

Minnesota Statutes 1992, sections 18C.211, subdivision 3; 18C.215, subdivision 3; 18E.03, subdivision 5; 24.32; 24.33; 24.34; 24.35; 24.36; 24.37; 24.38; 24.39; 24.40; 24.41; and 24.42, are repealed.

Sec. 42. **EFFECTIVE DATE.**

Section 26 is effective June 1, 1993. Sections 29, 33, 34, and 40 are effective the day following final enactment. Section 27, is effective August 1, 1993, and is not subject to the contingency contained in Laws 1984, chapter 509, section 2. Sections 30 and 31 are effective August 1, 1993. Sections 35 and 36 are effective July 1, 1993.

Presented to the governor May 20, 1993

Signed by the governor May 24, 1993, 5:52 p.m.

CHAPTER 368—H.F.No. 1529

VETOED

CHAPTER 369—H.F.No. 1650

An act relating to the organization and operation of state government; appropriating money for community development and certain agencies of state government, with certain conditions; establishing and modifying certain programs; providing for regulation of certain activities and practices; providing for accounts, assessments, and fees; eliminating or transferring certain agency powers and duties; requiring studies and reports; amending Minnesota Statutes 1992, sections 3.30, subdivision 2, as amended; 15.38, by adding a subdivision; 15.50, subdivision 2; 16A.128, subdivision 2; 16A.28, by adding a subdivision; 16A.72; 16B.06, subdivision 2a; 44A.01, subdivisions 2 and 4; 44A.025; 82.21, by adding a subdivision; 116J.617; 116J.982; 216B.62, subdivisions 3 and 5; 237.295, subdivision 2, and by adding a subdivision; 239.011, subdivision 2; 239.10; 239.791, subdivisions 6 and 8; 239.80, subdivisions 1 and 2; 257.0755; 268.022, subdivisions 1 and 2; 268.361, subdivisions 6 and 7; 268.362; 268.363; 268.364, subdivisions 1, 3, and by adding a subdivision; 268.365, subdivision 2; 268.55; 268.914, subdivision 1; 268.975, subdivisions 3, 4, 6, 7, 8, and by adding subdivisions; 268.976, subdivision 2; 268.978, subdivision 1; 268.98; 298.2211, subdivision 3; 298.2213, subdivision 4; 298.223, subdivision 2; 298.28, subdivision 7; 298.296, subdivision 1; 303.13, subdivision 1; 303.21, subdivision 3; 322A.16; 333.20, subdivision 4; 333.22, subdivision 1; 336.9-403; 336.9-404; 336.9-405; 336.9-406; 336.9-407; 336.9-413; 336A.04, subdivision 3; 336A.09, subdivision 2; 349A.10, subdivision 5; 359.01, subdivision 3; 359.02; 386.65; 386.66; 386.67; 386.68; 386.69; 462A.057, subdivision 1; 462A.21, by adding subdivisions; and 469.011, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 116J; 116M; 129D; 239; 268; 386; 462A; and 504; proposing coding for new law as Minne-

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

sota Statutes, chapter 138A; repealing Minnesota Statutes 1992, sections 44A.12; 138.97; 239.05, subdivision 2c; 239.52; 239.78; 268.365, subdivision 1; 268.914, subdivision 2; 268.977; 268.978, subdivision 3; 386.61, subdivision 3; 386.63; 386.64; and 386.70.

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

Section 1. COMMUNITY DEVELOPMENT; 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 article, to be available for the fiscal years indicated for each purpose. The figures "1993," "1994," and "1995," where used in this article, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1993, June 30, 1994, or June 30, 1995, respectively.

SUMMARY BY FUND

| | 1993 | 1994 | 1995 | TOTAL |
|----------------|----------------|--------------------|------------------------|--------------------|
| General | \$ 541,000 | \$ 181,368,000 | \$ 158,594,000 | \$ 340,503,000 |
| Environmental | | 434,000 | 434,000 | 868,000 |
| Trunk Highway | | 667,000 | 667,000 | 1,334,000 |
| Workers' Comp. | | 21,976,000 | 15,663,000 | 37,639,000 |
| TOTAL | 541,000 | 204,445,000 | 175,358,000 | 380,344,000 |
| | | | APPROPRIATIONS | |
| | | | Available for the Year | |
| | | | Ending June 30 | |
| | | 1993 | 1994 | 1995 |

Sec. 2. TRADE AND ECONOMIC DEVELOPMENT

Subdivision 1. Total Appropriation \$ 500,000 \$ 40,504,000 \$ 24,461,000
 Summary by Fund

| | | |
|---------------|------------|------------|
| General | 39,627,000 | 23,584,000 |
| Environmental | 210,000 | 210,000 |
| Trunk Highway | 667,000 | 667,000 |

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

Subd. 2. Community Development
 24,288,000 8,828,000

\$50,000 is for the purposes of the youth entrepreneurship education program to be available until June 30, 1995.
 \$30,000 is for a teacher training program. \$20,000 is for creation of a

resource center and revolving loan fund. This appropriation is only available as matched, dollar for dollar, by contributions from nonstate sources. Contributions may be made in kind.

\$1,000,000 the first year is for transfer to the tourism loan account in the special revenue fund for the tourism loan program under Minnesota Statutes, section 116J.617.

\$100,000 the first year and \$100,000 the second year is for the affirmative enterprise program. The appropriation is available until expended.

\$50,000 the first year and \$50,000 the second year is for making grants and entering contracts under Minnesota Statutes, section 116J.982.

\$25,000 the first year is for concentrated area action plans.

\$6,000,000 the first year is for transfer to the revolving loan fund account in the special revenue fund for the urban challenge grant program under Minnesota Statutes, section 116M.18.

\$6,000,000 the first year is for transfer to the regional revolving loan fund account in the special revenue fund for the challenge grant program to regional organizations under Minnesota Statutes, section 116N.08.

\$5,517,000 the first year and \$5,517,000 the second year are for economic recovery grants, of which \$500,000 may be used for the purposes of the capital access program.

\$226,000 the first year and \$226,000 the second year are for the small cities federal match.

\$500,000 the first year is for transfer to

the capital access account in the special revenue fund for the capital access program under Minnesota Statutes, section 116J.876.

Subd. 3. Minnesota Trade Office
2,026,000 2,040,000

\$105,000 the first year and \$105,000 the second year are for the foreign international information network.

Subd. 4. Tourism
7,272,000 6,742,000
Summary by Fund

| | | |
|---------------|-----------|-----------|
| General | 6,605,000 | 6,075,000 |
| Trunk Highway | 667,000 | 667,000 |

To develop maximum private sector involvement in tourism, \$2,000,000 the first year and \$2,000,000 the second year of the amounts appropriated for marketing activities are contingent upon receipt of an equal contribution of non-state sources that have been certified by the commissioner. Up to one-half of the match may be given in in-kind contributions. This appropriation may not be expended until the money is matched.

In order to maximize marketing grant benefits, the commissioner must give priority for joint venture marketing grants to organizations with year-round sustained tourism activities. For programs and projects submitted, the commissioner must give priority to those that encompass two or more areas or that attract nonresident travelers to the state.

Any unexpended funds from general fund appropriations made under this subdivision shall not cancel but shall be placed in a special advertising account for use by the office of tourism to purchase additional media.

If an appropriation for either year for

grants is not sufficient, the appropriation for the other year is available for it.

\$30,000 the first year is for the international ringette tournament to be held in South St. Paul and Rosemount in 1994.

Up to \$300,000 the first year is for promoting the women's final four basketball tournament to be held in 1995. This appropriation must be matched by nonstate sources on a one-to-one basis.

\$200,000 is for tourism promotion and marketing.

\$214,000 the first year and \$214,000 the second year are for the Minnesota film 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.

\$25,000 each year is for the Lake Superior Center Authority.

Of the amount appropriated for the joint venture program, up to \$30,000 the first year and up to \$30,000 the second year are available to the Minnesota Indian tourism association. This appropriation must be matched by nonstate sources on a one-to-one basis.

The commissioner may use grant dollars or the value of in-kind services to provide the state contribution for the joint venture grant program.

The office of tourism shall: (1) analyze what travel offices of the 50 states and selected foreign governments are doing to promote tourism, including but not limited to organizational structure, funding sources, and marketing programs; and (2) rank Minnesota's position among the states and countries

studied. The office, in consultation with representatives of Minnesota's tourism industry, shall report to the legislature and the governor by January 1, 1994. The report must recommend options for improving the state's competitive position in the industry. The recommendations should deal with assignment of responsibility within state government, funding options for the office of tourism, changes in state law that would enhance tourism, and the creation of a statewide tourism policy.

The commissioner of revenue may disclose the name, address, and phone number of a travel or tourism related business that is authorized to collect sales and use tax to the office of tourism within the department of trade and economic development to be used only within the office of tourism for purposes of contacting travel or tourism related businesses.

Subd. 5. Business Development and Analysis

| | | | |
|---------------|-----------------|-----------|-----------|
| | 500,000 | 5,157,000 | 5,077,000 |
| | Summary by Fund | | |
| General | 500,000 | 4,947,000 | 4,867,000 |
| Environmental | | 210,000 | 210,000 |

\$200,000 the first year and \$200,000 the second year are for grants to Advantage Minnesota, Inc. The funds are available only if matched on at least a dollar-for-dollar basis from other sources. The commissioner may release the funds only upon:

- (1) certification that matching funds from each participating organization are available; and
- (2) review and approval by the commissioner of the proposed operations plan of Advantage Minnesota, Inc. for the biennium.

\$450,000 the first year and \$450,000 the second year are for the state's match for the federal small business development centers. If funding in one year is insufficient, the other year's appropriation is available.

\$1,088,000 each year is for job skills partnership grants.

\$190,000 the first year and \$190,000 the second year are for WomenVenture, Inc.

\$65,000 the first year and \$65,000 the second year are for Metropolitan Economic Development Associations, Inc.

\$500,000 in fiscal year 1993 is for job skills partnership grants.

\$25,000 in fiscal year 1994 and \$25,000 in fiscal year 1995 are for a grant to the North Metro Business Retention and Development Commission for the second and third stages of the multicomunity business retention and market expansion pilot project. This appropriation is available only upon demonstration of a dollar-for-dollar cash match from the commission. The commission shall share all results and written reports with the department of trade and economic development.

Subd. 6. Administration
1,761,000 1,774,000

Sec. 3. MINNESOTA TECHNOLOGY, INCORPORATED 7,832,000 7,834,000

\$5,198,000 the first year and \$5,198,000 the second year are for transfer from the general fund to the Minnesota Technology, Inc. fund.

\$494,000 the first year and \$ 494,000 the second year are for grants to Minnesota Project Innovation.

\$947,000 the first year and \$947,000 the second year are for grants to Minnesota Project Outreach.

\$71,000 the first year and \$71,000 the second year are for grants to Minnesota Inventors Congress.

\$947,000 the first year and \$947,000 the second year are for grants to Natural Resources Research Institute.

\$88,000 the first year and \$88,000 the second year are for grants to Minnesota Council for Quality.

\$50,000 the first year and \$50,000 the second year are for grants to Minnesota High Tech Corridor Corporation.

\$75,000 the first year and \$75,000 the second year are for grants to Cold Weather Research Center.

**Sec. 4. MINNESOTA WORLD
TRADE CENTER CORPORATION**

200,000

This appropriation is to pay the accrued operating costs and debt services, including principal and interest, of the corporation. This appropriation in no way constitutes a commitment or obligation by the state of Minnesota to make any payments on obligations of the corporation outstanding as of July 1, 1993. This section is intended to make it clear that the state of Minnesota is not and never has been nor will be responsible for the obligations of the corporation.

This appropriation and money in the corporation accounts are the only money available to the board to make any payment of an obligation of the corporation.

This appropriation is available until June 30, 1995. Balances in the world trade center corporation account in the

special revenue fund on June 30, 1995, shall be transferred to the general fund.

| | | |
|---------------------------|------------|------------|
| Sec. 5. JOBS AND TRAINING | 48,879,000 | 46,895,000 |
|---------------------------|------------|------------|

| | | |
|--|------------|--|
| Subdivision 1. Rehabilitation Services | | |
| 17,612,000 | 17,612,000 | |

Of this appropriation, \$100,000 in each year is for a cost-of-living adjustment in the Extended Employment Services program in order to maintain the current caseload to the extent possible within this appropriation.

For the biennium ending June 30, 1995, at least 38 percent of the vocational rehabilitation activity budget must be directed toward grants, which are budgeted as aid to individuals and local assistance categories of expense.

The commissioner shall apply for all available federal grants for services to handicapped including funds for the independent living center.

| | | |
|---------------------------------------|-----------|--|
| Subd. 2. State Services for the Blind | | |
| 3,588,000 | 3,605,000 | |

This appropriation may be supplemented by funds provided by the Friends of the Communication Center, for support of Services for the Blind's Communication Center which serves all blind and visually handicapped Minnesotans. The commissioner shall report to the legislature on a biennial basis the funds provided by the Friends of the Communication Center.

Subd. 3. Job Service

\$100,000 is appropriated to the commissioner of jobs and training for the biennium ending June 30, 1995, for the uniform business identifier study.

| | | |
|-----------------------------|------------|--|
| Subd. 4. Community Services | | |
| 27,579,000 | 25,678,000 | |

\$880,000 is appropriated from the general fund to the commissioner of jobs and training for operating costs of transitional housing programs under Minnesota Statutes, section 268.38. Of this appropriation, \$440,000 is for the first year and \$440,000 is for the second year.

\$4,200,000 for the first year and \$5,550,000 for the second year is appropriated from the general fund to the commissioner of the department of jobs and training for Minnesota economic opportunity grants to community action agencies. This appropriation is to replace federal funds that are no longer available to community action agencies because of new federal restrictions on the authority to transfer block grant money from the federal Low-Income Home Energy Assistance program to the federal Community Services Block grant.

For the biennium ending June 30, 1995, the commissioner shall transfer to the low-income home weatherization program at least five percent of money received under the low-income home energy assistance block grant in each year of the biennium and shall spend all of the transferred money during the year of the transfer or the year following the transfer. Up to 1.63 percent of the transferred money may be used by the commissioner for administrative purposes.

For the biennium ending June 30, 1995, no more than 1.63 percent of money remaining under the low-income home energy assistance program after transfers to the weatherization program may be used by the commissioner for administrative purposes.

The state appropriation for the tempo-

rary emergency food assistance program may be used to meet the federal match requirements.

Of the money appropriated for the summer youth employment programs for fiscal year 1994, \$750,000 is immediately available. Any remaining balance of the immediately available money is available for the year in which it is appropriated. If the appropriation for either year of the biennium is insufficient, money may be transferred from the appropriation for the other year.

Notwithstanding Minnesota Statutes, section 268.022, subdivision 2, the commissioner of finance shall transfer to the general fund from the dedicated fund \$3,054,000 in the first year and \$2,303,000 in the second year of the money collected through the special assessment established in Minnesota Statutes, section 268.022, subdivision 1.

Of this appropriation, \$5,554,000 the first year and \$2,303,000 the second year are for summer youth employment programs.

Of this appropriation, \$100,000 is to train and certify community action agency weatherization programs to comply with the requirements of Minnesota Statutes, section 144.878, subdivision 5.

* (The preceding sentence starting "Of" was vetoed by the governor.) Of this appropriation, \$400,000 is to be used for swab teams with priority to be given to those swab teams in greater Minnesota which are affiliated with community action agencies and to those swab teams in cities of the first class which are affiliated with community action agencies or neighborhood-based non-profit organizations. 3.75 percent of the allocation may be used for administrative costs. Any unencumbered balance

remaining in the first year does not cancel but is available for the second year.

Of this appropriation, \$1,200,000 is for the food shelf program.

Of this appropriation, \$400,000 is for youth employment and for housing for the homeless through the YOUTH-BUILD program.

Of the appropriation for the Minnesota economic opportunity grant, the commissioner may use up to nine percent each year for state operations.

Of the appropriation for Head Start, the commissioner of the department of jobs and training may use up to two percent each year for state operations.

Sec. 6. HOUSING FINANCE AGENCY

| | | |
|------------------------------------|------------|------------|
| Subdivision 1. Total Appropriation | 21,282,000 | 17,532,000 |
|------------------------------------|------------|------------|

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

Any state appropriations used to meet match requirements under Title II of the National Affordable Housing Act of 1990, Public Law Number 101-625, 104 Stat. 4079, must be repaid, to the extent required by federal law, to the HOME Investment Trust Fund established by the department of housing and urban development pursuant to Title II of the National Affordable Housing Act of 1990 for the state of Minnesota or for the appropriate participating jurisdiction.

State appropriations to the Minnesota housing finance agency may be granted by the agency to cities or nonprofit organizations to the extent necessary to meet match requirements under Title II of the National Affordable Housing Act

of 1990, Public Law Number 101-625, 104 Stat. 4079, provided that other program requirements are met.

Spending limit on cost of general administration of agency programs:

| 1994 | 1995 |
|-----------|-----------|
| 8,990,000 | 9,305,000 |

\$1,250,000 the first year and \$1,250,000 the second year are for a rental housing assistance program for persons with a mental illness or families with an adult member with a mental illness under Minnesota Statutes, section 462A.21, subdivision 8c. This appropriation includes \$50,000 in each year for the mental illness crisis housing assistance account.

\$250,000 the first year and \$250,000 the second year are for the home sharing program under Minnesota Statutes, section 462A.05, subdivision 24.

\$3,443,000 the first year and \$3,493,000 the second year are for the affordable rental investment fund program. Affordable rental investment assistance includes loans, credit enhancement, and coinsurance participation.

\$550,000 the first year and \$550,000 the second year are for the acquisition, rehabilitation, or construction of transitional housing units.

\$2,000,000 the first year and \$2,000,000 the second year are for the community rehabilitation fund program. * (The language "and \$2,000,000 the second year are" in the preceding sentence was vetoed by the governor.)

\$100,000 the first year and \$100,000 the second year are for the capacity building grant program under Minnesota Statutes, section 462A.21, subdivision 3b.

\$187,000 the first year and \$187,000 the second year are for the urban Indian housing program under Minnesota Statutes, section 462A.07, subdivision 15.

\$1,683,000 the first year and \$1,683,000 the second year are for the tribal Indian housing program under Minnesota Statutes, section 462A.07, subdivision 14.

\$186,000 the first year and \$186,000 the second year are for the Minnesota rural and urban homesteading program under Minnesota Statutes, section 462A.057.

The agency may use up to \$1,000,000 of available resources for the purpose of making loans under the Minnesota rural and urban homesteading program established under Minnesota Statutes, section 462A.057, subdivision 1. The commissioner shall report to the relevant finance divisions in the house of representatives and senate on the outcomes of this program January 15 of each year.

\$4,287,000 the first year and \$4,287,000 the second year are for the housing rehabilitation and accessibility program under Minnesota Statutes, section 462A.05, subdivision 14a.

Of this appropriation, \$1,798,000 the first year and \$1,798,000 the second year are for the Housing Trust Fund to be deposited in the housing trust fund account created under Minnesota Statutes, section 462A.201, and used for the purposes provided in that section.

\$1,500,000 the first year and \$1,500,000 the second year are for the rent assistance for family stabilization program under Minnesota Statutes, section 462A.205.

\$40,000 the first year and \$40,000 the

second year are for a grant to the Minnesota Housing Partnership to be used for grants to the regional housing network organizations that provide housing and homeless prevention information and assistance in greater Minnesota. The regional housing network organizations must use any grant funds received under this section to match private sources of money.

Of this appropriation, \$3,750,000 is for family homeless prevention and assistance program.

Of this appropriation, \$183,000 each year is for the emergency mortgage foreclosure prevention and emergency rental assistance program.

Of this appropriation, \$25,000 each year is for home equity counseling grants.

Of this appropriation, \$50,000 is for a grant to the Northwest Hennepin Human Services Council for a human services enterprise zone demonstration project for coordinated delivery of social services. The pilot project must design a program to:

- (1) establish a zone by setting service delivery boundaries;
- (2) assess barriers to coordinated delivery of housing assistance, health services, family services, and related human service assistance;
- (3) develop methods to simplify service delivery and encourage collaboration among service providers;
- (4) develop cooperative service agreements between agencies and units of government, including municipal, county, state, and federal government units and agencies, school districts,

post-secondary education institutions, and other service providers including representatives of organized labor;

(5) seek waivers of regulations that are barriers to cooperation; and

(6) evaluate the human service enterprise zone to determine how it may be adapted to serve as a model for the delivery of human services.

By February 1, 1994, the grantee shall prepare an interim report for the agency with findings and recommendations on program design. The agency shall report to the legislature by December 1, 1995, on the implementation of the demonstration project to develop a model human services enterprise zone.

