

bargaining agreement negotiated under Minnesota Statutes, chapter 179A, transfer only if approved by the higher education board.

(b) Pension, retirement, or separation obligations incurred by a school board, a joint vocational district under Minnesota Statutes, section 136C.60, or an intermediate school district under Minnesota Statutes, chapter 136D, which are not satisfied on or before June 30, 1995, on behalf of a technical college must transfer to the higher education board, subject to limits identified in state law or in plans or policies subject to legislative approval.

Sec. 12. STUDY OF IMPLICATIONS OF EMPLOYER MATCHING CONTRIBUTIONS TO SECTION 403(b) PLANS.

The legislative commission on pensions and retirement shall study whether pension provisions of federal tax laws apply to employer matching contributions to tax sheltered annuity contracts qualified under section 403(b) of the federal Internal Revenue Code, as permitted under Minnesota Statutes 1993 Supplement, section 356.24. The commission shall report the results of the study and any proposed legislation to the chairs of the committee on government operations and gaming and the committee on ways and means of the house of representatives and the committee on government operations and reform and the committee on finance of the senate by January 15, 1995.

Sec. 13. EFFECTIVE DATE.

Sections 1, 2, 4 to 6 and 8 to 11 are effective July 1, 1995.

Sections 3 and 7 are effective July 1, 1994.

Presented to the governor May 3, 1994

Signed by the governor May 5, 1994, 3:30 p.m.

CHAPTER 573—H.F.No. 2227

An act relating to electric currents in earth; requiring the public utilities commission to appoint a team of science advisors; mandating scientific framing of research questions; providing for studies of stray voltage and the effects of earth as a conductor of electricity; requiring scientific peer review of findings and conclusions; providing for a report to the public utilities commission; appropriating money.

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

Section 1. TEAM OF SCIENCE ADVISORS.

Subdivision 1. CREATION. The public utilities commission shall, based on its judgment of persons suitable for the positions, appoint a team of science

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advisors consisting of at least five members, including members with education and experience in scientific specialties including physics, electrical engineering, animal physiology, veterinary medicine, dairy science, soil science specializing in the electrical nature of soil, or epidemiology. The science advisors may not include representatives from electric utilities or other parties with a financial interest in the outcome of the research recommended or performed by the science advisors.

The commission shall appoint a representative from the scientific community to serve as liaison between the commission and the science advisors.

Subd. 2. PRELIMINARY RESEARCH ASSESSMENT. The science advisors shall conduct a preliminary assessment and report to the commission by January 1, 1995, on the need for research projects to identify and examine the potential for and actual effects on dairy cow production and animal health of current in the earth, originating from the utility distribution systems and other sources.

If the team of science advisors finds a need for research, it shall frame and recommend to the commission a specific research question or questions and the design, scope, and estimated cost of further research.

The commission shall order research based on the science advisors report and is granted the authority to assess utilities for activities and research consistent with sections 1 to 5.

Subd. 3. SPECIFIC DUTIES. The science advisors shall:

(1) review existing information from other sources, including information from other states and from dairy producers or farm organizations, on the use of the earth for carrying current and its effects on animal health and production and on human health and report to the commission on its findings and recommendations;

(2) determine the qualifications of researchers and make recommendations to the commission on their selection;

(3) explore the availability of nonstate and nonutility funds for research under subdivision 2;

(4) monitor ongoing research into the use of the earth for carrying current and its effects on animal health and production;

(5) submit study results for proper scientific peer review; and

(6) make on-site visits to farms with formal and informal complaints concerning stray voltage and use of the earth as the conductor.

Subd. 4. FINDINGS AND RECOMMENDATIONS. The science advisors shall report findings and recommendations to the commission regarding poten-

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tial actions to mitigate or eliminate any effects found from current in the earth on dairy cow production or animal health.

Subd. 5. INDEPENDENT RESEARCHERS REQUIRED. The commission may only contract with researchers to conduct research under this section who are not employed or contracted by, or receive funding from, public or municipal utilities, or cooperative electric associations for research or investigation of stray voltage or use of earth as a conductor of electric current.

