provided in paragraph (a).

(d) The commissioner of administration, with the approval of the commissioner of finance, shall establish the amount of the fee within the limits specified and inform the utilities of the amount to be collected. Utilities must be given a minimum of 45 days notice of fee changes.

Sec. 86. Minnesota Statutes 1988, section 462.396, subdivision 4, is amended to read:

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

Subd. 4. The commission shall keep an accurate account of its receipts and disbursement. Disbursements of funds of the commission shall be made by check signed by the chair or vice-chair or secretary of the commission and countersigned by the executive director or an authorized deputy thereof after such auditing and approval of the expenditure as may be provided by rules of the commission. The state auditor shall audit the books and accounts of the commission once each year, or as often as funds and personnel of the state auditor permit. The commission shall pay to the state the total cost and expenses of such examination, including the salaries paid to the auditors while actually engaged in making such examination. The ~~revolving general fund of the state auditor~~ shall be credited with all collections made for any such examination.

Sec. 87. Minnesota Statutes 1988, section 469.056, subdivision 4, is amended to read:

Subd. 4. **COMPLIANCE EXAMINATIONS.** At the request of the city or upon the auditor's initiative, the state auditor may make a legal compliance examination of the authority for that city. Each authority examined must pay the total cost of the examination, including the salaries paid to the examiners while actually engaged in making the examination. The state auditor may bill monthly or at the completion of the audit. All collections received must be deposited in the ~~revolving general~~ fund of the state auditor.

Sec. 88. Minnesota Statutes 1988, section 469.100, subdivision 6, is amended to read:

Subd. 6. **COMPLIANCE EXAMINATIONS.** At the request of the city or upon the auditor's initiative, the state auditor may make a legal compliance examination of the authority for that city. Each authority examined must pay the total cost of the examination, including the salaries paid to the examiners while actually engaged in making the examination. The state auditor may bill monthly or at the completion of the audit. All collections received must be deposited in the ~~revolving general~~ fund of the state auditor.

Sec. 89. Minnesota Statutes 1988, section 471.699, is amended to read:

471.699 ENFORCEMENT OF REPORTING REQUIREMENTS.

Failure of a city to timely file a statement or report under section 471.697 or 471.698 shall, in addition to any other penalties provided by law, authorize the state auditor to send full time personnel to the city or to contract with private persons, firms or corporations pursuant to section 6.58, in order to complete and file the financial statement or report. The expenses related to the completion and filing of the financial statement or report shall be charged to the city. Upon failure by the city to pay the charge within 30 days of billing, the state auditor shall so certify to the commissioner of finance who shall forward the amount certified to the ~~state auditor's revolving general~~ fund and deduct the amount from any state funds due to the city under any shared taxes or aids. The state auditor's annual report on cities shall include a listing of all cities failing to file a statement or report.

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

Sec. 90. Minnesota Statutes 1988, section 473.13, subdivision 4, is amended to read:

Subd. 4. **ACCOUNTS; AUDITS.** The council shall keep an accurate account of its receipts and disbursements. Disbursements of council money must be made by check, signed by the chair or vice-chair of the council and countersigned by its director or assistant director after whatever auditing and approval of the expenditure may be provided by rules of the council. The state auditor shall audit the books and accounts of the council once each year, or as often as funds and personnel of the state auditor permit. The council shall pay to the state the total cost and expenses of the examination, including the salaries paid to the auditors while actually engaged in making the examination. The ~~revolving~~ general fund of the state auditor must be credited with all collections made for any examination.

Sec. 91. Minnesota Statutes 1988, section 473.375, subdivision 17, is amended to read:

Subd. 17. **AUDIT.** The board must be audited at least once each year. The board may elect to be audited by a certified public accountant or by the state auditor. If the board chooses the state auditor, the state auditor shall audit, either directly or by subcontract, the board's financial accounts and affairs at least once each year. The information in the audit must be contained in the annual report and distributed in accordance with section 473.445, subdivision 3. The board shall pay the total cost of the audit, including the salaries paid to the examiners while actually engaged in making the examination. The state auditor may bill monthly or at the completion of the audit. All collections received for the state audits must be deposited in the ~~revolving~~ general fund of the state auditor.

