

(2) in an on-sale alcoholic beverage establishment or an off-sale liquor store, if:

(i) the tobacco vending machine is located within the immediate vicinity, plain view, and control of a responsible employee, so that all tobacco purchases will be readily observable by that employee;

(ii) the tobacco vending machine is not located in a coatroom, restroom, unmonitored hallway, outer waiting area, or similar unmonitored area; and

(iii) the tobacco vending machine is inaccessible to the public when the establishment is closed; and

(3) in other establishments, upon the following conditions:

(i) it must be located within the immediate vicinity, plain view and control of a responsible employee, so that all tobacco purchases will be readily observable by that employee; it must not be located in a coatroom, restroom, unmonitored hallway, outer waiting area, or similar unmonitored area; and it must be inaccessible to the public when the establishment is closed; and

(ii) it must be operable only by activation of an electronic switch operated by an employee of the establishment before each sale, or by insertion of tokens provided by an employee of the establishment before each sale.

Subd. 3. LOCAL REGULATION. The governing body of a local unit of government may adopt rules or ordinances relating to vending machine sales of tobacco that are more restrictive than the restrictions imposed by this section.

Presented to the governor April 5, 1990

Signed by the governor April 9, 1990, 10:17 a.m.

CHAPTER 422—H.F.No. 2462

An act relating to state government; regulating administrative procedures; including a statement of purpose; requiring agencies to send the LCRAR copies of statements of need and reasonableness; requiring an agency to provide notice of the hearing to those who requested it; making various technical changes; amending Minnesota Statutes 1988, sections 14.03; 14.131; 14.23; and 14.25; Minnesota Statutes 1989 Supplement, section 14.02, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 14.

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

Section 1. [14.001] STATEMENT OF PURPOSE.

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

The purposes of the administrative procedure act are:

(1) to provide oversight of powers and duties delegated to administrative agencies;

(2) to increase public accountability of administrative agencies;

(3) to ensure a uniform minimum procedure;

(4) to increase public access to governmental information;

(5) to increase public participation in the formulation of administrative rules;

(6) to increase the fairness of agencies in their conduct of contested case proceedings; and

(7) to simplify the process of judicial review of agency action as well as increase its ease and availability.

In accomplishing its objectives, the intention of this chapter is to strike a fair balance between these purposes and the need for efficient, economical, and effective government administration. The chapter is not meant to alter the substantive rights of any person or agency. Its impact is limited to procedural rights with the expectation that better substantive results will be achieved in the everyday conduct of state government by improving the process by which those results are attained.

Sec. 2. Minnesota Statutes 1989 Supplement, section 14.02, subdivision 4, is amended to read:

Subd. 4. **RULE.** "Rule" means every agency statement of general applicability and future effect, including amendments, suspensions, and repeals of rules, adopted to implement or make specific the law enforced or administered by it ~~that~~ agency or to govern its organization or procedure. It does not include (a) ~~rules concerning only the internal management of the agency or other agencies; and which do not directly affect the rights of or procedure available to the public;~~ (b) ~~rules of the commissioner of corrections relating to the placement and supervision of inmates serving a supervised release term; the internal management of institutions under the commissioner's control and those rules governing the inmates thereof prescribed pursuant to section 609.105;~~ (c) ~~rules of the division of game and fish published in accordance with section 97A.051;~~ (d) ~~rules relating to weight limitations on the use of highways when the substance of the rules is indicated to the public by means of signs;~~ (e) ~~opinions of the attorney general;~~ (f) ~~the systems architecture plan and long-range plan of the state education management information system provided by section 121.931;~~ (g) ~~the data element dictionary and the annual data acquisition calendar of the department of education to the extent provided by section 121.932;~~ (h) ~~the occupational safety and health standards provided in section 182.655.~~

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

Sec. 3. Minnesota Statutes 1988, section 14.03, is amended to read:

14.03 ~~APPLICABILITY~~ NONAPPLICABILITY.

Subdivision 1. **ADMINISTRATIVE PROCEDURE GENERALLY.** The administrative procedure act in sections ~~14.01~~ 14.001 to 14.69 does not apply to (a) agencies directly in the legislative or judicial branches, (b) emergency powers in sections 12.31 to 12.37, (c) the department of military affairs, (d) the comprehensive health association provided in section 62E.10, (e) the tax court provided by section 271.06, or (f) the regents of the University of Minnesota.

Subd. 2. **CONTESTED CASE ~~PROCEDURE~~ PROCEDURES.** The contested case procedures of the administrative procedure act provided in sections 14.57 to 14.69 do not apply to (a) the Minnesota municipal board, (b) the commissioner of corrections, (c) the unemployment insurance program and the social security disability determination program in the department of jobs and training, (d) the director of mediation services, (e) the workers' compensation division in the department of labor and industry, (f) the workers' compensation court of appeals, (g) the board of pardons, or (h) the public employment relations board.