Sec. 7. COMMERCE

| | | | |
|------------------------------------|-----------------|------------|------------|
| Subdivision 1. Total Appropriation | | 14,418,000 | 14,438,000 |
| | Summary by Fund | | |
| General | 13,867,000 | 13,886,000 | |
| Environmental | 224,000 | 224,000 | |
| Special Revenue | 327,000 | 328,000 | |

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

Subd. 2. Financial Examinations
 5,954,000 6,089,000

Subd. 3. Registration and Analysis
 2,661,000 2,523,000

Subd. 4. Petroleum Tank Release
 Cleanup Board
 224,000 224,000

This appropriation is from the petroleum tank release cleanup account in the environmental fund for administration.

Subd. 5. Administrative Services
 2,139,000 2,173,000

Subd. 6. Enforcement and Licensing
 3,440,000 3,429,000

Summary by Fund

| | | |
|-----------------|-----------|-----------|
| General | 3,113,000 | 3,101,000 |
| Special Revenue | 327,000 | 328,000 |

\$327,000 the first year and \$328,000 the second year are from the real estate education, research, and recovery account in the special revenue fund for the purpose of Minnesota Statutes, section 82.34, subdivision 6. If the appropriation from the special revenue fund for either year is insufficient, the appropriation for the other year is available for it.

Sec. 8. NON-HEALTH-RELATED
BOARDS

| | | |
|--|-----------|-----------|
| Subdivision 1. Total for this section | 1,247,000 | 1,232,000 |
| Subd. 2. Board of Accountancy | 466,000 | 474,000 |
| Subd. 3. Board of Architecture, Engineering, Land Surveying, Landscape Architecture, and Interior Design | 591,000 | 568,000 |
| Subd. 4. Board of Barber Examiners | 126,000 | 126,000 |
| Subd. 5. Board of Boxing | 64,000 | 64,000 |

Sec. 9. LABOR AND INDUSTRY

| | | |
|------------------------------------|------------|------------|
| Subdivision 1. Total Appropriation | 26,024,000 | 19,710,000 |
| Summary by Fund | | |
| General | 4,048,000 | 4,047,000 |
| Workers' Compensation | 21,976,000 | 15,663,000 |

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

Subd. 2. Workers' Compensation Regulation and Enforcement

| | |
|------------|-----------|
| 14,961,000 | 9,410,000 |
|------------|-----------|

Summary by Fund

| | | |
|----------------|------------|-----------|
| General | 100,000 | 100,000 |
| Workers' Comp. | 14,861,000 | 9,310,000 |

\$5,000,000 the first year from the special compensation fund is for the Daedalus imaging systems project. This appropriation must not be allotted until

the commissioner certifies that all information policy office requirements for this project have been met or will be met. This appropriation is available for either year of the biennium.

\$100,000 in the first year and \$100,000 in the second year are for grants to the Vinland Center for rehabilitation service.

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

Subd. 3. Workplace Services

| | | | |
|----------------|-----------|-----------------|-----------|
| | 5,455,000 | 4,744,000 | |
| | | Summary by Fund | |
| General | | 2,704,000 | 2,703,000 |
| Workers' Comp. | | 2,751,000 | 2,041,000 |

This appropriation includes the transfer of the industrial hygiene activity from the department of health. The appropriation for this activity is from the special compensation fund.

\$710,000 the first year from the special compensation fund is for litigation of alleged ergonomic violations cases under the occupational safety and health act (OSHA). This appropriation is available for either year of the biennium.

Subd. 4. General Support

| | | | |
|-----------------------|-----------|-----------------|-----------|
| | 5,608,000 | 5,556,000 | |
| | | Summary by Fund | |
| General | | 1,244,000 | 1,244,000 |
| Workers' Compensation | | 4,364,000 | 4,312,000 |

\$204,000 the first year and \$204,000 the second year are for labor education and advancement program grants.

Sec. 10. PUBLIC UTILITIES COM-

| | | | |
|---------|--------|-----------|-----------|
| MISSION | 41,000 | 3,371,000 | 3,071,000 |
|---------|--------|-----------|-----------|

Notwithstanding Minnesota Statutes, section 216B.243, subdivision 6, for any certificate of need application for expansion of the storage capacity for spent nuclear fuel rods, the commission and department shall assess actual amounts billed by the office of administrative hearings and up to \$300,000 of reasonable costs of the commission and department pursuant to Minnesota Statutes, section 216B.62, subdivision 6, during the biennium, subject to the limitations of Minnesota Statutes, section 216B.62, subdivision 2.

\$282,000 the first year and \$35,000 the second year are for an electronic storage and retrieval system. This appropriation must not be allotted until the chair of the commission certifies that all information policy office requirements for this project have been met or will be met. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

\$30,000 the first year is for transfer to the extended area service balloting account in the special revenue fund.

\$41,000 of this appropriation is added to the appropriation in Laws 1991, chapter 233, section 10, and is for extended area service balloting costs.

Sec. 11. PUBLIC SERVICE

| | | |
|------------------------------------|-----------|-----------|
| Subdivision 1. Total Appropriation | 9,090,000 | 8,950,000 |
|------------------------------------|-----------|-----------|

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

| | | |
|-----------------------------|---------|---------|
| Subd. 2. Telecommunications | | |
| | 730,000 | 752,000 |

Subd. 3. Weights and Measures

| | |
|-----------|-----------|
| 2,948,000 | 2,845,000 |
|-----------|-----------|

Subd. 4. Information and Operations
Management

| | |
|-----------|-----------|
| 1,540,000 | 1,440,000 |
|-----------|-----------|

\$84,000 the first year is for an electronic imaging system. This appropriation must not be allotted until the commissioner certifies that all of the information policy office requirements for this project have been met or will be met. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

Subd. 5. Energy

| | |
|-----------|-----------|
| 3,872,000 | 3,913,000 |
|-----------|-----------|

\$588,000 the first year and \$588,000 the second year are for transfer to the energy and conservation account established in Minnesota Statutes, section 216B.241, subdivision 2a, for programs administered by the commissioner of jobs and training to improve the energy efficiency of residential oil-fired heating plants in low-income households, and when necessary, to provide weatherization services to the homes.

\$220,000 the first year and \$220,000 the second year are for transfer to the energy and conservation account established by Minnesota Statutes, section 216B.241, subdivision 2a, for programs administered by the commissioner of jobs and training to improve the energy efficiency of residential liquified petroleum gas heating equipment in low-income households, and, when necessary, to provide weatherization services to the homes.

Of this appropriation, \$284,000 in the first year and \$326,000 in the second year are for alternative energy engineering activities. In employing persons to

perform these activities, the department shall first offer any positions to persons previously employed by the department of public service during fiscal year 1993 in that capacity. No part of this appropriation may be used for outside consulting. * (The preceding paragraph beginning "Of" was vetoed by the governor.)

Subd. 6. Rental Energy Loan and Rebate Program Appropriation

All money, including interest and loan repayments, remaining from the Exxon Oil overcharge money appropriated to the commissioner of public service by Laws 1988, chapter 686, article 1, section 38, that was allocated to the Minnesota housing finance agency is reappropriated to the commissioner for the purposes of this subdivision and is available until spent.

\$1,600,000 is for a contract with an appropriate nonprofit organization, without public bidding, to provide revolving loan funds for a rental energy loan program in metropolitan counties as defined in Minnesota Statutes, section 473.121, subdivision 4. The program is to be marketed and delivered in coordination with other energy services.

The balance is for any purpose consistent with the state energy conservation program.

Sec. 12. MINNESOTA HISTORICAL SOCIETY

| | | |
|------------------------------------|------------|------------|
| Subdivision 1. Total Appropriation | 18,200,000 | 17,996,000 |
|------------------------------------|------------|------------|

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

The Minnesota historical society is eligible for a salary supplement in the same manner as state agencies. The commis-

sioner of finance will determine the amount of the salary supplement based on available appropriations. Employees of the Minnesota historical society will be paid in accordance with the appropriate pay plan.

Subd. 2. Public Programs and Operations

11,188,000 11,188,000

Subd. 3. Statewide Outreach

597,000 557,000

\$48,000 the first year and \$48,000 the second year are for historic site grants to encourage local historic preservation projects.

\$27,000 the first year and \$27,000 the second year are for the state archaeology function.

\$40,000 is for grant-in-aid purposes of the St. Anthony Falls Heritage Board in accordance with Minnesota Statutes, section 138.763. Grants may be made for public improvements to assist and provide information to the public and construct historic markers and monuments. The matching requirements for the grants may be established by the St. Anthony Falls Heritage Board.

Subd. 4. Repair and Replacement

430,000 430,000

Subd. 5. Physical Plant

5,559,000 5,568,000

Subd. 6. Fiscal Agent

426,000 253,000

(a) Sibley House Association

88,000 88,000

This appropriation is available for operation and maintenance of the Sibley house and related buildings on the Old Mendota state historic site owned by the Sibley house association.

(b) Minnesota International Center

50,000 50,000

(c) Minnesota Military Museum

29,000

(d) Minnesota Air National Guard
Museum

19,000

(e) Institute for Learning and Teaching

90,000 90,000

This appropriation is for Project 120.

(f) Moose Lake Fire and Heritage
Museum

25,000

This appropriation is for a grant to the Carlton county historical society to be used by the Onanegozie resource conservation and development council for the development of the Moose Lake Fire and Heritage Museum. This appropriation may not be spent unless it is matched by an equal amount from local sources. The legislature intends that no further direct appropriation will be made for this purpose.

(g) Cloquet-Moose Lake Forest Fire
Center

50,000

(h) Nurse Statue

50,000

This appropriation is for a grant to the Marine Corps Coordinating Council for the nurse statue to be located in the atrium of the Veterans Affairs Medical Center in Minneapolis. This appropriation is available until June 30, 1995.

(i) Farmamerica

25,000 25,000

Notwithstanding any other law, this appropriation may be used for operational purposes.

(j) Balances Forward

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

Sec. 13. MINNESOTA HUMANITIES
COMMISSION

261,000

261,000

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

Sec. 14. BOARD OF THE ARTS

Subdivision 1. Total Appropriation

6,254,000

6,254,000

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

Subd. 2. Operations and Services

669,000

669,000

Subd. 3. Grants Program

4,295,000

4,295,000

Subd. 4. Regional Arts Councils

1,290,000

1,290,000

Sec. 15. MINNESOTA MUNICIPAL
BOARD

319,000

280,000

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

Sec. 16. UNIFORM LAWS COMMIS-
SION

25,000

25,000

Sec. 17. COUNCIL ON BLACK MIN-
NESOTANS

226,000

225,000

Of this appropriation, \$6,000 the first year and \$5,000 the second year are for transfer to the Ombudsperson for families.

Sec. 18. COUNCIL ON AFFAIRS OF
SPANISH-SPEAKING PEOPLE

249,000

248,000

During the biennium ending June 30, 1995, council publications may contain advertising. Receipts from advertising are appropriated to the council for purposes of council publications.

For the biennium ending June 30, 1995, the council shall report to the legislature on the revenues and expenditures from advertising by February 15 each year.

Of this appropriation, \$6,000 the first year and \$5,000 the second year are for transfer to the Ombudsperson for families.

By November 15, 1993, the council shall submit a financially related audit to the legislature for the most recent two years and a study of the internal control structure performed by an independent accountant licensed by the state of Minnesota.

Sec. 19. COUNCIL ON ASIAN-PACIFIC MINNESOTANS

201,000 200,000

Of this appropriation, \$6,000 the first year and \$5,000 the second year are for transfer to the Ombudsperson for families.

Sec. 20. INDIAN AFFAIRS COUNCIL

473,000 457,000

For the biennium ending June 30, 1995, federal money received for the Indian affairs council is appropriated to the council and added to this appropriation.

Of this appropriation, \$6,000 the first year and \$5,000 the second year are for transfer to the Ombudsperson for families.

Of this appropriation, \$15,000 in the first year is for planning the development of culturally appropriate legal services to indigent clients or tribal representatives who reside in Hennepin county and are involved in a case governed by the Indian Child Welfare Act, United States Code, title 25, section 1901, et seq., or the Minnesota Indian family preservation act, Minnesota Statutes 1992, sections 257.35 to 257.3579. This appropriation is available until expended.

Sec. 21. SECRETARY OF STATE

Subdivision 1. Total Appropriation

5,283,000 5,188,000

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

Subd. 2. Administration

804,000 804,000

Subd. 3. Operations

4,046,000 3,964,000

Subd. 4. Election Administration

433,000 420,000

Sec. 22. ETHICAL PRACTICES

BOARD

434,000 429,000

Sec. 23. 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 the committee on finance of the senate and the committee on ways and means 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 ways and means 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. 24. BASE CUT TRANSFERS.

For any agency assigned base cuts in this act, the proportion of agency base cuts for pass-through grants compared to total agency base cuts may not exceed the proportion of dollars appropriated for pass-through grants in the agency compared to total dollars appropriated to that agency.

Sec. 25. LABOR INTERPRETIVE CENTER; INITIAL BOARD OF DIRECTORS.

Of the initial appointments to the labor interpretive center board, two members appointed by the governor and the member appointed by the mayor of St. Paul must have two-year initial terms. The initial board of directors must be appointed no later than August 1, 1993.

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

Sec. 26. LABOR INTERPRETIVE CENTER; TRANSFER OF APPROPRIATIONS.

Subdivision 1. UNENCUMBERED BALANCE. The unencumbered balance of the appropriation for the labor interpretive center project transferred to the capitol area architectural and planning board in Laws 1991, chapter 345, is transferred to the labor interpretive center account.

Subd. 2. PROJECT AUTHORIZED BY 1990 LEGISLATURE. The appropriation in Laws 1990, chapter 610, article 1, section 16, subdivision 4, is transferred to the labor interpretive center account.

Sec. 27. TRANSFER OF POWERS.

The powers and duties of the board of abstracters under Minnesota Statutes, sections 386.61 to 386.76 are transferred to the commissioner of commerce. Minnesota Statutes, section 15.039, subdivisions 1 to 6, apply to this transfer.

Sec. 28. REVISOR INSTRUCTION.

The revisor shall change the terms "board," "executive secretary," "board of abstracters," or similar terms to "commissioner," "commissioner of commerce," or similar terms wherever they appear in Minnesota Statutes and Minnesota Rules with respect to the board of abstracters.

Sec. 29. CONCENTRATED RESIDENTIAL AREA ACTION PLANS; DEFINITIONS.

Subdivision 1. APPLICABILITY. The definitions in this section apply to section 30.

Subd. 2. CITY. "City" means a home rule charter or statutory city having no less than 30 percent of its households in renter-occupied residential units as reported in the latest decennial federal census.

Subd. 3. COMMISSIONER. "Commissioner" means the commissioner of trade and economic development.

Subd. 4. CONCENTRATED RESIDENTIAL AREA. "Concentrated residential area" means an area of a city that contains the following:

- (1) 50 percent of the residential units in the area are renter occupied;
- (2) not less than half of the residential buildings in the area were built prior to 1970;
- (3) at least 20 percent of the city's population according to the latest decennial federal census lives in the area;
- (4) at least three percent of the city's land area is contained in the area; and

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

(5) the median household income for the area is not more than 80 percent of the county median income.

Sec. 30. CONCENTRATED RESIDENTIAL AREA ACTION PLAN.

Subdivision 1. CRITERIA. For a concentrated residential area a city, with the assistance provided in this section, shall prepare a plan that at a minimum includes the following:

(1) the demographic and socioeconomic profile of the area's population and a statement of the social needs of the area's residents;

(2) the condition of private owner-occupied and renter-occupied buildings;

(3) the vacancy rate and turnover rate of the rental residential buildings;

(4) the presence of and condition of the area's public facilities;

(5) the redevelopment objectives of the city for the area;

(6) the specific activities or means by which the city could implement the revitalization objectives;

(7) strategies to preserve existing housing;

(8) strategies to assist low- and moderate-income households to achieve self-sufficiency and meet their identified social needs;

(9) recommendations to the commissioner to facilitate the preservation, reuse, and rehabilitation of the area's housing stock and to increase the self-sufficiency of the area's residents; and

(10) identification of the process that involved the area's residents in the development of the plan.

Subd. 2. GRANTS. The commissioner may make grants to cities to complete a concentrated residential neighborhood action plan. The state funds for each grant must be equally matched by city matching money. Matching money may include money from the city general fund, a special fund, grant, or other source.

Subd. 3. REPORT. The commissioner shall submit recommendations related to concentrated residential area action plans to the legislature by February 15, 1994.

Sec. 31. UNIFORM BUSINESS IDENTIFIER STUDY.

Subdivision 1. FINDINGS. The current registration process requires each business to deal with multiple agencies, provide redundant information to each and, in general, creates an undue administrative burden on Minnesota businesses. Each agency also produces data that is not easily transferred among state

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

agencies, which in turn results in businesses being asked for the same information from a number of different agencies. The establishment of a uniform process would reduce the burden on businesses and promote the sharing of information among the state agencies, thereby eliminating the costs and burdens of duplicative information gathering and storage.

Subd. 2. STUDY. The commissioner of jobs and training shall study the feasibility of establishing a uniform business identifier process for all firms doing business with and within the state.

The proposed study shall:

(1) identify and document the various requirements with which businesses currently must comply in order to legally conduct business within the state;

(2) propose and analyze alternatives for a uniform process of business registration, including a single statewide account number, a unified application form, and an integrated data processing system or systems;

(3) detail the operational impact of installing the process or system;

(4) estimate the costs and benefits, both for the state and for Minnesota businesses, of installing the process;

(5) prepare an estimated implementation timetable;

(6) recommend the structure and composition of the project needed for implementation; and

(7) recommend and analyze the information system technology alternatives, if any, that will be needed to implement the recommended process.

The commissioner of the department of jobs and training, or a designee, shall be the chair of the study and shall provide staff to assist in the study effort. Those state offices, departments, and agencies that interact with Minnesota businesses including, but not limited to, department of jobs and training, secretary of state, department of revenue, department of labor and industry, department of commerce, and the information policy office of the department of administration shall cooperate in this study.

Sec. 32. WORLD TRADE CENTER CORPORATION BOARD; TERMS.

The terms of the following members of the world trade center corporation board of directors expire on June 30, 1993: (1) legislator members; and (2) members serving on June 30, 1993, who were appointed by the governor for a six-year term.

Sec. 33. WORLD TRADE CENTER; MEDICAL EXPOSITION.

The \$500,000 appropriation to the department of trade and economic development for transfer to the World Trade Center Corporation made by Laws

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

1991, chapter 345, article 1, section 23, is to establish an annual medical exposition, trade fair, and health care congress to commence either in 1993 or 1994. The event need not be coordinated and held in conjunction with the World Health Organization's annual international conference on children's health care to commence in Minnesota in 1993.

Sec. 34. LIMIT ON ASSESSMENTS.

The department of public service may not assess more than \$584,000 in fiscal year 1994 and \$626,000 in fiscal year 1995 for alternative energy engineering activities.

Sec. 35. Minnesota Statutes 1992, section 3.30, subdivision 2, as amended by Laws 1993, chapter 4, section 2, is amended to read:

Subd. 2. **MEMBERS; DUTIES.** The majority leader of the senate or a designee, the chair of the senate committee on finance, and the chair of the senate division of finance responsible for overseeing the items being considered by the commission, the speaker of the house of representatives or a designee, the chair of the house committee on ways and means, and the chair of the appropriate finance committee, or division of the house committee responsible for overseeing the items being considered by the commissioner, constitute the legislative advisory commission. The division chair of the finance committee in the senate and the division chair of the appropriate finance committee or division in the house shall rotate according to the items being considered by the commission. If any of the members elect not to serve on the commission, the house of which they are members, if in session, shall select some other member for the vacancy. If the legislature is not in session, vacancies in the house membership of the commission shall be filled by the last speaker of the house or, if the speaker is not available, by the last chair of the house rules committee, and by the last senate committee on committees or other appointing authority designated by the senate rules in case of a senate vacancy. The commissioner of finance shall be secretary of the commission and keep a permanent record and minutes of its proceedings, which are public records. The commissioner of finance shall transmit, under section 3.195, a report to the next legislature of all actions of the commission. Members shall receive traveling and subsistence expenses incurred attending meetings of the commission. The commission shall meet from time to time upon the call of the governor or upon the call of the secretary at the request of two or more of its members. A recommendation of the commission must be made at a meeting of the commission unless a written recommendation is signed by all the members entitled to vote on the item; ~~except that a recommendation under section 298.2213, subdivision 4, or 298.296, subdivision 1, need only be signed by a majority of the members entitled to vote on the item.~~

Sec. 36. Minnesota Statutes 1992, section 15.38, is amended by adding a subdivision to read:

Subd. 9. SIBLEY HOUSE. The Sibley House association may purchase fire, wind, hail, and vandalism insurance and insurance coverage for fine art objects from state appropriations.