Sec. 92. Minnesota Statutes 1988, section 473.435, subdivision 2, is amended to read:

Subd. 2. **AUDIT.** The commission must be audited at least once each year. The commission may elect to be audited by a certified public accountant or by the state auditor. If the commission chooses the state auditor, the state auditor shall make an audit, either directly or by subcontract, of the commission's financial accounts and affairs at least once each year. Copies of the auditor's report shall be filed and kept open to public inspection in the offices of the secretary of the commission, the board, and the secretary of state. The information in the audit shall be contained in the annual report and distributed in accordance with section 473.445. The commission shall pay the total cost of the audit, including the salaries paid to the examiners while actually engaged in making the examination. The state auditor may bill monthly or at the completion of the audit. All collections received for the state audits must be deposited in the ~~revolving~~ general fund of the state auditor.

Sec. 93. Minnesota Statutes 1988, section 473.543, subdivision 5, is amended to read:

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

Subd. 5. The state auditor shall audit the books and accounts of the commission at least once each year. The commission shall pay to the state the total cost and expenses of such examination, including the salaries paid to the examiners while actually engaged in making such examination. The ~~revolving~~ general fund ~~of the state auditor~~ shall be credited with all collections made for any such examination. The council may also require the commission to have an independent audit made by a certified public accountant to be paid for by the commission, and may examine the commission's books and accounts at any time.

Sec. 94. Minnesota Statutes 1988, section 473.843, subdivision 2, is amended to read:

Subd. 2. **DISPOSITION OF PROCEEDS.** After reimbursement to the department of revenue for costs incurred in administering this section, the proceeds of the fees imposed under this section, including interest and penalties, must be deposited as follows:

(a) one-half of the proceeds must be deposited in the metropolitan landfill abatement ~~fund~~ account established in section 473.844; and

(b) one-half of the proceeds must be deposited in the metropolitan landfill contingency action trust fund established in section 473.845.

Sec. 95. Minnesota Statutes 1988, section 473.844, subdivision 1, is amended to read:

Subdivision 1. **ESTABLISHMENT; PURPOSES.** The metropolitan landfill abatement ~~fund~~ account is ~~created as an account~~ in the state treasury environmental fund in order to reduce to the greatest extent feasible and prudent the need for and practice of land disposal of mixed municipal solid waste in the metropolitan area. The ~~fund~~ account consists of revenue deposited in the ~~fund~~ account under section 473.843, subdivision 2, clause (a), and interest earned on investment of money in the ~~fund~~ account. All repayments to loans made under this section must be credited to the ~~fund~~ account. The money in the ~~fund~~ account may be spent only for purposes of metropolitan landfill abatement as provided in subdivision 1a and only upon appropriation by the legislature.

Sec. 96. Minnesota Statutes 1988, section 473.845, subdivision 1, is amended to read:

Subdivision 1. **ESTABLISHMENT.** The metropolitan landfill contingency action trust fund is ~~created as an account~~ expendable trust fund in the state treasury. The fund consists of revenue deposited in the fund under section 473.843, subdivision 2, clause (b); amounts recovered under subdivision 6; and interest earned on investment of money in the fund.

Sec. 97. Minnesota Statutes 1988, section 480.09, subdivision 5, is amended to read:

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

Subd. 5. All moneys collected shall be paid into the state treasury and are ~~appropriated to the state law librarian for library purposes credited to the general fund.~~ Separate accounts shall be maintained for book sales receipts, the book purchasing service, and computer-assisted legal research.