Subd. 3. **RULEMAKING PROCEDURES.** The definition of a rule in section 14.02, subdivision 4, does not include:

(1) rules concerning only the internal management of the agency or other agencies that do not directly affect the rights of or procedures available to the public;

(2) rules of the commissioner of corrections relating to the placement and supervision of inmates serving a supervised release term, the internal management of institutions under the commissioner's control, and rules adopted under section 609.105 governing the inmates of those institutions;

(3) rules of the division of game and fish published in accordance with section 97A.051;

(4) rules relating to weight limitations on the use of highways when the substance of the rules is indicated to the public by means of signs;

(5) opinions of the attorney general;

(6) the systems architecture plan and long-range plan of the state education management information system provided by section 121.931;

(7) the data element dictionary and the annual data acquisition calendar of the department of education to the extent provided by section 121.932; or

(8) the occupational safety and health standards provided in section 182.655.

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

Sec. 4. Minnesota Statutes 1988, section 14.131, is amended to read:

14.131 STATEMENT OF NEED AND REASONABLENESS.

Before the agency orders the publication of a rulemaking notice required by section 14.14, subdivision 1a, the agency must prepare, review, and make available for public review a statement of the need for and reasonableness of the rule and a fiscal note if required by section 3.982. The statement of need and reasonableness must be prepared under rules adopted by the chief administrative law judge.

The agency shall send a copy of the statement of need and reasonableness to the legislative commission to review administrative rules when it becomes available for public review.

Sec. 5. [14.131] NOTICE TO COMMITTEES FOR FEES FIXED BY RULE.

Before an agency submits a notice of hearing to the State Register on proposed rules that establish or adjust fees, the agency shall comply with section 16A.128, subdivision 2a.

Sec. 6. Minnesota Statutes 1988, section 14.23, is amended to read:

14.23 STATEMENT OF NEED AND REASONABLENESS.

Before the date of the section 14.22 notice, the agency shall prepare a statement of need and reasonableness which shall be available to the public. For at least 30 days following the notice, the agency shall afford all interested persons an opportunity to request a public hearing and to submit data and views on the proposed rule in writing.

The agency shall send a copy of the statement of need and reasonableness to the legislative commission to review administrative rules when it becomes available to the public.

Sec. 7. [14.235] NOTICE TO COMMITTEES FOR FEES FIXED BY RULE.

Before an agency submits notice to the State Register of intent to adopt rules without a public hearing on proposed rules that establish or adjust fees, the agency shall comply with section 16A.128, subdivision 2a.

Sec. 8. Minnesota Statutes 1988, section 14.25, is amended to read:

14.25 PUBLIC HEARING REQUIRED.

If, during the 30-day period allowed for comment, 25 or more persons submit to the agency a written request for a public hearing of the proposed rule, the agency shall proceed under the provisions of sections 14.14 to 14.20; ~~and~~. A notice of the public hearing ~~shall~~ must be published in the State Register and

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mailed to those persons who submitted a written request for the public hearing. Unless the agency has modified the proposed rule, the notice need not include the text of the proposed rule but only a citation to the State Register pages where the text appears.

Sec. 9. [14.305] NOTICE TO COMMITTEES FOR FEES FIXED BY RULE.

Before an agency submits notice to the State Register of intent to adopt emergency rules that establish or adjust fees, the agency shall comply with section 16A.128, subdivision 2a.

Sec. 10. REVISOR INSTRUCTION.

The revisor shall change all references to "sections 14.01 to 14.69" in Minnesota Statutes and Minnesota Rules to "sections 14.001 to 14.69."

Presented to the governor April 5, 1990

Signed by the governor April 6, 1990, 11:45 a.m.

CHAPTER 423—S.F.No. 2360

An act relating to economic development; clarifying the appointing authority for the board of the Minnesota Project Outreach Corporation; requiring duties of the Minnesota Project Outreach Corporation; requiring notification under the capital access program; removing the requirement that employees of the Greater Minnesota Corporation file statements of economic interest; changing the procedure for adopting a neighborhood revitalization program; amending Minnesota Statutes 1989 Supplement, sections 116J.691, subdivisions 1, 2, and 4; 116J.8766, by adding a subdivision; 116O.03, subdivision 11; and 469.203, subdivision 4; repealing Minnesota Statutes 1989 Supplement, section 469.203, subdivision 5.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
2,

Section 1. Minnesota Statutes 1989 Supplement, section 116J.691, subdivision 1, is amended to read:

Subdivision 1. **ESTABLISHMENT; PURPOSE.** The Minnesota Project Outreach Corporation is established as a nonprofit public corporation under chapter 317 and is subject to the provisions of that chapter. The corporation is not a state agency. 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.

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