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

Sec. 37. Minnesota Statutes 1992, section 15.50, subdivision 2, is amended to read:

Subd. 2. **CAPITOL AREA PLAN.** (a) The board shall prepare, prescribe, and from time to time amend a comprehensive use plan for the capitol area, ~~herein~~ called the area in this subdivision, which ~~shall initially consist~~ consists 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 a point 50 feet south of the south line of Concordia Avenue, thence southeasterly along a line extending 50 feet from the south line 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 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 intersection of Old Kellogg Boulevard and Summit Avenue, 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 center line of the new West Kellogg Boulevard, thence southerly along the east line of the new West Kellogg Boulevard, to the center line of West Seventh Street, thence northeasterly along the center line of West Seventh Street to the center line of the Fifth Street ramp, thence northwesterly along the center line 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 west line of Cedar Street, thence southeasterly along the 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. If construction of the labor interpretive center does not commence prior to December 31, 1996, at the site recommended by the board, the boundaries of the capitol area revert to their configuration as of 1992. Pursuant to Under the comprehensive plan, or any a portion thereof of it, the board may regulate, by means of zoning rules adopted ~~pursuant to~~ under 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

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

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~~ may undertake these construction activities as defined in the board's rules in the capitol area without first submitting construction plans to the board, obtaining a zoning permit from the board, and receiving 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 ~~it~~ requests reports for ~~their~~ its planning purpose.

(c) No public building, street, parking lot, or monument, or other construction ~~shall~~ may be built or altered on any public lands within the area unless the plans for the ~~same~~ conforms ~~project~~ conform 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 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~~ must 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~~ may 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~~ that 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~~ A competition ~~shall~~ must 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~~ the costs and fees ~~as~~ that may be required for ~~the~~ its conduct ~~thereof~~. At the option of the board,

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

plans for projects estimated to cost less than \$1,000,000 may be approved without competition provided ~~such~~ the plans have been considered by the advisory committee described in ~~clause paragraph~~ (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~~ may not adopt any plan under ~~clause paragraph~~ (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~~ may not be contestants under clause (e). The comments and criticism ~~shall~~ must 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~~ must 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~~ data 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, and a copy of any ~~such~~ data prepared by any public employee or agency ~~shall~~ must be filed with the board promptly upon completion,

(2) The board may employ ~~such~~ stenographic or technical help as that 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~~ of the committee 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 Saint Paul shall advise the board.

(g) The comprehensive plan for the area ~~shall~~ must 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 of a plan may 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

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

historical society regarding the historic fidelity of plans for the capitol building. The standards and policies developed ~~as herein provided shall be~~ under this paragraph are 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 do~~ 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~~ may also ~~have the power to~~ acquire an interest less than a fee simple interest in the property, if it finds that ~~it~~ the property 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~~ amendments to it.

(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 veterans service building to (1) the department of veterans affairs, of which ~~such~~ a part as that the commissioner of administration and commissioner of veterans affairs may mutually determine ~~shall~~ must 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, ~~such~~ other state departments and agencies as the commissioner may deem desirable.

Sec. 38. Minnesota Statutes 1992, section 16A.128, subdivision 2, is amended to read:

Subd. 2. **NO RULEMAKING.** The kinds of fees that need not be fixed by rule unless specifically required by law are:

- (1) fees based on actual direct costs of a service;
- (2) one-time fees;
- (3) fees that produce insignificant revenues;

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

- (4) fees billed within or between state agencies;
- (5) fees exempt from commissioner approval; ~~or~~
- (6) fees for admissions to or use of facilities operated by the iron range resources and rehabilitation board, if the fees are set according to prevailing market conditions to recover operating costs; or
- (7) fees established by the Minnesota historical society.

Sec. 39. Minnesota Statutes 1992, section 16A.28, is amended by adding a subdivision to read:

Subd. 8. EXCEPTIONS. Except as provided by law, an appropriation made to the Minnesota historical society, if not spent during the first year, may be spent during the second year of a biennium. An unexpended balance remaining at the end of a biennium lapses and shall be returned to the fund from which appropriated. An appropriation made to the society for all or part of a biennium may be spent in either year of the biennium.

Sec. 40. Minnesota Statutes 1992, section 16A.72, is amended to read:

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

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

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

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

(9) income to the Minnesota historical society; or

(10) as otherwise provided by law.

Sec. 41. Minnesota Statutes 1992, section 16B.06, subdivision 2a, is amended to read:

Subd. 2a. **EXCEPTION.** The requirements of subdivision 2 do not apply to state contracts distributing state or federal funds pursuant to the federal Economic Dislocation and Worker Adjustment Assistance Act, United States Code, title 29, section 1651 et seq., or sections 268.9771, 268.978, 268.9781, and 268.9782. For these contracts, the commissioner of jobs and training is authorized to directly enter into state contracts with approval of the governor's job training council and encumber available funds to ensure a rapid response to the needs of dislocated workers. The commissioner shall adopt internal procedures to administer and monitor funds distributed under these contracts.

Sec. 42. Minnesota Statutes 1992, section 44A.01, subdivision 2, is amended to read:

Subd. 2. **BOARD MEMBERSHIP.** ~~(a)~~ The corporation is governed by a board of directors consisting of:

(1) ~~six~~ four members, representing the international business community, elected to six-year terms by the association of members established under section 4, subdivision 2, clause (5);

(2) ~~three~~ four members, representing the international business community, appointed by the governor, with the advice and consent of the senate, to ~~six-year terms~~ serve at the governor's pleasure; and

(3) ~~six~~ legislators appointed under paragraph ~~(b)~~ the mayor of St. Paul or the mayor's designee; and

(4) the commissioners of trade and economic development, agriculture, and commerce.

Members appointed by the governor must be knowledgeable or experienced in international trade in products or services.

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

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

Sec. 43. Minnesota Statutes 1992, section 44A.01, subdivision 4, is amended to read:

Subd. 4. **ORGANIZATION.** The board shall elect a chair from the representatives of the international business community appointed by the governor, and an executive committee from its members.

Sec. 44. Minnesota Statutes 1992, section 44A.025, is amended to read:

44A.025 **DUTIES.**

The board shall:

- (1) promote and market the Minnesota world trade center;
- (2) sponsor conferences or other promotional events in the conference and service center;
- (3) adopt bylaws governing operation of the corporation by November 1, 1987;
- (4) ~~establish a Minnesota world trade center club program in accordance with the development agreement;~~
- (~~5~~) conduct public relations and liaison activities between the corporation and the international business community;
- (~~6~~) (5) establish and maintain an office in the Minnesota world trade center; and
- (~~7~~) (6) not duplicate programs or services provided by the commissioner of trade and economic development, the Minnesota trade division, or the commissioner of agriculture.

Sec. 45. Minnesota Statutes 1992, section 82.21, is amended by adding a subdivision to read:

Subd. 2a. **BROKER PAYMENT CONSOLIDATION.** For all license renewal fees, recovery fund renewal fees, and recovery fund assessments pursuant to this section and section 82.34, the broker must remit the fees or assessments for the company, broker, and all salespersons licensed to the broker, in the form of a single check.

Sec. 46. Minnesota Statutes 1992, section 116J.617, is amended to read:

116J.617 **TOURISM LOAN PROGRAM.**

Subdivision 1. **ESTABLISHMENT.** The commissioner may establish a tourism revolving loan program and a tourism guarantee loan program to provide loans ~~or~~, participate in loans, or guarantee loans to resorts, campgrounds, lodging facilities, and other tourism-related businesses. The commissioner shall

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

work with financial institutions in making or participating in loans or guaranteeing loans under this section.

Subd. 2. **ELIGIBLE BORROWER.** To receive a loan under this section, the borrower must be a sole proprietorship, partnership, or 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 or loan guarantee under this section if the borrower has received a tourism-related loan, loan participation, or guarantee made by the state ~~or participated in by the state~~ in the past three years 36 months.

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: acquisition of an existing building, building construction and improvement, land 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, guaranteed, or participated in under this section.

Subd. 4. **LOAN TERMS.** The maximum term of a loan made, guaranteed, 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, guaranteed, 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.

Subd. 6. INVESTMENT INTEREST. All interest and profits accruing from the investment of money from the tourism loan account are credited to the account, and any loss incurred in the principal of the investments of the account is debited to the account.

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

Sec. 47. [116J.655] YOUTH ENTREPRENEURSHIP EDUCATION PROGRAM.

The commissioner of trade and economic development shall establish a youth entrepreneurship education program to improve the academic and entrepreneurial skills of students and aid in their transition from school to business creation. The program shall strengthen local economies by creating jobs that enable citizens to remain in their communities and to foster cooperation among educators, economic development professionals, business leaders, and representatives of labor.

Sec. 48. [116J.874] AFFIRMATIVE ENTERPRISE PROGRAM.

Subdivision 1. DEFINITIONS. (a) The definitions in this subdivision apply to this section.

(b) "Business entity" means a sole proprietorship, partnership, limited liability company, or corporation.

(c) "Disabled person" means a person with a disability as defined under section 363.01, subdivision 13.

(d) "Full-time employee" means an employee who is employed for at least 35 hours per week.

Subd. 2. ESTABLISHMENT. The commissioner of trade and economic development shall establish the affirmative enterprise program for the purpose of encouraging the full-time employment of disabled persons in areas of economic need. The commissioner shall determine areas of economic need based on present and past levels of unemployment and population loss, and present and past reductions in industrial and business activity.

Subd. 3. ELIGIBILITY. A business entity is eligible for an affirmative enterprise grant if it meets the following criteria:

(1) except in the case of a business entity with fewer than ten employees, it employs at least 25 percent of its full-time employees from persons who are not disabled;

(2) it employs at least 50 percent of its full-time employees from disabled persons;

(3) it maintains an integrated work force of nondisabled and disabled persons at the highest possible level;

(4) every full-time employee has an employee status with all accompanying rights and responsibilities;

(5) the following benefits are provided to each full-time employee:

(i) paid vacation;

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

- (ii) paid holidays;
- (iii) paid sick leave;
- (iv) a personalized career plan;
- (v) retirement with employer participation; and
- (vi) a copayment health insurance plan;

(6) a full-time employee selected by all employees of the business entity meets with the business entity's management at least once a month;

(7) each full-time employee is informed of other less restrictive employment when it becomes available;

(8) all full-time employees are required to participate in at least two evaluations per year with accompanying wage adjustments; and

(9) profit sharing based on the business entity's performance is provided to all full-time employees.

Subd. 4. GRANTS. Affirmative enterprise grants must be used by the business to provide training and support services to disabled persons in conjunction with economic development.

Subd. 5. PREFERENCE. Preference for grant awards must be given to a business entity that: (1) offers ownership options or individual personal improvement plans with employer-sponsored training, has a long-term business plan, and is working collaboratively with the local economic development authority or organization; or (2) has a higher percentage of disabled employees than another eligible entity.

Subd. 6. EXPIRATION. This section expires July 1, 1995. By January 1, 1995, the management analysis division of the department of administration shall evaluate the program and if warranted based on outcomes recommend to the legislature a funding source for this program and a state agency to administer the program.

Sec. 49. Minnesota Statutes 1992, section 116J.982, is amended to read:

116J.982 COMMUNITY DEVELOPMENT CORPORATIONS.

Subdivision 1. **DEFINITIONS.** For the purposes of this section, the terms in this subdivision have the meanings given them:

(a) "Commissioner" means the commissioner of trade and economic development.

(b) "Economic development region" means an area so designated in the governor's executive order number ~~60~~ 83-15, dated ~~June 12, 1970~~, as amended March 15, 1983.

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

(c) "Federal poverty level" means the income level established by the

United States Community Services Administration in Code of Federal Regulations, title 45, section 160.2-2 published annually by the United States Department of Health and Human Services under authority of the Omnibus Budget Reconciliation Act of 1981, Public Law Number 97-35, title VI, section 673(2).

(d) "Low income" means an annual income below the federal poverty level.

(e) A "low-income area" means an area in which (1) ten percent of the population have low incomes, or (2) there is one or more recognized subareas such as a census tract, city, township, or county in which 15 percent of the population have low incomes.

Subd. 2. ADMINISTRATION. The commissioner shall administer this section and shall enforce the rules related to the community development corporation adopted by the commissioner except for subdivision 6, which shall be administered by the commissioner of housing finance. The commissioner commissions of trade and economic development and housing finance may amend, suspend, repeal, or otherwise modify these, separately or jointly, adopt rules as provided for in chapter 14 necessary to implement this section.

Subd. 3. GRANTS CERTIFICATION; CORPORATIONS ELIGIBLE. (a) The commissioner shall designate a community development corporation as eligible to receive grants under this section if the corporation is a nonprofit corporation incorporated under chapter 317A and meets the other criteria in this subdivision.

(b) The corporation, in its articles of incorporation or bylaws, shall must designate a low-income area as the specific geographic community within which it will operate. At least ten percent of the population within the designated community must have low incomes. Within the metropolitan area as defined in section 473.121, subdivision 2 cities of the first class, a designated community must be an identifiable neighborhood or a combination of neighborhoods but may not be the entire city. Outside cities of the first class, a designated community may be an identifiable neighborhood or neighborhood, or home rule charter or statutory cities, townships, unincorporated areas, or combinations of those entities. Outside the metropolitan area, designated communities, so far as possible, but may not be an entire economic development region nor cross existing economic development region boundaries except as provided in this section. If a proposed geographic area overlaps the designated community of a community development corporation existing before August 1, 1987, the proposed community development corporation shall obtain the written consent of the existing community development corporation before the proposed corporation may be designated as eligible to receive grants under this section.

(c) The corporation's major purpose, in its articles of incorporation or bylaws, must be economic development, redevelopment, or housing in its designated community.

(d) The corporation shall limit voting membership to residents of its designated area must be tax exempt under section 501, paragraph (c), clause (3), of the Internal Revenue Code of 1986, as amended.

(d) (e) The corporation shall have a board of directors with 15 to 30 members unless the corporation can demonstrate to the satisfaction of the commissioner that a smaller or larger board is more advantageous membership and board of directors of the corporation must be representative of the designated community. At least 40 percent of the directors must have incomes that do not exceed 80 percent of the county median family income or 80 percent of the statewide median family income as determined by the state demographer, whichever is less; and the remaining directors must be members of the business or financial community and the community at large. To the greatest extent possible, and At least 20 percent of the directors shall have low incomes or shall reside in low-income areas described in subdivision 1, paragraph (e), clause (1), or the low-income subarea described in subdivision 1, paragraph (e), clause (2). At least 60 percent of; the directors must be residents of the designated community. Directors who meet the income limitations of this paragraph must be elected by the members of the corporation. The remaining directors may be elected by the members or appointed by the directors who meet the income limitations of this paragraph. Other directors shall be business, financial, or civic leaders or representatives-at-large of the designated community. Notwithstanding the requirements of this paragraph, a corporation which meets board structure requirements for a community housing development corporation under Code of Federal Regulations, title 24, part 92.2, is deemed to meet the board membership requirements of this subdivision.

(e) (f) The corporation shall hire low-income residents of the designated community to fill nonmanagerial and nonprofessional positions shall not discriminate against any persons on the basis of a status protected under chapter 363.

(f) (g) The corporation shall demonstrate that it has or will have can obtain the technical skills to analyze projects, that it is familiar with other available public and private funding sources and economic development, redevelopment, and housing programs, and that it is capable of packaging economic development, redevelopment, and housing projects.

(h) The corporation must have completed two or more economic development, redevelopment, or housing projects within its designated community during the last three years.

Subd. 4. **GRANT APPROVAL FOR PROJECTS CERTIFICATION.** The commissioner shall approve a grant to a community development corporation only for a project carried on within the designated community, except when the corporation demonstrates that a project carried on outside will have a significant impact inside the designated community. The commissioner shall certify as a community development corporation any organization which meets the criteria

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

in subdivision 3. The certification is for two years from the date of certification and is renewable. The commissioner shall certify as a community development corporation for a nonrenewable period of three years from the date of certification an organization which meets all the criteria in subdivision 3, except for paragraphs (d) and (h), but which plans to meet those requirements by the end of the three years.

As part of the certification process, the commissioner shall resolve disputes concerning boundaries of the designated community of a community development corporation.

Subd. 5. USE OF GRANT GRANTS; ECONOMIC DEVELOPMENT CONTRACTS. The commissioner may ~~approve~~ make a grant to a community development corporation for planning, including organization of the corporation, training of the directors, creation of a comprehensive community economic development plan, and enter into contracts with certified community development corporations for:

(1) specific economic development projects within the designated community, such as development of a proposal for a venture grant, or for establishment of a business venture, including assistance to an existing business venture, purchase of partial or full ownership of a business venture, real estate development, strategic development planning, infrastructure development, or development of resources or facilities necessary for the establishment of a business venture;

(2) dissemination of information about, or taking applications for, programs operated by the commissioner; and

(3) developing the internal organizational capacity to engage in economic development activities such as the partnership activities listed in clause (1).

Subd. 6. ASSIGNEE HOUSING CONTRACTS. The commissioner must be named as an assignee of the rights of a state-funded community development corporation on any loan or other evidence of debt provided by a community development corporation to a private enterprise. The assignment of rights must provide that it will be effective upon the dormancy or cessation of existence of the community development corporation. "Dormancy" for the purpose of this section means the continuation of the corporation in name only without any functioning officers or activities. Upon the cessation of the activities of a state-funded community development corporation, any assigned money paid to the commissioner must be deposited in the state treasury and credited to the general fund. The commissioner of the housing finance agency may enter into contracts with certified community development corporations for purposes of housing activities associated with economic development activity under subdivision 5.

Subd. -6a. SECONDARY MARKET. A community development corporation may sell, at private or public sale, at the price or prices determined by the corporation, any note, mortgage, lease, sublease, lease purchase, or other instrument or obligation evidencing or securing a loan made for the purpose of economic development, job creation, redevelopment, or community revitalization

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

by a public agency to a business, for-profit or nonprofit organization, or an individual.

Subd. 7. **FACTORS FOR GRANT APPROVAL OTHER PROGRAMS.** Factors considered by the commissioner in approving a grant to a community development corporation must include the creation of employment opportunities, the maximization of profit, and the effect on securing money from sources other than the state. A certified community development corporation is eligible to participate in a program available to nonprofit organizations which is operated by the commissioners of trade and economic development or housing finance if the certified development corporation meets the requirements of the program.

Subd. 7a. **REAL ESTATE LICENSE EXEMPTION.** A certified community development corporation is exempt from the licensure requirements of section 82.20.

Subd. 8. **PROHIBITION.** Grants under this section are not available for programs conducted by churches or religious organizations or for securing or developing social services.

Subd. 9. **NO EXCLUSION.** A person may not be excluded from participation in a program funded under this section because of race, color, religion, sex, age, or national origin.

Sec. 50. [116J.987] DEFINITIONS.

Subdivision 1. **APPLICATION.** The definitions in this section apply to sections 116J.987 to 116J.990.

Subd. 2. **BOARD.** "Board" means the board of invention.

Subd. 3. **COMMERCIAL INVENTION.** "Commercial invention" means new and useful processes, machines, manufacturing procedures, or any new and useful improvements or applications of commercial inventions, regardless of whether or not the invention is patentable.

Subd. 4. **INVENTION.** "Invention" means creative activity resulting in new and potentially useful and applied products or ideas of commercial and social merit. Invention includes commercial and social inventions.

Subd. 5. **SOCIAL INVENTION.** "Social invention" means new procedures, new uses for known procedures, and organizations that change the way in which people relate to their environment or to each other.

Sec. 51. [116J.988] BOARD OF INVENTION.

Subdivision 1. **MEMBERSHIP.** The board of invention consists of 11 members appointed by the governor, subject to the advice and consent of the senate. One member must be appointed from each of the congressional districts. The remaining members may be appointed at large.

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

Subd. 2. TERMS. The membership terms, removal, and filling of vacancies of board members are as provided in section 15.0575.

Subd. 3. CHAIR; OTHER OFFICERS. The board shall annually elect a chair and other officers as necessary from its members.

Subd. 4. STAFF. The board may employ an executive director who is knowledgeable in invention and has demonstrated proficiency in the administration of programs relating to invention. The executive director shall perform the duties that the board may require in carrying out its responsibilities.

Sec. 52. [116J.989] POWERS.

Subdivision 1. CONTRACTS. The board may enter into contracts and grant agreements necessary to carry out its responsibilities.

Subd. 2. GIFTS; GRANTS. The board may apply for, accept, and disburse gifts, grants, or other property from the United States, the state, private foundations, or any other source. It may enter into an agreement required for the gifts or grants and may hold, use, and dispose of its assets in accordance with the terms of the gift, grant, or agreement. Money received by the board under this subdivision must be deposited in the state treasury. The amount deposited is appropriated to the board to carry out its duties.

Sec. 53. [116J.990] DUTIES.

Subdivision 1. GENERAL DUTIES. The board shall encourage the creation, performance, and appreciation of invention in the state. The board shall investigate and evaluate new methods to enhance invention.