Sec. 98. Minnesota Statutes 1988, section 517.08, subdivision 1c, is amended to read:

Subd. 1c. **DISPOSITION OF LICENSE FEE.** Of the marriage license fee collected pursuant to subdivision 1b, the court administrator shall pay \$30 to the state treasurer to be deposited in the ~~special revenue fund to be used as follows: \$6.75 is appropriated to the commissioner of corrections for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 611A.31 to 611A.36, and \$23.25 is appropriated to the commissioner of jobs and training for displaced homemaker programs under section 268.96.~~ The commissioner of jobs and training may use money appropriated in this subdivision for the administration of a displaced homemaker program regardless of the date on which the program was established general fund.

Sec. 99. Minnesota Statutes 1988, section 609.101, is amended to read:

609.101 SURCHARGE ON FINES, ASSESSMENTS; MINIMUM FINES.

Subdivision 1. **SURCHARGES AND ASSESSMENTS.** When a court sentences a person convicted of a felony, gross misdemeanor, or misdemeanor, other than a petty misdemeanor such as a traffic or parking violation, and if the sentence does not include payment of a fine, the court shall impose an assessment of not less than \$25 nor more than \$50. If the sentence for the felony, gross misdemeanor, or misdemeanor includes payment of a fine of any amount, including a fine of less than \$100, the court shall impose a surcharge on the fine of ten percent of the fine. This section applies whether or not the person is sentenced to imprisonment and when the sentence is suspended. The court may not waive payment or authorize payment of the assessment or surcharge in installments unless it makes written findings on the record that the convicted person is indigent or that the assessment or surcharge would create undue hardship for the convicted person or that person's immediate family. If the court fails to waive or impose an assessment required by this section, the court administrator shall correct the record to show imposition of an assessment of \$25 if the sentence does not include payment of a fine, or if the sentence includes a fine, to show an imposition of a surcharge of ten percent of the fine.

Except for assessments and surcharges imposed on persons convicted of violations described in section 97A.065, subdivision 2, the court shall collect and forward to the commissioner of finance the total amount of the assessment or surcharge and the commissioner shall credit all money so forwarded to a ~~crime victim and witness account, which is established as a special account in the state treasury~~ the general fund.

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

Money credited to the crime victim and witness account may be appropriated for but is not limited to the following purposes:

- (1) use for crime victim reparations under sections 611A.51 to 611A.68;
- (2) use by the crime victim and witness advisory council established under section 611A.71; and
- (3) to supplement the federally funded activities of the crime victim ombudsman under section 611A.74.

If the convicted person is sentenced to imprisonment, the chief executive officer of the correctional facility in which the convicted person is incarcerated may collect the assessment or surcharge from any earnings the inmate accrues for work performed in the correctional facility and forward the amount to the commissioner of finance, indicating the part that was imposed for violations described in section 97A.065, subdivision 2, which must be credited to the game and fish fund.

Subd. 2. **MINIMUM FINES.** Notwithstanding any other law:

- (1) when a court sentences a person convicted of violating section 609.221, 609.267, or 609.342, it must impose a fine of not less than \$500 nor more than the maximum fine authorized by law;
- (2) when a court sentences a person convicted of violating section 609.222, 609.223, 609.2671, 609.343, 609.344, or 609.345, it must impose a fine of not less than \$300 nor more than the maximum fine authorized by law; and
- (3) when a court sentences a person convicted of violating section 609.2231, 609.224, or 609.2672, it must impose a fine of not less than \$100 nor more than the maximum fine authorized by law.

The court may not waive payment of the fine or authorize payment of it in installments unless the court makes written findings on the record that the convicted person is indigent or that the fine would create undue hardship for the convicted person or that person's immediate family.

The court shall collect the minimum fine mandated by this subdivision and forward 70 percent of it to a local victim assistance program that provides services locally in the county in which the crime was committed. The court shall forward the remaining 30 percent to the commissioner of finance to be credited to the ~~crime victim and witness account established in subdivision 1~~ general fund. If more than one victim assistance program serves the county in which the crime was committed, the court may designate on a case-by-case basis which program will receive the fine proceeds, giving consideration to the nature of the crime committed, the types of victims served by the program, and the funding needs of the program. If no victim assistance program serves that county, the court shall forward 100 percent of the fine proceeds to the commissioner of finance to be credited to the ~~crime victim and witness account~~ general

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

fund. Fine proceeds received by a local victim assistance program must be used to provide direct services to crime victims. ~~Fine proceeds credited to the crime victim and witness account may be appropriated to the crime victim and witness advisory council, and the council may use all or part of the proceeds for the purpose of providing grants to establish new victim assistance programs.~~

The minimum fine required by this subdivision is in addition to the surcharge or assessment required by subdivision 1 and is in addition to any term of imprisonment or restitution imposed or ordered by the court.

As used in this subdivision, "victim assistance program" means victim witness programs within county attorney offices or any of the following programs approved by the department of corrections: crime victim crisis centers, victim-witness programs, battered women shelters and nonshelter programs, and sexual assault programs.

Sec. 100. Minnesota Statutes 1988, section 609.5315, subdivision 5, is amended to read:

Subd. 5. **DISTRIBUTION OF MONEY.** Seventy percent of the money or proceeds from the sale of forfeited property, after payment of seizure, storage, forfeiture, and sale expenses, and satisfaction of valid liens against the property, must be forwarded to the appropriate agency for deposit as a supplement to its operating fund or similar fund for use in law enforcement to the general fund, and 20 percent must be forwarded to the county attorney or other prosecuting agency that handled the forfeiture for deposit as a supplement to its operating fund or similar fund for prosecutorial purposes. The remaining ten percent of the money or proceeds must be forwarded within 60 days after resolution of the forfeiture to the state treasury and credited to the ~~crime victim and witness account established under section 609.101~~ general fund. Any local police relief association organized under chapter 423, which received or was entitled to receive the proceeds of any sale made under this section before the effective date of Laws 1988, chapter 665, sections 1 to 17, shall continue to receive and retain the proceeds of these sales.

Sec. 101. Minnesota Statutes 1988, section 611A.61, subdivision 3, is amended to read:

Subd. 3. **DEPOSIT OF REVENUE TO FUND.** ~~The first \$18,000 Amounts~~ collected under this section in each year of the biennium must be deposited into the general fund. ~~Amounts in excess of \$18,000 must be deposited into the crime victim and witness account in the state treasury for the purposes established in section 609.101.~~

Sec. 102. Minnesota Statutes 1988, section 626.861, subdivision 3, is amended to read:

Subd. 3. **COLLECTION BY COURT.** After a determination by the court of the amount of the fine or penalty assessment due, the court administrator

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

shall collect the appropriate penalty assessment and transmit it to the county treasurer separately with designation of its origin as a penalty assessment, but with the same frequency as fines are transmitted. Amounts collected under this subdivision shall then be transmitted to the state treasurer for deposit in the general fund for ~~peace officers training, in the same manner as fines collected for the state by a county.~~ The state treasurer shall identify and report to the commissioner of finance all amounts deposited in the general fund under this section.

Sec. 103. Minnesota Statutes 1988, section 626.861, subdivision 4, is amended to read:

Subd. 4. **PEACE OFFICERS TRAINING ACCOUNT.** Receipts from penalty assessments must be credited to a ~~peace officers training account in the special revenue fund.~~ ~~Money credited to the peace officers training account may be appropriated for but not limited to the following purposes, among others the~~ general fund. The peace officers standards and training board may allocate from funds appropriated as follows:

(a) Up to ten percent may be provided for reimbursement to board approved skills courses in proportion to the number of students successfully completing the board's skills licensing examination.