Subd. 2. GRANT PROGRAM. The board shall establish an invention grant program to award grants to individuals, nonprofits, or private organizations to encourage the development of both commercial and social inventions.

Subd. 3. TECHNICAL ASSISTANCE. The board shall provide information services relating to invention to the general public.

Subd. 4. COORDINATION. The board may review all public and private programs relating to invention and innovation.

Subd. 5. BUDGET. The board shall adopt an annual budget and work program.

Subd. 6. REPORT. The board shall submit a report to the legislature and the governor by January 31 of each year. The report must include a review of invention activities in the state, a review of the board's activities, a listing of grants made under the invention grant program, an evaluation of invention initiatives, and recommendations concerning state support of invention activities.

Subd. 7. STATE FUNDING PROHIBITED. No state money may be appropriated to the board. The board must utilize private funds and nonstate public money to fund its activities.

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

Sec. 54. **[116M.14] DEFINITIONS.**

Subdivision 1. TERMS. For the purposes of this chapter, the following terms have the meaning given them.

Subd. 2. BOARD. "Board" means the urban initiative board.

Subd. 3. COMMISSIONER. "Commissioner" means the commissioner of trade and economic development.

Subd. 4. LOW-INCOME AREA. "Low-income area" means Minneapolis, St. Paul, and inner ring suburbs as defined by the metropolitan council that had a median household income below \$31,000 as reported in the 1990 census.

Subd. 5. MINORITY BUSINESS ENTERPRISE. "Minority business enterprise" means a business that is majority owned and operated by persons belonging to a racial or ethnic minority as defined in Code of Federal Regulations, title 49, section 23.5.

Sec. 55. **[116M.15] URBAN INITIATIVE BOARD.**

Subdivision 1. CREATION; MEMBERSHIP. The urban initiative board is created and consists of the commissioners of trade and economic development and jobs and training, the chair of the metropolitan council, and eight members from the general public appointed by the governor. Six of the public members must be representatives from minority business enterprises. No more than four of the public members may be of one gender. All public members must be experienced in business or economic development.

Subd. 2. MEMBERSHIP TERMS. The membership terms, compensation, removal, and filling of vacancies of public members of the board are as provided in section 15.0575.

Subd. 3. CHAIR; OTHER OFFICERS. The commissioner of trade and economic development shall serve as chair of the board. The board may elect other officers as necessary from its members.

Subd. 4. STAFF. The commissioner of trade and economic development shall provide staff, consultant support, materials, and administrative services necessary for the board's activities. The services must include personnel, budget, payroll, and contract administration.

Sec. 56. **[116M.16] POWERS.**

Subdivision 1. CONTRACTS. The board may enter into contracts and grant agreements necessary to carry out its responsibilities.

Subd. 2. GIFTS; GRANTS; APPROPRIATION. The board may apply for, accept, and disburse gifts, grants, loans, or other property from the United States, the state, private foundations, or any other source. It may enter into an

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

agreement required for the gifts, grants, or loans and may hold, use, and dispose of its assets in accordance with the terms of the gift, grant, loan, or agreement. Money received by the board under this subdivision must be deposited in a separate account in the state treasury. The amount deposited is appropriated to the board to carry out its duties.

Sec. 57. [116M.17] DUTIES.

Subdivision 1. GENERAL DUTIES. The board shall investigate and evaluate methods to enhance urban development, particularly methods relating to economic diversification through minority business enterprises and job creation for minority and other persons in low-income areas. The enterprises shall include, but are not limited to, technologically innovative industries, value-added manufacturing, and information industries.

Subd. 2. TECHNICAL ASSISTANCE. The board through the department, shall provide technical assistance and development information services to state agencies, regional agencies, special districts, local governments, and the public, with special emphasis on minority communities.

Subd. 3. BUDGET. The board shall adopt an annual budget and work program and a biennial budget.

Subd. 4. REPORTS. The board shall submit an annual report to the legislature of an accounting of loans made under section 116M.18, including information on loans to minority business enterprises, the impact on low-income areas, and recommendations concerning minority business development and jobs for persons in low-income areas.

Sec. 58. [116M.18] URBAN CHALLENGE GRANTS PROGRAM.

Subdivision 1. ELIGIBILITY RULES. The board shall make urban challenge grants for use in low-income areas to nonprofit corporations to encourage private investment, to provide jobs for minority persons and others in low-income areas, to create and strengthen minority business enterprises, and to promote economic development in a low-income area. The board shall adopt rules to establish criteria for determining loan eligibility.

Subd. 2. CHALLENGE GRANT ELIGIBILITY; NONPROFIT CORPORATION. The board may enter into agreements with nonprofit corporations to fund loans the nonprofit corporation makes in low-income areas under subdivision 4. A corporation must demonstrate that:

(1) its board of directors includes citizens experienced in development, minority business enterprises, and creating jobs in low-income areas;

(2) it has the technical skills to analyze projects;

(3) it is familiar with other available public and private funding sources and economic development programs;

New language is indicated by underline, deletions by strikeout.

(4) it can initiate and implement economic development projects;

(5) it can establish and administer a revolving loan account; and

(6) it can work with job referral networks which assist minority and other persons in low-income areas.

Subd. 3. REVOLVING LOAN FUND. The board shall establish a revolving loan fund to make grants to nonprofit corporations for the purpose of making loans to new and expanding businesses in a low-income area to promote minority business enterprises and job creation for minority and other persons in low-income areas. Eligible business enterprises include, but are not limited to, technologically innovative industries, value-added manufacturing, and information industries. Loan applications given preliminary approval by the nonprofit corporation must be forwarded to the board for approval. The commissioner must give final approval for each loan made by the nonprofit corporation. The amount of a grant may not exceed 50 percent of each loan. The amount of non-state money must equal at least 50 percent for each loan.

Subd. 4. BUSINESS LOAN CRITERIA. (a) The criteria in this subdivision apply to loans made under the urban challenge grant program.

(b) Loans must be made to businesses that are not likely to undertake a project for which loans are sought without assistance from the urban challenge grant program.

(c) A loan must be used for a project designed to benefit persons in low-income areas through the creation of job opportunities for them. Among loan applicants, priority must be given, on the basis of the number of permanent jobs created or retained by the project and the proportion of nonpublic money leveraged by the loan. Priority must also be given for loans to the lowest income areas.

(d) The minimum loan is \$5,000 and the maximum is \$150,000.

(e) With the approval of the commissioner, a loan may be used to provide up to 50 percent of the private investment required to qualify for a grant from the economic recovery account.

(f) A loan must be matched by at least an equal amount of new private investment.

(g) A loan may not be used for a retail development project.

(h) The business must agree to work with job referral networks that focus on minority applicants from low-income areas.

Subd. 5. REVOLVING FUND ADMINISTRATION; RULES. (a) The board shall establish a minimum interest rate for loans to ensure that necessary loan administration costs are covered.

New language is indicated by underline, deletions by strikeout.

(b) Loan repayment amounts equal to one-half of the principal and interest must be deposited in a revolving fund created by the board for challenge grants. The remaining amount of the loan repayment may be deposited in a revolving loan fund created by the nonprofit corporation originating the loan being repaid for further distribution, consistent with the loan criteria specified in subdivision 4.

(c) Administrative expenses of the board may be paid out of the interest earned on loans.

Subd. 6. RULES. The board shall adopt rules to implement this section.

Subd. 7. COOPERATION. A nonprofit corporation that receives an urban challenge grant shall cooperate with other organizations, including but not limited to, community development corporations, community action agencies, and the Minnesota small business development centers.

Subd. 8. REPORTING REQUIREMENTS. A corporation that receives a challenge grant shall:

(1) submit an annual report to the board by September 30 of each year that includes a description of projects supported by the urban challenge grant program, an account of loans made during the calendar year, the program's impact on minority business enterprises and job creation for minority persons and persons in low-income areas, the source and amount of money collected and distributed by the urban challenge grant program, the program's assets and liabilities, and an explanation of administrative expenses; and

(2) provide for an independent annual audit to be performed in accordance with generally accepted accounting practices and auditing standards and submit a copy of each annual audit report to the board.

Sec. 59. [129D.06] GRANTS TO ARTS ORGANIZATIONS.

Subdivision 1. STATE ARTS ACCOUNT; APPROPRIATION. The state arts account consists of amounts credited to it by law. Money in the account is appropriated to the board for annual distribution as follows, after deducting the board's reasonable expenses for administration:

(1) 85 percent must be used to fund grants to qualified arts organizations as provided in subdivision 2; and

(2) 15 percent must be distributed to the regional arts councils designated by the board through the board acting as a fiscal agent for the regional arts councils.

Subd. 2. GRANTS; AMOUNT. The board shall make grants to qualified arts organizations. The amount of the grant to each organization is the percentage of the organization's three-year average cash operating expense budget for nonprofit arts activities that, when applied to the three-year nonprofit average cash operating expense budgets of all qualified arts organizations, equals the

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

amount available for distribution from the state arts account under subdivision 1. The board shall require an organization that receives a grant under this section to annually report to the board in the form required by the board the purposes for which the grant was used.

As used in this section, "qualified arts organization" means a sponsoring organization as defined in section 129D.01, paragraph (d), that has applied for a grant under this section if the board finds that the organization:

(1) has a three-year average cash operating expense budget for nonprofit arts activities of at least \$100,000, as adjusted annually by a consumer price index determined by the board; and

(2) is a recipient of a grant from the board or from one of the regional arts councils in the fiscal year in which application is made.

Under emergency circumstances as defined by the board, a sponsoring organization may be reevaluated using established review criteria prior to receiving a grant under this section.

A "qualified arts organization" does not include an organization that receives any proceeds from a tax levy under section 450.25.

Sec. 60. [138A.01] LABOR INTERPRETIVE CENTER; BOARD OF DIRECTORS.

Subdivision 1. ESTABLISHMENT. The labor interpretive center is a public corporation of the state and is not subject to the laws governing a state agency except as provided in this chapter.

Subd. 2. PURPOSE. The purpose of the labor interpretive center is to celebrate the contribution of working people to the past, present, and future of Minnesota; to spur an interest among the people of Minnesota in their own family and community traditions of work; to help young people discover their work skills and opportunities for a productive working life; and to advance the teaching of work and labor studies in schools and colleges.

Subd. 3. BOARD OF DIRECTORS. The center is governed by a board of ten directors. The membership terms, compensation, removal, and filling of vacancies of members of the board are as provided in section 15.0575. Membership of the board consists of:

(1) three directors appointed by the governor;

(2) one director appointed by the mayor of St. Paul, subject to the approval of the city council;

(3) three directors appointed by the speaker of the house of representatives; and

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

(4) three directors appointed by the subcommittee on committees of the senate committee on rules and administration.

Directors must be representatives of labor, business, state and local government, local education authorities, and arts groups. The chairs of the senate committee on jobs, energy, and community development and the house of representatives committee on labor-management relations shall serve as nonvoting members.

The board shall select a chair of the board from its members, and any other officers of the board deemed necessary.

Subd. 4. LOCATION. The center must be located in the capital area of St. Paul as defined in section 15.50, subdivision 2, at the site recommended by the capitol area architectural and planning board.

Subd. 5. MEETINGS OF THE BOARD. The board shall meet at least twice a year and may hold additional meetings upon giving notice. Board meetings are subject to section 471.705.

Subd. 6. CONFLICT OF INTEREST. A director, employee, or officer of the center may not participate in or vote on a decision of the board relating to a matter in which the director has either a direct or indirect financial interest or a conflict of interest as described in section 10A.07.

Subd. 7. TORT CLAIMS. The center is a state agency for purposes of section 3.736.

Sec. 61. [138A.02] CENTER PERSONNEL.

Subdivision 1. GENERALLY. The board shall appoint an executive director of the center to serve in the unclassified service. The executive director must be chosen on the basis of training, experience, and knowledge in the areas of labor history and the changing world of work. The center shall employ staff, consultants, and other parties necessary to carry out the mission of the center.

Subd. 2. STATUS OF EMPLOYEES. Employees of the center are executive branch state employees.

Sec. 62. [138A.03] POWERS; DUTIES; BOARD; CENTER.

Subdivision 1. GENERAL POWERS. The board has the powers necessary for the care, management, and direction of the center. The powers include: (1) overseeing the planning and construction of the center as funds are available; (2) leasing a temporary facility for the center during development of its organization and program; and (3) establishing advisory groups as needed to advise the board on program, policy, and related issues.

Subd. 2. DUTIES. The center is a state agency for purposes of the following accounting and budgeting requirements:

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

- (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.

Subd. 3. PROGRAM. The board shall appoint a program advisory group to oversee the development of the center's programming. It must consist of representatives of cultural and educational organizations, labor education specialists, and curriculum supervisors in local schools. The program of the center may be implemented through exhibits, performances, seminars, films and multimedia presentations, participatory programs for all ages, and a resource center for teachers. Collaborative program development is encouraged with technical colleges, the Minnesota historical society, and other cultural institutions.

Subd. 4. BOARD OF GOVERNORS. The board may establish a board of governors to incorporate as a nonprofit organization to receive donations for the center and to serve as honorary advisors to the board of directors.

Sec. 63. [138A.04] LABOR INTERPRETIVE CENTER ACCOUNT.

The Minnesota labor interpretive center account is an account in the special revenue fund. Funds in the account not needed for the immediate purposes of the center may be invested by the state board of investment in any way authorized by section 11A.24. Funds in the account are appropriated to the center to be used as provided in this chapter.

Sec. 64. [138A.05] AUDITS.

The center is subject to the auditing requirements of sections 3.971 and 3.972.

Sec. 65. [138A.06] ANNUAL REPORTS.

The board shall submit annual reports to the legislature on the planning, development, and activities of the center. The board shall supply more frequent reports if requested.

Sec. 66. Minnesota Statutes 1992, section 216B.62, subdivision 3, is amended to read:

Subd. 3. ASSESSING ALL PUBLIC UTILITIES. (a) The department and commission shall quarterly, at least 30 days before the start of each quarter, estimate the total of their expenditures in the performance of their duties relating to (1) public utilities under section 216A.085, and sections 216B.01 to 216B.67, other than amounts chargeable to public utilities under subdivision 2 or 6, and alternative energy engineering activity under section 216C.261. The remainder,

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

except the amount assessed against cooperatives and municipalities for alternative energy engineering activity under subdivision 5, shall be assessed by the commission and department to the several public utilities in proportion to their respective gross operating revenues from retail sales of gas or electric service within the state during the last calendar year. The assessment shall be paid into the state treasury within 30 days after the bill has been mailed to the several public utilities, which shall constitute notice of the assessment and demand of payment thereof. The total amount which may be assessed to the public utilities, under authority of this subdivision, shall not exceed ~~one-eighth~~ one-sixth of one percent of the total gross operating revenues of the public utilities during the calendar year from retail sales of gas or electric service within the state. The assessment for the third quarter of each fiscal year shall be adjusted to compensate for the amount by which actual expenditures by the commission and department for the preceding fiscal year were more or less than the estimated expenditures previously assessed.

Sec. 67. Minnesota Statutes 1992, section 216B.62, subdivision 5, is amended to read:

Subd. 5. **ASSESSING COOPERATIVES AND MUNICIPALS.** The commission and department may charge cooperative electric associations and municipal electric utilities their proportionate share of the expenses incurred in the adjudication of service area disputes and the costs incurred in the adjudication of complaints over service standards, practices, and rates. Cooperative electric associations electing to become subject to rate regulation by the commission pursuant to section 216B.026, subdivision 4, are also subject to this section. Neither a cooperative electric association nor a municipal electric utility is liable for costs and expenses in a calendar year in excess of the limitation on costs that may be assessed against public utilities under subdivision 2. A cooperative electric association or municipal electric utility may object to and appeal bills of the commission and department as provided in subdivision 4.

The department shall assess cooperatives and municipalities for the costs of alternative energy engineering activities under section 216C.261. Each cooperative and municipality shall be assessed in proportion that its gross operating revenues for the sale of gas and electric service within the state for the last calendar year bears to the total of those revenues for all public utilities, cooperatives, and municipalities.

Sec. 68. Minnesota Statutes 1992, section 237.295, subdivision 2, is amended to read:

Subd. 2. **ASSESSMENT OF COSTS.** The department and commission shall quarterly, at least 30 days before the start of each quarter, estimate the total of their expenditures in the performance of their duties relating to telephone companies, other than amounts chargeable to telephone companies under subdivision 1 ~~or~~ 5, or 6. The remainder must be assessed by the department to the telephone companies operating in this state in proportion to their respective

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

gross jurisdictional operating revenues during the last calendar year. The assessment must be paid into the state treasury within 30 days after the bill has been mailed to the telephone companies. The bill constitutes notice of the assessment and demand of payment. The total amount that may be assessed to the telephone companies under this subdivision may not exceed one-eighth of one percent of the total gross jurisdictional operating revenues during the calendar year. The assessment for the third quarter of each fiscal year must be adjusted to compensate for the amount by which actual expenditures by the commission and department for the preceding fiscal year were more or less than the estimated expenditures previously assessed. A telephone company with gross jurisdictional operating revenues of less than \$5,000 is exempt from assessments under this subdivision.

Sec. 69. Minnesota Statutes 1992, section 237.295, is amended by adding a subdivision to read:

Subd. 6. EXTENDED AREA SERVICE BALLOTING ACCOUNT; APPROPRIATION. The extended area service balloting account is created as a separate account in the special revenue fund in the state treasury. The commission shall render separate bills to telephone companies only for direct balloting costs incurred by the commission under section 237.161. The bill constitutes notice of the assessment and demand of payment. The amount of a bill assessed by the commission under this subdivision must be paid by the telephone company into the state treasury within 30 days from the date of assessment. Money received under this subdivision must be credited to the extended area service balloting account and is appropriated to the commission.

Sec. 70. Minnesota Statutes 1992, section 239.011, subdivision 2, is amended to read:

Subd. 2. **DUTIES AND POWERS.** To carry out the responsibilities in section 239.01 and subdivision 1, the director:

(1) shall take charge of, keep, and maintain in good order the standard of weights and measures of the state and keep a seal so formed as to impress, when appropriate, the letters "MINN" and the date of sealing upon the weights and measures that are sealed;

(2) has general supervision of the weights, measures, and weighing and measuring devices offered for sale, sold, or in use in the state;

(3) shall maintain traceability of the state standards to the national standards of the National Institute of Standards and Technology;

(4) shall enforce this chapter;

(5) shall grant variances from department rules, within the limits set by rule, when appropriate to maintain good commercial practices or when enforcement of the rules would cause undue hardship;

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

(6) shall conduct investigations to ensure compliance with this chapter;

(7) may delegate to division personnel the responsibilities, duties, and powers contained in this section;

(8) shall test annually, and approve when found to be correct, the standards of weights and measures used by the division, by a town, statutory or home rule charter city, or county within the state, or by a person using standards to repair, adjust, or calibrate commercial weights and measures;

(9) shall inspect and test weights and measures kept, offered, or exposed for sale;

(10) shall inspect and test, to ascertain if they are correct, weights and measures commercially used to:

(i) determine the weight, measure, or count of commodities or things sold, offered, or exposed for sale, on the basis of weight, measure, or count; and

(ii) compute the basic charge or payment for services rendered on the basis of weight, measure, or count;

(11) shall approve for use and mark weights and measures that are found to be correct;

(12) shall reject, and mark as rejected, weights and measures that are found to be incorrect and may seize them if those weights and measures:

(i) are not corrected within the time specified by the director;

(ii) are used or disposed of in a manner not specifically authorized by the director; or

(iii) are found to be both incorrect and not capable of being made correct, in which case the director shall condemn those weights and measures;

(13) shall weigh, measure, or inspect packaged commodities kept, offered, or exposed for sale, sold, or in the process of delivery, to determine whether they contain the amount represented and whether they are kept, offered, or exposed for sale in accordance with this chapter and department rules. In carrying out this section, the director must employ recognized sampling procedures, such as those contained in National Institute of Standards and Technology Handbook 133, "Checking the Net Contents of Packaged Goods";

(14) shall prescribe the appropriate term or unit of weight or measure to be used for a specific commodity when an existing term or declaration of quantity does not facilitate value comparisons by consumers, or creates an opportunity for consumer confusion;

(15) shall allow reasonable variations from the stated quantity of contents, including variations caused by loss or gain of moisture during the course of good

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

distribution practice or by unavoidable deviations in good manufacturing practice, only after the commodity has entered commerce within the state;

(16) shall inspect and test petroleum products in accordance with this chapter and chapter 296;

(17) shall distribute and post notices for used motor oil and lead acid battery recycling in accordance with sections 239.54, 325E.11, and 325E.115; ~~and~~

(18) shall collect inspection fees in accordance with sections 239.10; ~~239.52, and 239.78;~~ and 239.101; and

(19) shall provide metrological services and support to businesses and individuals in the United States who wish to market products and services in the member nations of the European Economic Community, and other nations outside of the United States by:

(i) meeting, to the extent practicable, the measurement quality assurance standards described in the International Standards Organization ISO 9000, Guide 25;

(ii) maintaining, to the extent practicable, certification of the metrology laboratory by a governing body appointed by the European Economic Community; and

(iii) providing calibration and consultation services to metrology laboratories in government and private industry in the United States.