(b) The balance may be used to pay each local unit of government an amount in proportion to the number of licensed peace officers and constables employed, at a rate to be determined by the board. The disbursed amount must be used exclusively for reimbursement of the cost of in-service training required under this chapter and chapter 214.

Sec. 104. Laws 1987, chapter 386, article 2, section 22, is amended to read:

Sec. 22. **LOAN PROGRAMS TERMINATED; ADMINISTRATION; CREDIT OF REPAYMENTS.**

The following loan programs administered by the Minnesota energy and economic development authority are terminated: the special assistance program under section 116M.07, subdivision 11, except for the small business development loans; the technology product loan program; the tourism loan program created under section 116M.07; the energy loan insurance program under section 116M.11; the energy development fund program under section 116M.12; and the Minnesota fund program under sections 472.11 to 472.13. Loan repayments, earnings, releases from insurance reserve accounts, and other income from these programs must be paid to the the commissioner of energy trade and economic development, who shall deposit them in the state treasury and credit them to the greater Minnesota general fund.

Sec. 105. Laws 1987, chapter 386, article 9, section 19, is amended to read:

Sec. 19. **LOAN REPAYMENTS.**

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

The commissioner of energy trade and economic development shall credit money received before July 1, 1987, from loan repayments, earnings, releases from insurance reserve accounts, and other income from the following programs to the Minnesota agricultural and economic development fund: the special assistance program under section 116M.07, subdivision 11, except for the small business development loans; the technology product loan program; the tourism loan program created under section 116M.07; the energy loan insurance program under section 116M.11; the energy development fund program under section 116M.12; and the Minnesota fund program under sections 472.11 to 472.13. The commissioner of energy trade and economic development shall credit money received on or after July 1, 1987, to the greater Minnesota general fund.

Sec. 106. INSTRUCTION TO REVISOR.

Subdivision 1. CHANGES IN THIS SECTION. In the next edition of Minnesota Statutes, the revisor of statutes shall make the changes listed in this section.

Subd. 2. "FUND" TO "ACCOUNT." (a) The revisor shall change "fund" to "account" in sections 41A.09, subdivision 3; 84.155; 84A.51, subdivisions 1 and 3; 84A.54; 84A.55, subdivision 10; 115A.15, subdivision 6; 115B.02, subdivision 7; 115B.16, subdivision 4; 115B.19; 115B.20, subdivisions 2 and 5; 115B.30; 115C.04, subdivision 3; 115C.08, subdivisions 2 and 4; 115C.09, subdivision 3; 115C.10, subdivision 1; 116.07, subdivision 4d; 116J.980, subdivision 1; 116N.08, subdivisions 3 and 5; 116O.02, subdivision 4; and 473.844, subdivisions 1a and 3.

(b) The revisor shall change "funds" to "accounts" in section 84.155.

(c) The revisor shall change references to "Minnesota agricultural and economic development fund" or "agricultural and economic development fund" to "Minnesota agricultural and economic development account" or "agricultural and economic development account" wherever those words appear in Minnesota Statutes 1990 and subsequent editions of the statutes.

Subd. 3. FUND AND ACCOUNT NAMES. The revisor shall make the indicated changes to the sections and subdivisions listed in this subdivision:

(1) in section 16B.70, subdivisions 1 and 2, "special revenue fund" to "general fund";

(2) in section 43A.21, subdivision 4, "general fund" to "special revenue fund";

(3) in section 84.0911, subdivision 2, "wild rice management account" to "game and fish fund";

(4) in section 84A.53, subdivision 1, "consolidated fund" to "consolidated account";

New language is indicated by underline, deletions by strikeout.