Sec. 71. Minnesota Statutes 1992, section 239.10, is amended to read:

239.10 ANNUAL INSPECTION; FEE.

The department shall charge a fee to the owner for the costs of the regular inspection of scales, weights, measures, and weighing or measuring devices. The cost of any other inspection must be paid by the owner if the inspection is performed at the owner's request or if the inspection is made at the request of some other person and the scale, weight, measure, or weighing or measuring device is found to be incorrect. The department may fix the fees and expenses for regular inspections and special services by rule pursuant to section 16A.128, except that no additional fee may be charged for retail petroleum pumps, petroleum vehicle meters, and petroleum bulk meters that dispense petroleum products for which the petroleum inspection fee required by section 239.78 is collected. Money collected by the department for its regular inspections, special services, fees, and penalties must be paid into the state treasury and credited to the state general fund. The director shall inspect all weights and measures annually, or as often as deemed possible within budget and staff limitations.

Sec. 72. [239.101] INSPECTION FEES.

Subdivision 1. FEE SETTING AND COST RECOVERY. The department shall recover the amount appropriated to the weights and measures program

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

through revenue from two separate fee systems under subdivisions 2 and 3, and according to the fee-setting and cost-recovery requirements in subdivisions 4, 5, and 6.

Subd. 2. WEIGHTS AND MEASURES FEES. The director shall charge a fee to the owner for inspecting and testing weights and measures, providing metrology services and consultation, and providing petroleum quality assurance tests at the request of a licensed distributor. Money collected by the director must be paid into the state treasury and credited to the state general fund.

Subd. 3. PETROLEUM INSPECTION FEE. A person who owns petroleum products held in storage at a pipeline terminal, river terminal, or refinery shall pay a petroleum inspection fee of 85 cents for every 1,000 gallons sold or withdrawn from the terminal or refinery storage. The commissioner of revenue shall collect the fee. The revenue from the fee must first be applied to cover the amounts appropriated for petroleum product quality inspection expenses, for the inspection and testing of petroleum product measuring equipment, and for petroleum supply monitoring under chapter 216C.

The commissioner of revenue shall credit a person for inspection fees previously paid in error or for any material exported or sold for export from the state upon filing of a report as prescribed by the commissioner of revenue. The commissioner of revenue may collect the inspection fee along with any taxes due under chapter 296.

Subd. 4. SETTING WEIGHTS AND MEASURES FEES. The department shall review its schedule of inspection fees at the end of each six months. When a review indicates that the schedule of inspection fees should be adjusted, the commissioner shall fix the fees by rule, in accordance with section 16A.128, to ensure that the fees charged are sufficient to recover all costs connected with the inspections.

Subd. 5. SETTING PETROLEUM INSPECTION FEE. When the department estimates that inspection costs will exceed the revenue from the fee, the commissioner shall notify the commissioner of finance. The commissioner of finance shall then request a fee increase from the legislature.

Subd. 6. COST RECOVERY REQUIREMENTS. The cost of inspection activities and services not specified in subdivisions 2 and 3, including related overhead costs, must be equitably apportioned and recovered by the fees.

Sec. 73. Minnesota Statutes 1992, section 239.791, subdivision 6, is amended to read:

Subd. 6. OXYGENATE RECORDS; SELF AUDITS. A registered oxygenate blender shall ~~commission an attestation engagement performed by a certified public accountant audit records to investigate~~ demonstrate compliance with this section and with EPA oxygenated fuel requirements. The audit report, including the cumulative record of gasoline oxygenate blends, must be submitted to the

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

director, as prescribed by the director, within 120 days after the end of each carbon monoxide control period.

Sec. 74. Minnesota Statutes 1992, section 239.791, subdivision 8, is amended to read:

Subd. 8. **DISCLOSURE.** A person responsible for the product who delivers, distributes, sells, or offers to sell gasoline in a carbon monoxide control area, during a carbon monoxide control period, shall provide, at the time of delivery, a bill of lading or shipping manifest to the person who receives the gasoline. For oxygenated gasoline, the bill of lading or shipping manifest must include the identity and the volume percentage or gallons of oxygenate included in the gasoline, and it must state: "This fuel contains an oxygenate. Do not blend this fuel with ethanol or with any other oxygenate." For nonoxygenated gasoline, the bill or manifest must state: "This fuel must not be sold at retail or used in a carbon monoxide control area." This subdivision does not apply to sales or transfers of gasoline when the gasoline is dispensed into the supply tanks of motor vehicles.

Sec. 75. Minnesota Statutes 1992, section 239.80, subdivision 1, is amended to read:

Subdivision 1. **VIOLATIONS; ACTIONS OF DEPARTMENT.** The director, or any delegated employee shall use the methods in section 239.75 to enforce sections 239.10; 239.101, subdivision 3; 239.761; ~~239.78;~~ 239.79; 239.791; and 239.792.

Sec. 76. Minnesota Statutes 1992, section 239.80, subdivision 2, is amended to read:

Subd. 2. **PENALTY.** A person who fails to comply with any provision of section 239.10; 239.101, subdivision 3; 239.761; ~~239.78;~~ 239.79; 239.791; or 239.792, is guilty of a misdemeanor.

Sec. 77. Minnesota Statutes 1992, section 257.0755, is amended to read:

257.0755 OFFICE OF OMBUDSPERSON; CREATION; QUALIFICATIONS; FUNCTION.

An ombudsperson for families shall be appointed to operate independently but under the auspices of each of the following groups: the Indian Affairs Council, the Spanish-Speaking Affairs Council, the Council on Black Minnesotans, and the Council on Asian-Pacific Minnesotans. Each of these groups shall select its own ombudsperson subject to final approval by the advisory board established under section 257.0768. Each ombudsperson shall serve at the pleasure of the advisory board, shall be in the unclassified service, shall be selected without regard to political affiliation, and shall be a person highly competent and qualified to analyze questions of law, administration, and public policy regarding the protection and placement of children from families of color. In addition, the ombudsperson must be experienced in dealing with communities of color and

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

knowledgeable about the needs of those communities. No individual may serve as ombudsperson while holding any other public office. The ombudsperson shall have the authority to investigate decisions, acts, and other matters of an agency, program, or facility providing protection or placement services to children of color. Money appropriated for each office of ombudsperson from the general fund or the special fund authorized by section 256.01, subdivision 2, clause (15), is under the control of the office of ombudsperson for which it is appropriated.

Sec. 78. Minnesota Statutes 1992, section 268.022, subdivision 1, is amended to read:

Subdivision 1. DETERMINATION AND COLLECTION OF SPECIAL ASSESSMENT. (a) In addition to all other contributions, assessments, and payment obligations under chapter 268, each employer, except an employer making payments in lieu of contributions under section 268.06, subdivision 25, 26, 27, or 28, is liable for a special assessment levied at the rate of one-tenth of one percent per year on all wages for purposes of the contribution payable under section 268.06, subdivision 2, as defined in section 268.04, subdivision 25. Such assessment shall become due and be paid by each employer to the department of jobs and training on the same schedule and in the same manner as other contributions required by section 268.06.

(b) The special assessment levied under this section shall not affect the computation of any other contributions, assessments, or payment obligations due under this chapter.

(c) Notwithstanding any provision to the contrary, if on June 30 of any year the unobligated balance of the special assessment fund under this section is greater than \$30,000,000, the special assessment for the following year only shall be levied at a rate of 1/20th of one percent on all wages identified for this purpose under this subdivision.

Sec. 79. Minnesota Statutes 1992, section 268.022, subdivision 2, is amended to read:

Subd. 2. DISBURSEMENT OF SPECIAL ASSESSMENT FUNDS. (a) The money collected under this section shall be deposited in the state treasury and credited to a dedicated fund to provide for the ~~dislocated worker~~ employment and training programs established under sections 268.975 to 268.98; including vocational guidance, training, placement, and job development.

(b) All money in the dedicated fund is appropriated to the commissioner who must act as the fiscal agent for the money and must disburse the money for the purposes of this section, not allowing the money to be used for any other obligation of the state. All money in the dedicated fund shall be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as are provided by law for the other dedicated funds in the state treasury, except that all interest or net income resulting from the investment or deposit of money in the fund shall accrue to the fund for the purposes of the fund.

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

(c) No more than five percent of the dedicated funds collected in each fiscal year may be used by the department of jobs and training for its administrative costs.

(d) Reimbursement for costs related to collection of the special assessment shall be in an amount negotiated between the commissioner and the United States Department of Labor.

(e) The dedicated funds, less amounts under ~~paragraph~~ paragraphs (c); ~~and~~ (d) shall be allocated as follows:

(1) ~~50~~ 40 percent to be allocated according to ~~paragraph (e)~~ to the substate grantees under subchapter III of the Job Training Partnership Act, United States Code, title 29, section 1661a in proportion to each substate area's share of the federal allocated funds; to be used to assist dislocated workers under the standards in section 268.98;

(2) 50 percent to fund specific programs proposed under the state plan request for proposal process and recommended by the governor's job training council. This fund shall be used for state plan request for proposal programs addressing plant closings or layoffs regardless of size; and

(3) in fiscal years 1991, 1992, and 1993, any amounts transferred to the general fund or obligated before July 1, 1991, shall be excluded from the calculation under this paragraph.

(e) In the event that a substate grantee has obligated 100 percent of its formula allocated federal funds under subchapter III of the Job Training Partnership Act, United States Code, title 29, section 1651 et seq., and has demonstrated appropriate use of the funds to the governor's job training council, the substate grantee may request and the commissioner shall provide additional funds to the substate area in an amount equal to the federal formula allocated funds. When a substate grantee has obligated 100 percent of the additional funds provided under this section, and has demonstrated appropriate use of the funds to the governor's job training council, the substate grantee may request and the commissioner shall provide further additional funds in amounts equal to the federal formula allocated funds until the substate area receives its proportionate share of funds under paragraph (d), clause (1).

(f) By December 31 of each fiscal year each substate grantee and the governor's job training council shall report to the commissioner on the extent to which funds under this section are committed and the anticipated demand for funds for the remainder of the fiscal year. The commissioner shall reallocate those funds that the substate grantees and the council do not anticipate expending for the remainder of the fiscal year to be available for requests from other substate grantees or other dislocated worker projects proposed to the governor's job training council which demonstrate a need for additional funding.

(g) Due to the anticipated quarterly variations in the amounts collected

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

under this section, the amounts allocated under paragraph (d) must be based on collections for each quarter. Any amount collected in the final two quarters of the fiscal year, but not allocated, obligated or expended in the fiscal year, shall be available for allocation, obligation and expenditure in the following fiscal year: annually to substate grantees for provision of expeditious response activities under section 268.9771 and worker adjustment services under section 268.9781; and

(2) 60 percent to be allocated to activities and programs authorized under sections 268.975 to 268.98.

(f) Any funds not allocated, obligated, or expended in a fiscal year shall be available for allocation, obligation, and expenditure in the following fiscal year.

Sec. 80. Minnesota Statutes 1992, section 268.361, subdivision 6, is amended to read:

Subd. 6. **TARGETED YOUTH.** "Targeted youth" means at-risk persons that who are at least 16 years of age but not older than ~~24~~ 24 years of age, are eligible for the high school graduation incentive program under section 126.22, subdivisions 2 and 2a, or are economically disadvantaged as defined in United States Code, title 29, section 1503, and are part of one of the following groups:

(1) persons who are not attending any school and have not received a secondary school diploma or its equivalent; or

(2) persons currently enrolled in a traditional or alternative school setting or a GED program and who, in the opinion of an official of the school, are in danger of dropping out of the school.

Sec. 81. Minnesota Statutes 1992, section 268.361, subdivision 7, is amended to read:

Subd. 7. **VERY LOW INCOME.** "Very low income" means incomes that are at or less than ~~30~~ 50 percent of the area median income for the Minneapolis-St. Paul metropolitan area, adjusted for family size, as estimated by the department of housing and urban development.

Sec. 82. Minnesota Statutes 1992, section 268.362, is amended to read:

268.362 **GRANTS.**

Subdivision 1. **GENERALLY.** (a) The commissioner shall make grants to eligible organizations for programs to provide education and training services to targeted youth. The purpose of these programs is to provide specialized training and work experience ~~to at-risk~~ for targeted youth who have not been served effectively by the current educational system. The programs are to include a work experience component with work projects that result in the rehabilitation, improvement, or construction of (1) residential units for the homeless, or (2) education, social service, or health facilities which are owned by a public agency or a private nonprofit organization.

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

(b) Eligible facilities must principally provide services to homeless or very low income individuals and families, and include the following:

- (1) Head Start or day care centers;
- (2) homeless, battered women, or other shelters;
- (3) transitional housing;
- (4) youth or senior citizen centers; and
- (5) community health centers.

Two or more eligible organizations may jointly apply for a grant. The commissioner shall administer the grant program.

Subd. 2. **GRANT APPLICATIONS; AWARDS.** Interested eligible organizations must apply to the commissioner for the grants. The advisory committee must review the applications and provide to the commissioner a list of recommended eligible organizations that the advisory committee determines meet the requirements for receiving a grant. The total grant award for any program may not exceed ~~\$50,000~~ \$80,000 per year. In awarding grants, the advisory committee and the commissioner must give priority to:

- (1) continuing and expanding effective programs by providing grant money to organizations that are operating or have operated successfully a successful program that meets the program purposes under section 268.364; and
- (2) distributing programs throughout the state through start-up grants for programs in areas that are not served by an existing program.

To receive a grant under this section, the eligible organization must match the grant money with at least an equal amount of nonstate money. The commissioner must verify that the eligible organization has matched the grant money. Nothing in this subdivision shall prevent an eligible organization from applying for and receiving grants for more than one program. A grant received by an eligible organization from the federal Youthbuild Project under United States Code, title 42, section 5091, is nonstate money and may be used to meet the state match requirement. State grant money awarded under this section may be used by grantee organizations for match requirements of a federal Youthbuild Project.

Sec. 83. Minnesota Statutes 1992, section 268.363, is amended to read:

268.363 ADVISORY COMMITTEE.

A 13-member advisory committee is established as provided under section 15.059 to assist the commissioner in selecting eligible organizations to receive planning program grants, evaluating the final reports of each organization, and providing recommendations to the legislature. Members of the committee may

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

be reimbursed for expenses but may not receive any other compensation for service on the committee. The advisory committee consists of representatives of the commissioners of education, human services, and jobs and training; a representative of the chancellor of vocational education; a representative of the commissioner of the housing finance agency; the director of the office of jobs policy; and seven public members appointed by the governor. Each of the following groups must be represented by a public member experienced in working with targeted youth: labor organizations, local educators, community groups, consumers, local housing developers, youth between the ages of 16 and ~~24~~ 24 who have a period of homelessness, and other homeless persons. At least three of the public members must be from outside of the metropolitan area as defined in section 473.121, subdivision 2. The commissioner may provide staff to the advisory committee to assist it in carrying out its purpose.

Sec. 84. Minnesota Statutes 1992, section 268.364, subdivision 1, is amended to read:

Subdivision 1. **PROGRAM PURPOSE.** The grants awarded under section 268.362 are for a youth employment and training program directed at targeted youth who are likely to be at risk of not completing their high school education. Each program must include education, work experience, ~~and~~ job skills, and leadership training and peer support components. Each participant must be offered counseling and other services to identify and overcome problems that might interfere with successfully completing the program.

Sec. 85. Minnesota Statutes 1992, section 268.364, subdivision 3, is amended to read:

Subd. 3. **WORK EXPERIENCE COMPONENT.** A work experience component must be included in each program. The work experience component must provide vocational skills training in an industry where there is a viable expectation of job opportunities ~~and~~. A training subsidy, living allowance, or stipend, not to exceed an amount equal to 100 percent of the poverty line for a family of two as defined in United States Code, title 42, section 673, paragraph (2), may be provided to program participants. The wage or stipend must be provided to participants who are recipients of public assistance in a manner or amount which will not reduce public assistance benefits. The work experience component must be designed so that work projects result in (1) the expansion or improvement of residential units for homeless persons and very low income families, and or (2) rehabilitation, improvement, or construction of eligible education, social service, or health facilities that principally serve homeless or very low income individuals and families. Any work project must include direct supervision by individuals skilled in each specific vocation. Program participants may earn credits toward the completion of their secondary education from their participation in the work experience component.

Sec. 86. Minnesota Statutes 1992, section 268.364, is amended by adding a subdivision to read:

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

Subd. 6. LEADERSHIP TRAINING AND PEER SUPPORT COMPONENT. Each program must provide participants with meaningful opportunities to develop leadership skills such as decision making, problem solving, and negotiating. The program must encourage participants to develop strong peer group ties that support their mutual pursuit of skills and values.

Sec. 87. Minnesota Statutes 1992, section 268.365, subdivision 2, is amended to read:

Subd. 2. PRIORITY FOR HOUSING. Any residential or transitional housing units that become available through ~~the program~~ a work project that is part of the program described in section 268.364 must be allocated in the following order:

- (1) homeless ~~individuals~~ targeted youth who have participated in constructing, rehabilitating, or improving the unit;
- (2) homeless families with at least one dependent;
- (3) other homeless individuals;
- (4) other very low income families and individuals; and
- (5) families or individuals that receive public assistance and that do not qualify in any other priority group.

Sec. 88. Minnesota Statutes 1992, section 268.55, is amended to read:

268.55 FOOD BANK FOODSHELF PROGRAM.

Subdivision 1. DISTRIBUTION OF APPROPRIATION. The ~~economic opportunity office of the~~ department of jobs and training shall distribute funds appropriated to it by law for that purpose ~~to food banks, as defined in section 31.50, subdivision 1, paragraph (b). A food bank qualifies under this section if it is a nonprofit corporation, or is affiliated with~~ to the Minnesota foodshelf association, a statewide association of foodshelves organized as a nonprofit corporation, as defined under section 501(c)(3) of the Internal Revenue Code of 1986, and distributes food to distribute to qualifying foodshelves. A foodshelf qualifies under this section if:

- (1) it is a nonprofit corporation, or is affiliated with a nonprofit corporation, as defined in section 501(c)(3) of the Internal Revenue Code of 1986;
- (2) it distributes standard food orders without charge to needy individuals. The standard food order must consist of at least a two-day supply or six pounds per person of nutritionally balanced food items;
- (3) it does not limit food distributions to individuals of a particular religious affiliation, race, or other criteria unrelated to need or to requirements necessary to administration of a fair and orderly distribution system;

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

(4) it does not use the money received or the food distribution program to foster or advance religious or political views; and

(5) it has a stable address and directly serves individuals.

Subd. 2. **APPLICATION.** In order to receive money appropriated for ~~food banks~~ under this section, a ~~food bank~~ the Minnesota foodshelf association must apply to the ~~economic opportunity office~~ department of jobs and training. The application must be in a form prescribed by the ~~economic opportunity office~~ and ~~must contain information required by the economic opportunity office to verify that the applicant is a qualifying food bank, and the amount the applicant is entitled to receive under subdivision 3~~ department of jobs and training and must indicate the proportion of money each qualifying foodshelf shall receive. Applications must be filed at the times and for the periods determined by the ~~economic opportunity office~~ department of jobs and training.

Subd. 3. **DISTRIBUTION FORMULA.** The ~~economic opportunity office~~ Minnesota foodshelf association shall distribute money ~~appropriated~~ distributed to it ~~for by the department of jobs and training~~ to foodshelf programs to ~~qualify~~ food banks in proportion to the number of individuals served by the ~~each~~ foodshelf programs supplied by the food bank program. The ~~economic opportunity office~~ department of jobs and training shall gather data from ~~applications~~ the Minnesota foodshelf association or other appropriate sources to determine the proportionate amount each qualifying foodshelf program is entitled to receive. The ~~economic opportunity office~~ department of jobs and training may increase or decrease the qualifying ~~food bank's foodshelf program's~~ proportionate amount if it determines the increase or decrease is necessary or appropriate to meet changing needs or demands.

Subd. 4. **USE OF MONEY.** At least ~~95~~ 96 percent of the money distributed to ~~food banks~~ the Minnesota foodshelf association under this section must be ~~used~~ distributed to foodshelf programs to purchase ~~nutritious food for, transport and coordinate~~ the distribution without charge to qualifying foodshelves serving of nutritious food to needy individuals and families. No more than ~~five~~ four percent of the money may be expended for other expenses, such as rent, salaries, and other administrative expenses of the ~~food banks~~ Minnesota foodshelf association.