(5) in section 84A.53, subdivision 2, "consolidated conservation fund" to "consolidated account";

(6) in section 85.052, subdivision 4, "state park maintenance and operation account" to "general fund";

(7) in section 88.14, subdivision 3, "forest service fund" to "general fund";

(8) in section 88.79, subdivision 2, "forest management fund" to "general fund";

(9) in section 89.37, subdivision 4, "forest management fund" to "forest nursery account";

(10) in section 94.16, subdivision 3, "land acquisition account" to "natural resources fund";

(11) in section 106A.615, subdivision 6, "wildlife acquisition fund" to "game and fish fund";

(12) in section 116.05, subdivision 2, "pollution control agency fund" to "general fund";

(13) in section 116.12, subdivision 1, "special revenue fund" to "special revenue account";

(14) in section 183.545, subdivision 9, "special revenue fund" to "general fund";

(15) in section 270.185, subdivision 2, "revolving fund" to "account";

(16) in section 284.28, subdivisions 4 and 7, "assurance fund" to "general fund";

(17) in sections 326.47, subdivision 3, and 326.52, "special revenue fund" to "general fund";

(18) in section 385.20, "common school fund" to "general fund"; and

(19) in section 403.11, subdivision 1, "special revenue fund" to "special revenue fund."

Sec. 107. SPECIAL INSTRUCTION.

The department of finance may adjust appropriations made to individual agencies for the 1990-1991 biennium to reflect the fund consolidation structure contained in this article while developing agency spending plans for the biennium. The department shall also have authority to resolve inconsistencies between existing statutes and this article through June 30, 1991. The department shall report adjustments made in agency budgets to implement this article to the chairs of the house appropriations and senate finance committees with specific recommendations on any statutory changes needed to clarify the inconsistency between this article and existing statute.

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

Sec. 108. [12 FUND TRANSFER.]

Unless specifically provided otherwise in this act, fees on deposit in the special revenue fund No. 12 at the close of business June 30, 1989, are transferred to the general fund.

Sec. 109. REPEALER.

Subdivision 1. STATUTORY SECTIONS. Minnesota Statutes 1988, sections 11A.22; 84.0911, subdivisions 1 and 3; 85.051; 89.04; 93.221; 116J.968; 190.26; 344.03; and 469.121, subdivision 1, are repealed.

Subd. 2. COST ACCOUNTING SYSTEM; RECOMMENDATION. Notwithstanding the repeal of Minnesota Statutes, section 89.04, during the biennium the department of natural resources shall develop a cost accounting system to keep track of each source of the revenues dedicated under the repealed sections. The commissioner of natural resources shall provide a biennial report to the chairs of the house appropriations and senate finance committees balancing receipts from these sources against expenditures made to ensure the intent that these receipts continue to be used for the purposes for which they have historically been expended.

Sec. 110. EFFECTIVE DATE.

Section 81 is effective June 30, 1991.

Presented to the governor May 31, 1989

Signed by the governor June 3, 1989, 1:00 a.m.

CHAPTER 336—H.F.No. 1425

An act relating to privacy of communications; modifying standards for disclosure of communications by electronic communications services; limiting use of contract personnel; modifying reporting requirements; modifying procedures for the use of pen registers and trap and trace devices; requiring orders for the use of mobile tracking devices; providing for a civil cause of action; removing the sunset on the privacy of communications act; authorizing the attorney general and county attorneys to issue administrative subpoenas; creating crimes that prohibit warning subjects of investigations, electronic surveillance, or search warrants; imposing penalties; amending Minnesota Statutes 1988, sections 626A.02, subdivision 3; 626A.04; 626A.06, subdivisions 1 and 4a; 626A.11, subdivisions 1 and 2; 626A.12, subdivision 1; 626A.17; 626A.35; 626A.36; 626A.37; 626A.38, subdivision 1; 626A.39, by adding a subdivision; and 626A.40; Laws 1988, chapter 577, section 63; proposing coding for new law in Minnesota Statutes, chapters 8, 388, 609, and 626A; repealing Minnesota Statutes 1988, sections 626A.12, subdivision 1a; 626A.22; 626A.23; 626A.24; and 626A.38, subdivision 5; Laws 1988, chapter 577, section 62.

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