Subd. 5. **ENFORCEMENT.** ~~Recipient food banks~~ The Minnesota foodshelf association must retain records documenting expenditure of the money and comply with any additional requirements imposed by the ~~economic opportunity office~~ department of jobs and training. The ~~economic opportunity office~~ department of jobs and training may require a ~~food bank~~ receiving funds under this section the Minnesota foodshelf association to report on its use of the funds. The ~~economic opportunity office~~ department of jobs and training may require that the report contain an independent audit. If ineligible expenditures are made by a ~~food bank~~ the Minnesota foodshelf association, the ineligible amount must be repaid to the ~~economic opportunity office~~ department of jobs and training and deposited in the general fund.

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

Subd. 6. ADMINISTRATIVE EXPENSES. All funds appropriated under this section must be distributed to the Minnesota foodshelf association as provided under this section with deduction by the commissioner for administrative expenses limited to 1.8 percent.

Sec. 89. Minnesota Statutes 1992, section 268.914, subdivision 1, is amended to read:

Subdivision 1. **STATE SUPPLEMENT FOR FEDERAL GRANTEES.** (a) The commissioner of jobs and training shall distribute money appropriated for that purpose to Head Start program grantees to expand services to additional low-income children. Money must be allocated to each project Head Start grantee in existence on the effective date of Laws 1989, chapter 282. Migrant and Indian reservation grantees must be initially allocated money based on the grantees' share of federal funds. The remaining money must be initially allocated to the remaining local agencies based equally on the agencies' share of federal funds and on the proportion of eligible children in the agencies' service area who are not currently being served. A Head Start grantee must be funded at a per child rate equal to its contracted, federally funded base level for program accounts 20 to 26 at the start of the fiscal year. In allocating funds under this paragraph, the commissioner of jobs and training must assure that each Head Start grantee is allocated no less funding in any fiscal year than was allocated to that grantee in fiscal year 1993. The commissioner may provide additional funding to grantees for start-up costs incurred by grantees due to the increased number of children to be served. Before paying money to the grantees, the commissioner shall notify each grantee of its initial allocation, how the money must be used, and the number of low-income children that must be served with the allocation. Each grantee must notify the commissioner of the number of additional low-income children it will be able to serve. For any grantee that cannot serve additional children to its full allocation, the commissioner shall reduce the allocation proportionately. Money available after the initial allocations are reduced must be redistributed to eligible grantees.

(b) Up to 11 percent of the funds appropriated annually may be used to provide grants to local head start agencies to provide funds for innovative programs designed either to target Head Start resources to particular at-risk groups of children or to provide services in addition to those currently allowable under federal head start regulations. The commissioner shall award funds for innovative programs under this paragraph on a competitive basis.

Sec. 90. [268.92] **LEAD ABATEMENT PROGRAM.**

Subdivision 1. DEFINITIONS. For the purposes of this section, the following terms have the meanings given them.

(a) "Certified worker" means a lead abatement worker certified by the commissioner of health under section 144.878, subdivision 5.

(b) "Certified trainer" means a lead trainer certified by the commissioner of health under section 144.878, subdivision 5.

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

(c) "Certified worker" means a lead abatement worker certified by the commissioner of health under section 144.878, subdivision 5.

(d) "Commissioner" means the commissioner of jobs and training.

(e) "Eligible organization" means a licensed contractor, certified trainer, city, board of health, community health department, community action agency as defined in section 268.52, or community development corporation.

(f) "High risk for toxic lead exposure" has the meaning given in section 144.871, subdivision 7a.

(g) "Licensed contractor" means a contractor licensed by the department of health under section 144.876.

(h) "Removal and replacement abatement" means lead abatement on residential property that requires retrofitting and conforms to the rules established under section 144.878.

(i) "Swab team" has the meaning given in section 144.871, subdivision 9.

Subd. 2. GRANTS; ADMINISTRATION. Within the limits of the available appropriation, the commissioner may make demonstration and training grants to eligible organizations for programs to train workers for swab teams and removal and replacement abatement, and to provide swab team services and removal and replacement abatement for residential property.

Grants awarded under this section must be made in consultation with the commissioners of the department of health, and the housing finance agency, and representatives of neighborhood groups from areas at high risk for toxic lead exposure, a labor organization, the lead coalition, community action agencies, and the legal aid society. The consulting team shall review grant applications and recommend awards to eligible organizations that meet requirements for receiving a grant under this section.

Subd. 3. APPLICANTS. (a) Interested eligible organizations may apply to the commissioner for grants under this section. Two or more eligible organizations may jointly apply for a grant. Priority shall be given to community action agencies in greater Minnesota and to either community action agencies or neighborhood based nonprofit organizations in cities of the first class. 3.75 percent of the total allocation may be used for administrative costs. Applications must provide information requested by the commissioner, including at least the information required to assess the factors listed in paragraph (d).

(b) The commissioner of jobs and training shall coordinate with the commissioner of health and local boards of health to provide swab team services. Swab teams, administered by the commissioner of jobs and training, that are not engaged daily in fulfilling the requirements of section 144.872, subdivision 5, must deliver swab team services in census tracts known to be at high risk for toxic lead exposure.

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

(c) Any additional grants shall be made to establish swab teams for primary prevention, without environmental lead testing, in census tracts at high risk for toxic lead exposure.

(d) In evaluating grant applications, the commissioner shall consider the following criteria:

(1) the use of licensed contractors and certified lead abatement workers for residential lead abatement;

(2) the participation of neighborhood groups and individuals, as swab team members, in areas at high risk for toxic lead exposure;

(3) plans for the provision of primary prevention through swab team services in areas at high risk for toxic lead exposure on a census tract basis without environmental lead testing;

(4) plans for supervision, training, career development, and postprogram placement of swab team members;

(5) plans for resident and property owner education on lead safety;

(6) plans for distributing cleaning supplies to area residents and educating residents and property owners on cleaning techniques;

(7) cost estimates for training, swab team services, equipment, monitoring, and administration;

(8) measures of program effectiveness; and

(9) coordination of program activities with other federal, state, and local public health, job training, apprenticeship, and housing renovation programs including the emergency jobs program under sections 268.672 to 268.881.

Subd. 4. LEAD ABATEMENT CONTRACTORS. (a) Eligible organizations and licensed lead abatement contractors may participate in the lead abatement program. An organization receiving a grant under this section must assure that all participating contractors are licensed and that all swab team, and removal and replacement employees are certified by the department of health under section 144.878, subdivision 5. Organizations and licensed contractors may distinguish between interior and exterior services in assigning duties and may participate in the program by:

(1) providing on-the-job training for swab teams;

(2) providing swab team services to meet the requirements of section 144.872;

(3) providing removal and replacement abatement using skilled craft workers;

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

(4) providing primary prevention, without environmental lead testing, in census tracts at high risk for toxic lead exposure;

(5) providing lead dust cleaning supplies, as described in section 144.872, subdivision 4, to residents; or

(6) instructing residents and property owners on appropriate lead control techniques.

(b) Participating licensed contractors must:

(1) demonstrate proof of workers' compensation and general liability insurance coverage;

(2) be knowledgeable about lead abatement requirements established by the department of housing and urban development and the occupational safety and health administration;

(3) demonstrate experience with on-the-job training programs;

(4) demonstrate an ability to recruit employees from areas at high risk for toxic lead exposure; and

(5) demonstrate experience in working with low-income clients.

Subd. 5. LEAD ABATEMENT EMPLOYEES. Each worker engaged in swab team services or removal and replacement abatement in programs established under this section must have blood lead concentrations below 15 micrograms per deciliter as determined by a baseline blood lead screening. Any organization receiving a grant under this section is responsible for lead screening and must assure that all workers in lead abatement programs, receiving grant funds under this section, meet the standards established in this subdivision. Grantees must use appropriate workplace procedures to reduce risk of elevated blood lead levels. Grantees and participating contractors must report all employee blood lead levels that exceed 15 micrograms per deciliter to the commissioner of health.

Subd. 6. ON-THE-JOB TRAINING COMPONENT. (a) Programs established under this section must provide on-the-job training for swab teams. Training methods must follow procedures established under section 144.878, subdivision 5.

(b) Swab team members must receive monetary compensation equal to the prevailing wage as defined in section 177.42, subdivision 6, for comparable jobs in the licensed contractor's principal business.

Subd. 7. REMOVAL AND REPLACEMENT COMPONENT. (a) Within the limits of the available appropriation, programs may be established if a need is identified for removal and replacement abatement in residential properties. All removal and replacement abatement must be done using least-cost methods

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

that meet the standards of section 144.878, subdivision 2. Removal and replacement abatement must be done by licensed lead abatement contractors. All craft work that requires a state license must be supervised by a person with a state license in the craft work being supervised.

(b) The program design must:

(1) identify the need for trained swab team workers and removal and replacement abatement workers;

(2) describe plans to involve appropriate groups in designing methods to meet the need for trained lead abatement workers; and

(3) include an examination of how program participants may achieve certification as a part of the work experience and training component. Certification may be achieved through licensing, apprenticeship, or other education programs.

Subd. 8. PROGRAM BENEFITS. As a condition of providing lead abatement under this section, an organization may require a property owner to not increase rents on a property solely as a result of a substantial improvement made with public funds under the programs in this section.

Subd. 9. REQUIREMENTS OF ORGANIZATIONS RECEIVING GRANTS. An eligible organization that is awarded a training and demonstration grant under this section shall prepare and submit a quarterly progress report to the commissioner beginning three months after receipt of the grant.

Subd. 10. REPORT. Beginning in the year in which an appropriation is received, the commissioner shall prepare and submit a lead abatement program report to the legislature and the governor by December 31, and every two years thereafter. At a minimum, the report must describe the programs that received grants under this section, and make recommendations for program changes.

Sec. 91. Minnesota Statutes 1992, section 268.975, subdivision 3, is amended to read:

Subd. 3. DISLOCATED WORKER. "Dislocated worker" means an individual who is a resident of Minnesota at the time employment ceased or was working in the state at the time employment ceased and:

(1) has been terminated or who has received a notice of termination from public or private sector employment, is eligible for or has exhausted entitlement to unemployment compensation, and is unlikely to return to the previous industry or occupation;

(2) has been terminated or has received a notice of termination of employment as a result of any plant closing or any substantial layoff at a plant, facility, or enterprise;

(3) has been long-term unemployed and has limited opportunities for

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

employment or reemployment in the same or a similar occupation in the area in which the individual resides, including older individuals who may have substantial barriers to employment by reason of age; or

(4) has been self-employed, including farmers and ranchers, and is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters, subject to rules to be adopted by the commissioner; ~~or~~

(5) ~~has been terminated or who has received a notice of termination from employment with a public or nonprofit employer.~~

~~A dislocated worker must have been working in Minnesota at the time employment ceased.~~

Sec. 92. Minnesota Statutes 1992, section 268.975, subdivision 4, is amended to read:

Subd. 4. **ELIGIBLE ORGANIZATION.** "Eligible organization" means a local government unit, nonprofit organization, community action agency, business organization or association, or labor organization ~~that has applied for a prefeasibility grant under section 268.978.~~

Sec. 93. Minnesota Statutes 1992, section 268.975, subdivision 6, is amended to read:

Subd. 6. **PLANT CLOSING.** "Plant closing" means the announced or actual permanent ~~or temporary~~ shutdown of a single site of employment, or one or more facilities or operating units within a single site of employment; ~~if the shutdown results in an employment loss at the single site of employment during any 30-day period for (a) 50 or more employees excluding employees who work less than 20 hours per week; or (b) at least 500 employees who in the aggregate work at least 20,000 hours per week; exclusive of hours of overtime.~~

Sec. 94. Minnesota Statutes 1992, section 268.975, subdivision 7, is amended to read:

Subd. 7. **PREFEASIBILITY STUDY GRANT; ~~GRANT.~~** "Prefeasibility study grant" ~~or "grant"~~ means the grant awarded under section 268.978.

Sec. 95. Minnesota Statutes 1992, section 268.975, subdivision 8, is amended to read:

Subd. 8. **SUBSTANTIAL LAYOFF.** "Substantial layoff" means a permanent reduction in the work force, which is not a result of a plant closing, and which results in an employment loss at a single site of employment during any 30-day period for ~~(a)~~ at least 50 employees excluding those employees that work less than 20 hours a week; ~~or (b) at least 500 employees who in the aggregate work at least 20,000 hours per week; exclusive of hours of overtime.~~

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

Sec. 96. Minnesota Statutes 1992, section 268.975, is amended by adding a subdivision to read:

Subd. 9. SUBSTATE GRANTEE. “Substate grantee” means the agency or organization designated to administer at the local level federal dislocated worker programs pursuant to the federal Job Training Partnership Act, United States Code, title 29, section 1501, et seq.

Sec. 97. Minnesota Statutes 1992, section 268.975, is amended by adding a subdivision to read:

Subd. 10. WORKER ADJUSTMENT SERVICES. “Worker adjustment services” means the array of employment and training services designed to assist dislocated workers make the transition to new employment, including basic readjustment assistance, training assistance, and support services.

Sec. 98. Minnesota Statutes 1992, section 268.975, is amended by adding a subdivision to read:

Subd. 11. BASIC READJUSTMENT ASSISTANCE. “Basic readjustment assistance” means employment transition services that include, but are not limited to: development of individual readjustment plans for participants; outreach and intake; early readjustment; job or career counseling; testing; orientation; assessment, including evaluation of educational attainment and participant interests and aptitudes; determination of occupational skills; provision of occupational information; job placement assistance; labor market information; job clubs; job search; job development; prelayoff assistance; relocation assistance; and programs conducted in cooperation with employers or labor organizations to provide early intervention in the event of plant closings or substantial layoffs.

Sec. 99. Minnesota Statutes 1992, section 268.975, is amended by adding a subdivision to read:

Subd. 12. TRAINING ASSISTANCE. “Training assistance” means services that will enable a dislocated worker to become reemployed by retraining for a new occupation or industry, enhancing current skills, or relocating to employ existing skills. Training services include, but are not limited to: classroom training; occupational skill training; on-the-job training; out-of-area job search; relocation; basic and remedial education; literacy and English for training non-English speakers; entrepreneurial training; and other appropriate training activities directly related to appropriate employment opportunities in the local labor market.

Sec. 100. Minnesota Statutes 1992, section 268.975, is amended by adding a subdivision to read:

Subd. 13. SUPPORT SERVICES. “Support services” means assistance provided to dislocated workers to enable their participation in an employment transition and training program. Services include, but are not limited to: family care assistance, including child care; commuting assistance; housing and rental assistance; counseling assistance, including personal and financial; health care; emergency health assistance; emergency financial assistance; work-related tools

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

and clothing; and other appropriate support services that enable a person to participate in an employment and training program.

Sec. 101. [268.975] GOVERNOR'S JOB TRAINING COUNCIL.

Subdivision 1. **DEFINITION.** For purposes of sections 268.022 and 268.975 to 268.98, "governor's job training council" means the state job training coordinating council established under the federal Job Training Partnership Act, United States Code, title 29, section 1501, et seq.

Subd. 2. **DUTIES.** The governor's job training council shall provide advice to the commissioner on:

(1) the use of funds made available under section 268.022, including methods for allocation and reallocation of funds and the allocation of funds among employment and training activities authorized under sections 268.975 to 268.98;

(2) performance standards for programs and activities authorized under sections 268.975 to 268.98;

(3) approval of worker adjustment services plans and dislocation event services grants;

(4) establishing priorities for provision of worker adjustment services to eligible dislocated workers; and

(5) the effectiveness of programs and activities authorized in sections 268.975 to 268.98.

Sec. 102. Minnesota Statutes 1992, section 268.976, subdivision 2, is amended to read:

Subd. 2. **NOTICE.** (a) The commissioner shall encourage those business establishments considering a decision to effect a plant closing, substantial layoff, or relocation of operations located in this state to give notice of that decision as early as possible to the commissioner, the employees of the affected establishment, any employee organization representing the employees, and the local government unit in which the affected establishment is located. This notice shall be in addition to any notice required under the Worker Adjustment and Retraining Notification Act, United States Code, title 29, section 2101.

(b) Notwithstanding section 268.975, subdivision 6, for purposes of this section, "plant closing" means the announced or actual permanent or temporary shutdown of a single site of employment, or one or more facilities or operating units within a single site of employment, if the shutdown results in an employment loss at the single site of employment during any 30-day period for 50 or more employees excluding employees who work less than 20 hours per week.

Sec. 103. [268.9771] RAPID AND EXPEDITIOUS RESPONSE.

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

Subdivision 1. RESPONSIBILITY. The commissioner shall respond quickly and effectively to announced or actual plant closings and substantial layoffs. Affected workers and employers, as well as appropriate business organizations or associations, labor organizations, substate grantees, state and local government units, and community organizations shall be assisted by the commissioner through either rapid response activities or expeditious response activities as described in this section to respond effectively to a plant closing or mass layoff.

Subd. 2. COVERAGE. Rapid response is to be provided by the commissioner where permanent plant closings or substantial layoffs affect at least 50 workers over a 30-day period as evidenced by actual separation from employment or by advance notification of a closing or layoff. Expeditious response is to be provided by worker adjustment services plan grantees in coordination with rapid response activities or where permanent plant closings and substantial layoffs are not otherwise covered by rapid response.

Subd. 3. COORDINATION. The commissioner and expeditious response grantees shall coordinate their respective rapid response and expeditious response activities. The roles and responsibilities of each shall be detailed in written agreements and address on-site contact with employer and employee representatives when notified of a plant closing or substantial layoff. The activities include formation of a community task force, collecting and disseminating information related to economic dislocation and available services to dislocated workers, providing basic readjustment assistance services to workers affected by a plant closure or substantial layoff, conducting a needs assessment survey of workers, and developing a plan of action responsive to the worker adjustment services needs of affected workers.

Subd. 4. RAPID RESPONSE ACTIVITIES. The commissioner shall be responsible for implementing the following rapid response activities:

(1) establishing on-site contact with employer and employee representatives within a short period of time after becoming aware of a current or projected plant closing or substantial layoff in order to:

(i) provide information on and facilitate access to available public programs and services; and

(ii) provide emergency assistance adapted to the particular closure or layoff;

(2) promoting the formation of a labor-management committee by providing:

(i) immediate assistance in the establishment of the labor-management committee;

(ii) technical advice and information on sources of assistance, and liaison with other public and private services and programs; and

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

(iii) assistance in the selection of worker representatives in the event no union is present;

(3) collecting and disseminating information related to economic dislocation, including potential closings or layoffs, and all available resources with the state for dislocated workers;

(4) providing or obtaining appropriate financial and technical advice and liaison with economic development agencies and other organizations to assist in effort to avert dislocations;

(5) disseminating information throughout the state on the availability of services and activities carried out by the dislocated worker unit;

(6) assisting the local community in developing its own coordinated response to a plant closing or substantial layoff and access to state economic development assistance; and

(7) promoting the use of prefeasibility study grants under section 268.978.

Subd. 5. EXPEDITIOUS RESPONSE ACTIVITIES. Grantees designated to provide worker adjustment services through worker adjustment services plans shall be responsible for implementing the following expeditious response activities:

(1) establishing on-site contact with employer and employee representatives, not otherwise covered under rapid response, within a short period of time after becoming aware of a current or projected plant closing or mass layoff in order to provide information on available public programs and services;

(2) obtaining appropriate financial and technical advice and liaison with local economic development agencies and other organizations to assist in efforts to avert dislocations;

(3) disseminating information on the availability of services and activities carried out by the grantee through its worker adjustment services plan;

(4) providing basic readjustment assistance services for up to 90 days following the initial on-site meeting with the employer and employee representatives;

(5) assisting the local community in the development of its own coordinated response to the closure or layoff and access to economic development assistance;

(6) facilitating the formation of a community task force, if appropriate, to formulate a service plan to assist affected dislocated workers from plant closings and mass layoffs;

(7) conducting surveys of workers, if appropriate, affected by plant closings or layoffs to identify worker characteristics and worker adjustment service needs; and

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

(8) facilitating access to available public or private programs and services, including the development of proposals to provide access to additional resources to assist workers affected by plant closings and substantial layoffs.

Sec. 104. Minnesota Statutes 1992, section 268.978, subdivision 1, is amended to read:

Subdivision 1. **PREFEASIBILITY STUDY GRANTS.** (a) The commissioner may make grants for up to ~~\$10,000~~ \$15,000 to eligible organizations to provide an initial assessment of the feasibility of alternatives to plant closings or substantial layoffs. The alternatives may include employee ownership, other new ownership, new products or production processes, or public financial or technical assistance to keep a plant open. Two or more eligible organizations may jointly apply for a grant under this section.

(b) Interested organizations shall apply to the commissioner for the grants. As part of the application process, applicants must provide a statement of need for a grant, information relating to the work force at the plant, the area's unemployment rate, the community's and surrounding area's labor market characteristics, information of efforts to coordinate the community's response to the plant closing or substantial layoff, a timetable of the prefeasibility study, a description of the organization applying for the grant, a description of the qualifications of persons conducting the study, and other information required by the commissioner.

(c) The commissioner shall respond to the applicant within five working days of receiving the organization's application. The commissioner shall inform each organization that applied for but did not receive a grant the reasons for the grant not being awarded. The commissioner may request further information from those organizations that did not receive a grant, and the organization may reapply for the grant.

Sec. 105. **[268.978] WORKER ADJUSTMENT SERVICES PLANS.**

Subdivision 1. WORKER ADJUSTMENT SERVICES PLANS. The commissioner shall establish and fund worker adjustment services plans that are designed to assist dislocated workers in their transition to new employment. Authorized grantees shall submit a worker adjustment services plan biennially, with an annual update, in a form and manner prescribed by the commissioner. The worker adjustment services plan shall include information required in substate plans established under the federal Job Training Partnership Act, United States Code, title 29, section 1501, et seq. and a detailed description of expeditious response activities to be implemented under the plan.

Subd. 2. GRANTEES. Entities authorized to submit a worker adjustment services plan include substate grantees and up to six additional eligible organizations. Criteria for selecting the six authorized nonsubstate grantee eligible organizations shall be established by the commissioner, in consultation with the governor's job training council. The criteria include, but are not limited to:

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

- (1) the capacity to deliver worker adjustment services;
- (2) an identifiable constituency from which eligible dislocated workers may be drawn;
- (3) a demonstration of a good faith effort to establish coordination agreements with substate grantees in whose geographic area the organization would be operating;
- (4) the capability to coordinate delivery of worker adjustment services with other appropriate programs and agencies, including educational institutions, employment service, human service agencies, and economic development agencies; and
- (5) sufficient administrative controls to ensure fiscal accountability.

Subd. 3. COVERAGE. (a) Persons eligible to receive worker adjustment services under this section include dislocated workers as defined in section 268.975, subdivision 3.

(b) Worker adjustment services available under this section shall also be available to additional dislocated workers as defined in section 268.975, subdivision 3a, when they can be provided without adversely affecting delivery of services to all dislocated workers.

Subd. 4. SUBSTATE GRANTEE FUNDING. (a) Funds allocated to substate grantees under section 268.022 for expeditious response activities and worker adjustment services under this section shall be allocated as follows:

(1) one-half of available funds shall be allocated to substate grantees based on an allocation formula prescribed by the commissioner, in consultation with the governor's job training council; and

(2) one-half of available funds shall be allocated based on need as demonstrated to the commissioner in consultation with the governor's job training council.

(b) The formula for allocating substate grantee funds must utilize the most appropriate information available to the commissioner to distribute funds in order to address the state's worker adjustment assistance needs. Information for the formula allocation may include, but is not limited to:

- (1) insured unemployment data;
- (2) dislocated worker special assessment receipts data;
- (3) small plant closing data;
- (4) declining industries data;
- (5) farmer-rancher economic hardship data; and

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

(6) long-term unemployment data.

(c) The commissioner shall establish a uniform procedure for reallocating substate grantee funds. The criteria for reallocating funds from substate grantees not expending their allocations consistent with their worker adjustment services plans to other substate grantees shall be developed by the commissioner in consultation with the governor's job training council.

Sec. 106. [268.9782] **DISLOCATION EVENT SERVICES GRANTS.**

Subdivision 1. DISLOCATION EVENT SERVICES GRANTS. The commissioner shall establish and fund dislocation event services grants designed to provide worker adjustment services to workers displaced as a result of larger plant closings and substantial layoffs. Grantees shall apply for a dislocation event services grant by submitting a proposal to the commissioner in a form and manner prescribed by the commissioner. The application must describe the demonstrated need for intervention, including the need for retraining, the workers to be served, the coordination of available local resources, the services to be provided, and the budget plan.

Subd. 2. GRANTEES. (a) Entities authorized to submit dislocation event services grants include substate grantees and other eligible organizations. Non-substate grantees shall demonstrate they meet criteria established by the commissioner, in consultation with the governor's job training council. The criteria include, but are not limited to:

(1) the capacity to deliver worker adjustment services;

(2) an ability to coordinate its activities with substate grantees in whose geographic area the organization will be operating;

(3) the capability to coordinate delivery of worker adjustment services with other appropriate programs and agencies, including educational institutions, employment service, human service agencies, and economic development agencies; and

(4) sufficient administrative controls to ensure fiscal accountability.

(b) For purposes of this section, the state job service may apply directly to the commissioner for a dislocation event services grant only if the effect of a plant closing or substantial layoff is statewide or results in the termination from employment of employees of the state of Minnesota.

Subd. 3. COVERAGE. Persons who may receive worker adjustment services under this section are limited to dislocated workers affected by plant closings and substantial layoffs involving at least 50 workers from a single employer.

Subd. 4. FUNDING. The commissioner, in consultation with the governor's job training council, may establish an emergency funding process for dislocation event services grants. No more than 20 percent of the estimated budget of the proposed grant may be awarded through this procedure. The grantee shall submit a formal dislocation event services grant application within 90 days of the initial award of emergency funding.

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

Sec. 107. Minnesota Statutes 1992, section 268.98, is amended to read:

268.98 PERFORMANCE STANDARDS, REPORTING, COST LIMITATIONS.

(a) Subdivision 1. PERFORMANCE STANDARDS. The commissioner shall establish performance standards for the programs and activities administered or funded ~~through the rapid response program under section 268.977 sections 268.975 to 268.98.~~ The commissioner may use, when appropriate, existing federal performance standards or, if the commissioner determines that the federal standards are inadequate or not suitable, may formulate new performance standards to ensure that the programs and activities of the ~~rapid response program~~ dislocated worker program are effectively administered.

(b) Not less than 20 percent of the funds expended under this section must be used to provide needs-related payments and other supportive services as those terms are used in subchapter III of the Job Training Partnership Act, United States Code, title 29, section 1661d(b). This requirement does not apply to the extent that a program proposal requests less than 20 percent of such funds. At the end of the fiscal year, each substate grantee and each grant recipient shall report to the commissioner on the types of services funded under this paragraph and the amounts expended for such services. By January 15 of each year, the commissioner shall provide a summary report to the legislature.

Subd. 2. REPORTS. (a) Grantees receiving funds under sections 268.9771, 268.978, 268.9781, and 268.9782 shall report to the commissioner information on program participants, activities funded, and utilization of funds in a form and manner prescribed by the commissioner.

(b) The commissioner shall report quarterly to the governor's job training council information on prefeasibility study grants awarded, rapid response and expeditious response activities, worker adjustment services plans, and dislocation event services grants. Specific information to be reported shall be by agreement between the commissioner and the governor's job training council.

(c) The commissioner shall provide an annual report to the governor, legislature, and the governor's job training council on the administration of the programs funded under sections 268.9771, 268.978, 268.9781, and 268.9782.

Subd. 3. COST LIMITATIONS. (a) For purposes of sections 268.9781 and 268.9782, funds allocated to a grantee are subject to the following limitations:

(1) a maximum of 15 percent for administration in a worker adjustment services plan and ten percent in a dislocation event services grant;

(2) a minimum of 50 percent for provision of training assistance;

(3) a minimum of ten percent and maximum of 30 percent for provision of support services; and

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

(4) the balance used for provision of basic readjustment assistance.

(b) A waiver of the cost limitation on providing training assistance may be requested. The waiver may not permit less than 30 percent of the funds be spent on training assistance.

(c) The commissioner shall prescribe the form and manner for submission of an application for a waiver under paragraph (b). Criteria for granting a waiver shall be established by the commissioner in consultation with the governor's job training council.

Sec. 108. Minnesota Statutes 1992, section 298.2211, subdivision 3, is amended to read:

Subd. 3. **PROJECT APPROVAL.** All projects authorized by this section shall be submitted by the commissioner to the iron range resources and rehabilitation board, which shall recommend approval or disapproval or modification of the projects. ~~Each project shall then be submitted to the legislative advisory committee for any review and comment the committee deems appropriate.~~ Prior to the commencement of a project involving the exercise by the commissioner of any authority of sections 469.174 to 469.179, the governing body of each municipality in which any part of the project is located and the county board of any county containing portions of the project not located in an incorporated area shall by majority vote approve or disapprove the project. Any project, as so approved by the board and the applicable governing bodies, if any, together with ~~any comment provided by the legislative advisory committee,~~ detailed information concerning the project, its costs, the sources of its funding, and the amount of any bonded indebtedness to be incurred in connection with the project, shall be transmitted to the governor, who shall approve, disapprove, or return the proposal for additional consideration within 30 days of receipt. No project authorized under this section shall be undertaken, and no obligations shall be issued and no tax increments shall be expended for a project authorized under this section until the project has been approved by the governor.

Sec. 109. Minnesota Statutes 1992, section 298.2213, subdivision 4, is amended to read:

Subd. 4. **PROJECT APPROVAL.** The board shall by August 1, 1987, and each year thereafter prepare a list of projects to be funded from the money appropriated in this section with necessary supporting information including descriptions of the projects, plans, and cost estimates. A project must not be approved by the board unless it finds that:

- (1) the project will materially assist, directly or indirectly, the creation of additional long-term employment opportunities;
 - (2) the prospective benefits of the expenditure exceed the anticipated costs;
- and

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

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

To be proposed by the board, a project must be approved by at least eight iron range resources and rehabilitation board members and the commissioner of iron range resources and rehabilitation. The list of projects must be submitted to the legislative advisory commission for its review. The list with the recommendation of the legislative advisory commission must be submitted to the governor, who shall, by November 15 of each year, approve, disapprove, or return for further consideration, each project. The money for a project may be spent only upon approval of the project by the governor. The board may submit supplemental projects for approval at any time. Supplemental projects must be submitted to the members of the legislative advisory commission for their review and recommendations of further review. If a recommendation is not provided within ten days, no further review by the legislative advisory commission is required, and the governor shall approve or disapprove each project or return it for further consideration. If the recommendation by a member is for further review, the governor shall submit the request to the legislative advisory commission for its review and recommendation. Failure or refusal of the commission to make a recommendation promptly is a negative recommendation.

Sec. 110. Minnesota Statutes 1992, section 298.223, subdivision 2, is amended to read:

Subd. 2. ADMINISTRATION. The taconite environmental protection fund shall be administered by the commissioner of the iron range resources and rehabilitation board. The commissioner shall by September 1 of each year prepare a list of projects to be funded from the taconite environmental protection fund, with such supporting information including description of the projects, plans, and cost estimates as may be necessary. Upon recommendation of the iron range resources and rehabilitation board, this list shall be submitted to the legislative advisory commission for its review. This list with the recommendation of the legislative advisory commission shall then be transmitted to the governor by November 1 of each year. By December 1 of each year, the governor shall approve or disapprove, or return for further consideration, each project. Funds for a project may be expended only upon approval of the project by the governor. The commissioner may submit supplemental projects for approval at any time. Supplemental projects approved by the board must be submitted to the members of the legislative advisory commission for their review and recommendations of further review. If a recommendation is not provided within ten days, no further review by the legislative advisory commission is required, and the governor shall approve or disapprove each project or return it for further consideration. If the recommendation by any member is for further review the governor shall submit the request to the legislative advisory commission for its review and recommendation. Failure or refusal of the commission to make a recommendation promptly is a negative recommendation.

Sec. 111. Minnesota Statutes 1992, section 298.28, subdivision 7, is amended to read:

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

Subd. 7. **IRON RANGE RESOURCES AND REHABILITATION BOARD.** Three cents per taxable ton shall be paid to the iron range resources and rehabilitation board for the purposes of section 298.22. The amount determined in this subdivision shall be increased in 1981 and subsequent years prior to 1988 in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1, and shall be increased in 1989, 1990, and 1991 according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1. In 1992 and 1993, the amount distributed per ton shall be the same as the amount distributed per ton in 1991. In 1994, the amount distributed shall be the distribution per ton for 1991 increased in the same proportion as the increase between the fourth quarter of 1988 and the fourth quarter of 1992 in the implicit price deflator as defined in section 298.24, subdivision 1. That amount shall be increased in 1995 and subsequent years in the same proportion as the increase in the implicit price deflator as provided in section 298.24, subdivision 1. The amount distributed in 1988 shall be increased according to the increase that would have occurred in the rate of tax under section 298.24 if the rate had been adjusted according to the implicit price deflator for 1987 production. The amount distributed pursuant to this subdivision shall be expended within or for the benefit of a tax relief area defined in section 273.134. No part of the fund provided in this subdivision may be used to provide loans for the operation of private business unless the loan is approved by the governor ~~and the legislative advisory commission.~~

Sec. 112. Minnesota Statutes 1992, section 298.296, subdivision 1, is amended to read:

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

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

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

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

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

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

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

Sec. 113. Minnesota Statutes 1992, 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 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 authorized deputy or clerk in the ~~corporation department of the~~ secretary of state's office, two copies thereof and a fee of ~~\$35~~ \$50; 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 the address to which service is to be sent and a fee of ~~\$35~~ \$50 and the secretary of state shall mail one copy thereof to the corporation at its the last known address listed on the records of the secretary of state or the address provided by the party requesting service, and the corporation shall

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

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. 114. Minnesota Statutes 1992, section 303.21, subdivision 3, is amended to read:

Subd. 3. **OTHER INSTRUMENTS.** A fee of ~~\$35~~ \$50 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. 115. Minnesota Statutes 1992, 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 ~~\$35~~ \$50 filing fee and, in the case of a certificate of limited partnership, a ~~\$60~~ \$50 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. 116. Minnesota Statutes 1992, section 333.20, subdivision 4, is amended to read:

Subd. 4. The application for registration shall be accompanied by a filing fee of ~~\$35~~ \$50, 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. 117. Minnesota Statutes 1992, section 333.22, subdivision 1, is amended to read:

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

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 ~~\$22~~ \$25 payable to the secretary of state shall accompany the application for renewal of the registration.

Sec. 118. Minnesota Statutes 1992, 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, social security number or other tax identification number of the debtor, 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) unless another continuation statement is filed prior to such lapse. Succeeding continuation statements may be filed in the same manner to continue the effec-

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

tiveness 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, the address of the debtor given in the statement, and the social security number or other tax identification number 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 \$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 336.9402, \$5. An additional fee of \$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. 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 \$14 if the amendment is in the form prescribed by the secretary of state and, if otherwise, \$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 \$10.

(a) for an original financing statement or statement of continuation on a standard form prescribed by the secretary of state, is \$15 for up to two debtor names and \$15 for each additional name thereafter;

(b) for an original financing statement or statement of continuation that is not on a standard form prescribed by the secretary of state, is \$20 for up to two debtor names and \$20 for each additional name thereafter;

New language is indicated by underline, deletions by strikethrough.

(c) for an amendment on a standard form prescribed by the secretary of state that does not add debtor names, is \$15;

(d) for an amendment that is not on a standard form prescribed by the secretary of state and that does not add debtor names, is \$20;

(e) for an amendment on a standard form prescribed by the secretary of state that does add debtor names, is \$15 per debtor name;

(f) for an amendment that is not on a standard form prescribed by the secretary of state that does add debtor names, is \$20 per debtor name; and

(g) for each case in which the filing is subject to subsection (5) of section 336.9-402, \$5 in addition to the fee required above.

In no case will a filing officer accept more than four additional pages per financing statement for filing in the uniform commercial code records.

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 336.9-401) 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.

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

Sec. 119. Minnesota Statutes 1992, section 336.9-404, is amended to read:

336.9-404 TERMINATION STATEMENT.

(1) If a financing statement covering consumer goods is filed on or after January 1, 1977, then within one month or within ten days following written demand by the debtor after there is no outstanding secured obligation and no commitment to make advances, incur obligations or otherwise give value, the secured party must file with each filing officer with whom the financing statement was filed, a termination statement to the effect that the secured party no longer claims a security interest under the financing statement. The termination statement must 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 financing statement by file number and filing date; and be signed by the secured party. In other cases whenever there is no outstanding secured obligation and no commitment to make advances, incur obligations, or otherwise give value, the secured party must on written demand by the debtor send the debtor, for each filing officer with whom the financing statement was filed, a termination statement to the effect that the secured party no longer claims a security interest under the financing statement, which shall be identified by file number. A termination 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. If the affected secured party fails to file such a termination statement as required by this subsection, or to send such a termination statement within ten days after proper demand therefor the secured party shall be liable to the debtor for \$100, and in addition for any loss caused to the debtor by such failure.

(2) On being presented with such a termination statement the filing officer must note it in the index. If a duplicate termination statement is provided, the filing officer shall return one copy of the termination statement to the secured party stamped to show the time of receipt thereof. If the filing officer has a microfilm or other photographic record of the financing statement, and of any related continuation statement, statement of assignment and statement of release, the filing officer may remove the originals from the files at any time after receipt of the termination statement, or having no such record, the filing officer may remove them from the files at any time after one year after receipt of the termination statement.

(3) There shall be no fee collected for the filing of a termination if the termination statement is in the standard form prescribed by the secretary of state ~~and otherwise shall be \$5, plus in each case, The fee for filing a termination statement on a form that is not the standard form prescribed by the secretary of state is \$5.~~ 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), is also required.

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

Sec. 120. Minnesota Statutes 1992, 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, clause (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.~~ The assignment must be filed in the place where the original financing statement was filed ~~of a separate written statement of.~~ The assignment must be signed by the secured party of record, setting forth. The assignment must state: (i) 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~~ identifying (ii) the file number and the date of filing of the financing statement, ~~giving~~ giving (iii) the name and address of the assignee, and ~~containing~~ containing (iv) 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 ~~\$7~~ \$15 for up to two debtor names and \$15 for each additional name thereafter if the statement is in the standard form prescribed by the secretary of state ~~and otherwise shall be \$10, plus.~~ If the statement is in a form that is not the standard form prescribed by the secretary of state, the fee is \$20 for up to two debtor names and \$20 for each additional name thereafter. In each case, ~~if where~~ where 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), ~~is also required.~~ is also required. ~~An additional fee of \$7 shall be charged if there is more than one name against which the statement of assignment is required to be indexed.~~

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

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. 121. Minnesota Statutes 1992, 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.~~ The uniform fee for filing and noting such a statement of release shall be ~~\$7~~ \$15 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 statement is not on the standard form prescribed by the secretary of state, the fee is \$20. 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), is also required.

Sec. 122. Minnesota Statutes 1992, 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 active financing statements naming a particular debtor ~~and any statement of assignment thereof.~~ The filing officer shall report the findings as of ~~that~~ the date and hour of the search by issuing:

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

- (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 \$7 \$15 if the request is in the standard form prescribed by the secretary of state ~~and otherwise.~~ This uniform fee shall include up to ten photocopies of original documents. If the request for information is made on a form other than the standard form prescribed by the secretary of state, the fee shall be \$10 \$20 and shall include up to ten photocopies of original documents.

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~~ \$1 per page 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 ten.~~

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. 123. Minnesota Statutes 1992, 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 \$4~~ the filing fee and forward \$5 of that fee as a surcharge on each filing or search; ~~except that the surcharge is \$5 during the fiscal year ending June 30, 1993.~~ 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 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. 124. Minnesota Statutes 1992, section 336A.04, subdivision 3, is amended to read:

Subd. 3. FEES. (a) The fee for filing and indexing a standard form for a lien notice, effective financing statement, ~~amendment~~, or continuation statement, and stamping the date and place of filing on a copy of the filed document furnished by the filing party is ~~\$10 when a single debtor name is listed. If more than one debtor's name is listed on a standard form, the fee is \$17. If one debtor's name is listed on a nonstandard effective filing statement, assignment or continuation statement, or a nonstandard lien notice or assignment of a lien notice, the fee is \$13. If more than one debtor's name is listed on a nonstandard form, the fee is \$20~~ \$15 for up to two debtor names and \$15 for each additional name thereafter.

(b) ~~The fee for filing an amendment on the standard form that does not add debtors' names to the lien notice or effective financing statement is \$10. If a nonstandard form is used, the fee is \$13. The fee for an amendment that adds debtors' names is \$17 if a standard form is used or \$20 if a nonstandard form is used. The fee for filing a partial release is \$10 if a standard form is used or \$13 if a nonstandard form is used.~~

(c) A fee may not be charged for filing a termination statement if the termination is filed within 30 days after satisfaction of the lien or security interest. Otherwise, the fee is \$10.

(d) (c) A county recorder shall forward \$5 of each filing fee collected under this subdivision to the secretary of state by the 15th of the month following the end of each fiscal quarter. 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 general fund. The balance of the filing fees collected by a county recorder must be deposited in the general fund of the county.

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

Sec. 125. Minnesota Statutes 1992, section 336A.09, subdivision 2, is amended to read:

Subd. 2. **SEARCHES; FEES.** (a) If a person makes a request, the filing officer shall conduct a search of the computerized filing system for effective financing statements or lien notices and statements of ~~assignment, continuation, amendment, and partial release~~ of a particular debtor. The filing officer shall report the date, time, and results of the search by issuing:

(1) a certificate listing the file number, date, and hour of each effective financing statement found in the search and the names and addresses of each secured party on the effective financing statements or of each lien notice found in the search and the names and address of each lienholder on the lien notice;

(2) photocopies of the original effective financing statement or lien notice documents on file; or

(3) upon request, both the certificate and photocopies of the effective financing statements or lien notices.

(b) The uniform fee for conducting a 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;~~ is ~~\$10~~ \$15 per debtor name if the request is in the standard form prescribed by the secretary of state ~~and otherwise is \$13.~~ This uniform fee shall include ten photocopies of original documents. If the request for information is made on a form other than the standard form prescribed by the secretary of state, the fee is \$20 per debtor name and shall include ten photocopies of original documents. An additional fee of ~~50 cents~~ \$1 per page must be charged for each listed filing and for each photocopy prepared in excess of the first ~~five~~ ten. If an oral or facsimile response is requested, there is an additional fee of \$5 per debtor name requested.

(c) A county recorder shall forward ~~\$3~~ \$5 of each search fee collected under this subdivision to the secretary of state by the 15th of the month following each fiscal quarter. 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 general fund. The balance of the search fees collected by a county recorder must be deposited in the general fund of the county.

Sec. 126. Minnesota Statutes 1992, section 349A.10, subdivision 5, is amended to read:

Subd. 5. **DEPOSIT OF NET PROCEEDS.** Within 30 days after the end of each month, the director shall deposit in the state treasury the net proceeds of the lottery, which is the balance in the lottery fund after transfers to the lottery prize fund and credits to the lottery operations account. Of the net proceeds, 40 percent must be credited to the Minnesota environment and natural resources

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

trust fund, 11 percent must be credited to the state arts account created in section 129D.06, for distribution as provided in that section, and the remainder must be credited to the general fund. * (The language "11 percent must be credited to the state arts account created in section 129D.06, for distribution as provided in that section, and the remainder" in the preceding sentence was vetoed by the governor.)

Sec. 127. Minnesota Statutes 1992, section 359.01, subdivision 3, is amended to read:

Subd. 3. FEES. The fee for each commission shall not exceed \$40. All fees shall be retained by the commissioner and shall be nonreturnable except that an overpayment of any fee shall be the subject of a refund upon proper application.

Sec. 128. Minnesota Statutes 1992, section 359.02, is amended to read:

359.02 TERM, BOND, OATH, REAPPOINTMENT.

~~A notary commissioned under section 359.01 holds office for six years, unless sooner removed by the governor or the district court. Before entering upon the duties of office, a newly commissioned notary shall file the notary's oath of office with the secretary of state. Within 30 days before the expiration of the commission a notary may be reappointed for a new term to commence and to be designated in the new commission as beginning upon the day immediately following the date of the expiration. The reappointment takes effect and is valid although the appointing governor may not be in the office of governor on the effective day.~~

Subdivision 1. EXPIRATION IN 1995. Notary commissions issued before January 3, 1995, expire on January 31, 1995.

Subd. 2. SIX-YEAR LICENSING PERIOD. Notary commissions issued after January 31, 1995, expire at the end of the licensing period that will end every sixth year following January 31, 1995.

Subd. 3. PARTIAL LICENSING PERIODS. Notary commissions issued during a licensing period expire at the end of that period as set forth in this section.

Sec. 129. Minnesota Statutes 1992, section 386.65, is amended to read:

386.65 EXAMINATION OF APPLICANTS FOR LICENSE.

Subdivision 1. Applications for a license shall be made to the ~~board~~ commissioner and shall be upon a form to be prepared by the ~~board~~ commissioner and contain such information as may be required by it. Upon receiving such application, the ~~board~~ commissioner shall fix a time and place for the examination of such applicant. Notice of such examination shall be given to the applicant by certified mail, who shall thereon take the examination pursuant to such notice. The examination shall be conducted by the ~~board~~ commissioner under

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

such rules as the board commissioner may prescribe, and such rules shall prescribe that the applicant must show qualification by experience, education or training to qualify as being capable of performing the duties of an abstractor whose work will be for the use and protection of the public. If application is made by a firm or corporation, one of the members or managing officials thereof shall take such examination. If the applicant successfully passes the examination and complies with all the provisions of sections 386.61 to 386.76, the board commissioner shall ~~cause its executive secretary to~~ issue a license to the applicant.

Sec. 130. Minnesota Statutes 1992, section 386.66, is amended to read:

386.66 BOND OR ABSTRACTER'S LIABILITY INSURANCE POLICY.

Before a license shall be issued, the applicant shall file with the board commissioner a bond or abstractor's liability insurance policy to be approved by the ~~chair or executive secretary~~ commissioner, running to the state of Minnesota in the penal sum of at least \$100,000 conditioned for the payment by such abstractor of any damages that may be sustained by or accrue to any person by reason of or on account of any error, deficiency or mistake arising wrongfully or negligently in any abstract, or continuation thereof, or in any certificate showing ownership of, or interest in, or liens upon any lands in the state of Minnesota, whether registered or not, made by and issued by such abstractor, provided however, that the aggregate liability of the surety to all persons under such bond shall in no event exceed the amount of such bond. In any county having more than 200,000 inhabitants the bond or insurance policy required herein shall be in the penal sum of at least \$250,000. Applicants having cash or securities or deposit with the state of Minnesota in an amount equal to the said bond or insurance policy shall be exempt from furnishing the bond or an insurance policy herein required but shall be liable to the same extent as if a bond or insurance policy has been given and filed. The bond or insurance policy required hereunder shall be written by some surety or other company authorized to do business in this state issuing bonds or abstractor's liability insurance policies and shall be issued for a period of one or more years, and renewed for one or more years at the date of expiration as principal continues in business. The aggregate liability of such surety on such bond or insurance policy for all damages shall, in no event, exceed the sum of said bond or insurance policy.

Sec. 131. Minnesota Statutes 1992, section 386.67, is amended to read:

386.67 LICENSED ABSTRACTER, SEAL.

A licensed abstracter furnishing abstracts of title to real property under the provisions hereof shall provide a seal, which seal shall show the name of such licensed abstracter, and shall file with the ~~executive secretary of the board commissioner~~ an impression of or copy made by such seal and the signatures of persons authorized to sign certificates on abstracts and continuations of abstracts and certificates showing ownership of, or interest in, or liens upon any lands in the state of Minnesota, whether registered or not, issued by such licensed abstracter.

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

Sec. 132. Minnesota Statutes 1992, section 386.68, is amended to read:

386.68 FEES.

For the services specified in sections 386.61 to 386.76 following fees shall be set by the board must be paid to the commissioner: an examination fee of \$25; an initial licensing fee of \$50; and a license renewal fee of \$40.

Sec. 133. Minnesota Statutes 1992, section 386.69, is amended to read:

386.69 LICENSES.

Licenses issued by ~~said board~~ the commissioner under the provisions hereof shall recite that such bond or insurance policy has been duly filed and approved, and the license shall authorize the official, person, firm or corporation named in it to engage in and carry on the business of an abstractor of real estate titles in the county in which said official, person, firm or corporation is authorized to make abstracts. The license shall be issued for a period as determined by the ~~board commissioner~~, and shall thereafter be renewed upon conditions prescribed by the ~~board~~ commissioner.

Sec. 134. **[386.705] ADMINISTRATIVE ACTIONS AND PENALTIES.**

An abstractor licensed under sections 386.61 to 386.76 is subject to the penalties imposed pursuant to section 45.027. The commissioner has all the powers provided in section 45.027 and shall proceed in the manner provided by that section in actions against abstractors.

Sec. 135. **[386.706] RULES.**

The commissioner may adopt rules necessary for the administration of sections 386.61 to 386.76.

Sec. 136. Minnesota Statutes 1992, section 462A.057, subdivision 1, is amended to read:

Subdivision 1. **ESTABLISHMENT; PURPOSE.** ~~There is established The agency may establish~~ the Minnesota rural and urban homesteading program ~~to be administered by the agency for the purpose of making grants or loans to eligible applicants to acquire, rehabilitate, and sell eligible property. The program is directed at single family residential properties in need of rehabilitation that are sold to "at risk" home buyers committed to strengthening the neighborhood and following a good neighbor policy.~~

Sec. 137. **[462A.204] FAMILY HOMELESS PREVENTION AND ASSISTANCE PROGRAM.**

Subdivision 1. ESTABLISHMENT. The agency may establish a family homeless prevention and assistance program to assist families who are homeless or are at imminent risk of homelessness. The agency may make grants to develop and implement family homeless prevention and assistance projects

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

under the program. For purposes of this section, "families" means families and persons under the age of 18.

Subd. 2. SELECTION CRITERIA. The agency shall award grants to counties with a significant number or significant growth in the number of homeless families and that agree to focus their emergency response systems on homeless prevention and the securing of permanent or transitional housing for homeless families. The agency shall take into consideration the extent to which the proposed project activities demonstrate ways in which existing resources in an area may be more effectively coordinated to meet the program objectives specified under this section in awarding grants.

Subd. 3. SET ASIDE. At least one grant must be awarded in an area located outside of the metropolitan area as defined in section 473.121, subdivision 2. A county, a group of contiguous counties jointly acting together, or a community-based nonprofit organization with a sponsoring resolution from each of the county boards of the counties located within its operating jurisdiction may apply for and receive grants for areas located outside the metropolitan area.

Subd. 4. PROJECT REQUIREMENTS. Each project must be designed to stabilize families in their existing homes, shorten the amount of time that families stay in emergency shelters, and assist families with securing transitional or permanent affordable housing throughout the grantee's area of operation. Each project must include plans for the following:

(1) use of existing housing stock, including the maintenance of current housing for those at risk;

(2) leveraging of private and public money to maximize the project impact;

(3) coordination and use of existing public and private providers of rental assistance, emergency shelters, transitional housing, and affordable permanent housing;

(4) targeting of direct financial assistance including assistance for rent, utility payments or other housing costs, and support services, where appropriate, to prevent homelessness and repeated episodes of homelessness;

(5) efforts to address the needs of specific homeless populations;

(6) identification of outcomes expected from the use of the grant award; and

(7) description of how the organization will use other resources to address the needs of homeless individuals.

Subd. 5. AUTHORIZED USES OF GRANT. A grant may be used to prevent or decrease the period of homelessness of families and to decrease the time period that families stay in emergency shelters. Grants may not be used to acquire, rehabilitate, or construct emergency shelters or transitional or permanent housing. Grants may not be used to pay more than 24 months of rental assistance for a family.

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

Subd. 6. ADVISORY COMMITTEE. Each grantee shall establish an advisory committee consisting of a homeless advocate, a homeless person or formerly homeless person, a member of the state interagency task force on homelessness, local representatives, if any, of public and private providers of emergency shelter, transitional housing, and permanent affordable housing, and other members of the public not representatives of those specifically described in this sentence. The grantee shall consult on a regular basis with the advisory committee in preparing the project proposal and in the design, implementation, and evaluation of the project. The advisory committee shall assist the grantee as follows:

- (1) designing or refocusing the grantee's emergency response system;
- (2) developing project outcome measurements; and
- (3) assessing the short- and long-term effectiveness of the project in meeting the needs of families who are homeless, preventing homelessness, identifying and developing innovative solutions to the problem of homeless families, and identifying problems and barriers to providing services to homeless families.

Subd. 7. REPORTING REQUIREMENTS. Each grantee shall submit an annual project report to the state interagency task force on homelessness. The report must include the actual program results compared to program objectives. The state interagency task force shall report on program activities to all state agencies that provide assistance or services to homeless persons.

Sec. 138. [462A.207] MORTGAGE FORECLOSURE PREVENTION AND EMERGENCY RENTAL ASSISTANCE PROGRAM.

Subdivision 1. ESTABLISHMENT. The agency shall, within the limits of available appropriations, establish a mortgage foreclosure prevention and emergency rental assistance program to provide assistance to low-income and moderate-income persons who are facing the loss of their housing due to circumstances beyond their control. Priority for assistance under this section must be given to persons and families at or below 60 percent of area median income, adjusted for family size, as determined by the department of housing and urban development.

Subd. 2. ADMINISTRATION. The agency may contract with community-based, nonprofit organizations that meet the requirements specified in this section to provide either mortgage foreclosure assistance or rental assistance, or both. Preference must be given to nonprofit organizations that demonstrate the greatest ability to leverage program money with other sources of funding, or to organizations serving areas without access to mortgage foreclosure assistance or rental assistance. The agency may require an organization to match program money with other money or resources.

Subd. 3. ORGANIZATION ELIGIBILITY. A nonprofit organization must be able to demonstrate that it is qualified to deliver program services, has rele-

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

vant expertise in mortgage foreclosure prevention or landlord and tenant procedures, and is able to perform the duties required under the program. An organization must provide the agency with a detailed description of how the proposed program would be administered, including the qualifications of staff. An organization may not be part of, nor affiliated with, a mortgage lender nor provide assistance to a household which occupies a housing unit owned or managed by the organization.

Subd. 4. SELECTION CRITERIA. The agency shall take the following criteria into consideration when determining whether an organization is qualified to administer the program:

(1) the prior experience of the nonprofit organization in establishing, administering, and maintaining a mortgage foreclosure prevention or a rental assistance program;

(2) the documented familiarity of the organization regarding mortgage foreclosure prevention procedures, landlord and tenant procedures, and other services available to assist with preventing the loss of housing;

(3) the reasonableness of the proposed budget in meeting the program objectives;

(4) the documented ability of the organization to provide financial assistance; and

(5) the documented ability of the organization to provide mortgage foreclosure prevention or other financial or tenant counseling.

Subd. 5. DESIGNATED AREAS. A program administrator must designate specific areas, communities, or neighborhoods within which the program is proposed to be operated for the purpose of focusing resources.

Subd. 6. ASSISTANCE. (a) Program assistance includes general information, screening, assessment, referral services, case management, advocacy, and financial assistance to borrowers who are delinquent on mortgage, contract for deed, or rent payments.

(b) Not more than one-half of program funding may be used for mortgage or financial counseling services.

(c) Financial assistance consists of:

(1) payments for delinquent mortgage or contract for deed payments, future mortgage or contract for deed payments for a period of up to six months, property taxes, assessments, utilities, insurance, home improvement repairs, or other costs necessary to prevent foreclosure; or

(2) delinquent rent payments, utility bills, any fees or costs necessary to redeem the property, future rent payments for a period of up to six months, and relocation costs if necessary.

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

(d) An individual or family may receive the lesser of six months or \$4,500 of financial assistance.

Subd. 7. REPAYMENT. The agency may require the recipient of financial assistance to enter into an agreement with the agency for repayment. The repayment agreement for mortgages or contract for deed buyers must provide that in the event the property is sold, transferred, or otherwise conveyed, or ceases to be the recipient's principal place of residence, the recipient shall repay all or a portion of the financial assistance. The agency may take into consideration financial hardship in determining repayment requirements. The repayment agreement may be secured by a lien on the property for the benefit of the agency.

Subd. 8. REPORT. By January 10 of every year, each nonprofit organization that delivers services under this section must submit a report to the agency that summarizes the number of people served, the number of applicants who were not served, sources and amounts of nonstate money used to fund the services, and the number and type of referrals to other service providers. The agency shall annually submit a report to the legislature by February 15 that summarizes the service provider reports, and provide an assessment of the effectiveness of the program in preventing mortgage foreclosure and homelessness.

Sec. 139. [462A.208] MENTAL ILLNESS CRISIS HOUSING ASSISTANCE ACCOUNT.

Subdivision 1. CREATION. The mental illness crisis housing assistance account is established as a separate account in the housing development fund. The assistance account consists of money appropriated to it.

Subd. 2. RENTAL ASSISTANCE. The account shall pay up to 90 days of rental assistance for persons with a diagnosed mental illness who require short-term inpatient care for stabilization.

Subd. 3. ELIGIBILITY. Rental assistance under this section is available only to persons of low and moderate income as determined by the department of housing and urban development.

Subd. 4. ADMINISTRATION. The agency may contract with organizations or government units experienced in rental assistance to operate the program under this section.

Sec. 140. Minnesota Statutes 1992, section 462A.21, is amended by adding a subdivision to read:

Subd. 17. MORTGAGE FORECLOSURE PREVENTION AND EMERGENCY RENTAL ASSISTANCE. The agency may spend money for the purposes of section 462A.207 and may pay the costs and expenses necessary and incidental to the development and operation of the program.

Sec. 141. Minnesota Statutes 1992, section 462A.21, is amended by adding a subdivision to read:

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

Subd. 18. FAMILY HOMELESS PREVENTION AND ASSISTANCE. The agency may spend money for the purposes of section 462A.204 and may pay the costs and expenses necessary and incidental to the development and operation of the program.

Sec. 142. Minnesota Statutes 1992, section 462A.21, is amended by adding a subdivision to read:

Subd. 19. MENTAL ILLNESS CRISIS HOUSING ASSISTANCE. The agency may spend money for the purpose of section 462A.208 and may pay the costs and expenses necessary and incidental to the development and operation of the program authorized in section 462A.207.

Sec. 143. Minnesota Statutes 1992, section 462A.21, is amended by adding a subdivision to read:

Subd. 20. COMMUNITY DEVELOPMENT CORPORATIONS. It may make grants to and enter into contracts with community development corporations under section 116J.982, and may pay the costs and expenses for the development and operation of the program.

Sec. 144. Minnesota Statutes 1992, section 469.011, subdivision 4, is amended to read:

Subd. 4. **EXPENSES; COMPENSATION.** Each commissioner may receive necessary expenses, including traveling expenses, incurred in the performance of duties. Each commissioner may be paid up to \$55 for attending each regular and special meeting of the authority. Commissioners who are ~~elected officials or~~ full-time state employees or full-time employees of the political subdivisions of the state may not receive the daily payment, but they may suffer no loss in compensation or benefits from the state or a political subdivision as a result of their service on the board. Commissioners who are elected officials may receive the daily payment for a particular day only if they do not receive any other daily payment for public service on that day. Commissioners who are full-time state employees or full-time employees of the political subdivisions of the state may receive the expenses provided for in this subdivision unless the expenses are reimbursed by another source.

Sec. 145. **[504.36] PETS IN SUBSIDIZED HANDICAPPED ACCESSIBLE RENTAL HOUSING UNITS.**

In a multiunit residential building, a tenant of a handicapped accessible unit, in which the tenant or the unit, receives a subsidy that directly reduces or eliminates the tenant's rent responsibility must be allowed to have two birds or one spayed or neutered dog or one spayed or neutered cat. A renter under this section may not keep or have visits from an animal that constitutes a threat to the health or safety of other individuals, or causes a noise nuisance or noise disturbance to other renters. The landlord may require the renter to pay an additional damage deposit in an amount reasonable to cover damage likely to be

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

caused by the animal. The deposit is refundable at any time the renter leaves the unit of housing to the extent it exceeds the amount of damage actually caused by the animal.

Sec. 146. **REPEALER.**

Minnesota Statutes 1992, sections 44A.12; 138.97; 239.05, subdivision 2c; 239.52; 239.78; 268.365, subdivision 1; 268.914, subdivision 2; 268.977; 268.978, subdivision 3; 386.61, subdivision 3; 386.63; 386.64; and 386.70, are repealed.

Sec. 147. **EFFECTIVE DATES.**

Subdivision 1. 1993 APPROPRIATIONS. Any provisions appropriating money for fiscal year 1993 are effective the day following final enactment.

Subd. 2. STATE ARTS ACCOUNT. Sections 59 and 126 are effective July 1, 1995.

Presented to the governor May 20, 1993

Signed by the governor May 24, 1993, 6:24 p.m.

CHAPTER 370—H.F.No. 1377

An act relating to public administration; making telephone records of public officials public data; providing oversight for administrative expenses; regulating administrative rule-making procedures; amending Minnesota Statutes 1992, sections 3.055, subdivision 1; 3.841; and 14.10; Laws 1989, chapter 335, article 1, section 15, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 3; and 10.

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

Section 1. Minnesota Statutes 1992, section 3.055, subdivision 1, is amended to read:

Subdivision 1. **MEETINGS TO BE OPEN.** Meetings of the legislature shall be open to the public, including sessions of the senate, sessions of the house of representatives, joint sessions of the senate and the house of representatives, and meetings of a standing committee, committee division, subcommittee, conference committee, or legislative commission, but not including a caucus of the members of any of those bodies from the same house and political party nor a delegation of legislators representing a geographic area or political subdivision. For purposes of this section, a meeting occurs when a quorum is present and action is taken regarding a matter within the jurisdiction of the body. Each house shall provide by rule for posting notices of meetings, recording proceedings, and making the recordings and votes available to the public.

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