Subd. 6. RESEARCH DEADLINE. The research conducted under this section and any recommendations by the science advisors to the commission must be completed and reported or made by June 30, 1996.

Subd. 7. EXPIRATION. The team of science advisors expires June 30, 1996.

Sec. 2. SURVEY OF FACILITIES.

(a) The public utilities commission shall determine the age and condition of electric distribution facilities in the state.

(b) Using research conducted under section 1, the science advisors shall determine the extent to which these facilities use the earth as a conductor of electric current, whether intentionally or unintentionally, and shall study the risks to dairy animal health and productivity associated with the practice of bonding distribution system conductors to the earth.

(c) At the recommendation of the team of science advisors, the commission may order the production of any records, maps, plans, or any other documents, testimony, or recollections, relating to stray voltage, ground current, or similar phenomenon, of any owner or operator of any distribution facility or any employee of any owner or operator or any other person with knowledge related to the issue of using the earth to conduct electric current. Data collected by the commission under this section is subject to Minnesota Statutes, chapter 13.

Sec. 3. DAIRY PRODUCER DATA.

(a) The department of public service may contract with dairy producers or an organization of producers to address stray voltage issues for the preparation, analysis, and presentation of data related to ground currents and dairy herd health and production to the science advisors.

(b) Within 90 days of contract execution, contractees must complete the preparation of data for review by the science advisors and submit the analysis and recommendations to the science advisors.

(c) Contractees must provide to the department a specific accounting of eligible contract expenditures.

(d) Contractees must also provide a proposed budget to the department that includes performance objectives and deadlines for meeting those objectives.

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(e) Data presented for review is public data under Minnesota Statutes, chapter 13.

Sec. 4. ASSESSMENT.

(a) To provide funding for activities required under this act, the public utilities commission and the department of public service shall assess a total of up to \$548,000 under Minnesota Statutes, section 216B.62, against public and municipal utilities providing electrical service and cooperative electric associations. The assessment must be deposited in the general fund. The assessment is not subject to the limits prescribed under Minnesota Statutes, section 216B.62, subdivision 3.

(b) Each utility or association shall be assessed in proportion that its gross operating revenues for the sale of electric service within the state for the last calendar year bears to the total of those revenues for all public and municipal utilities and cooperative associations.

Sec. 5. APPROPRIATIONS.

Subdivision 1. PUBLIC UTILITIES COMMISSION; STUDY COSTS. \$300,000 is appropriated from the general fund to the public utilities commission.

\$75,000 of this appropriation is for administrative expenses of the commission under sections 1 and 2.

\$225,000 of this appropriation is for expenses of the team of scientific advisors and the commission liaison.

This appropriation remains available until June 30, 1996.

Subd. 2. PUBLIC UTILITIES COMMISSION; RESEARCH PROJECTS. \$150,000, or so much of this amount as may be needed, is appropriated from the general fund to the public utilities commission to initiate research projects in fiscal year 1995 as recommended by the team of science advisors and approved by the commission. Any amount of this appropriation that remains unencumbered after June 30, 1996, reverts to the general fund.

Subd. 3. DEPARTMENT OF PUBLIC SERVICE. \$98,000 is appropriated from the general fund to the department of public service.

Up to \$2,500 of this appropriation is for administrative costs of the department for oversight of activities under section 1.

Up to \$10,000 of this appropriation is for grants to producers or organizations of producers to allow participation in the proceedings of the team of science advisors. This amount is intended to provide reimbursement for mileage and other direct and actual expenses of farmers in production agriculture to enable the farmers to attend and participate in public hearings and deliberations of the science advisors. The department must establish informal procedures to be followed by applicants for reimbursement under this paragraph.

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The balance of this appropriation is for contracts with producers or organizations of producers to prepare and analyze data for review by the team of science advisors.

This appropriation remains available until June 30, 1995.

Sec. 6. **EFFECTIVE DATE.**

This act is effective the day following final enactment.

Presented to the governor May 3, 1994

Signed by the governor May 5, 1994, 4:34 p.m.

CHAPTER 574—H.F.No. 1999

An act relating to insurance; requiring disclosure of information relating to insurance fraud; granting immunity for reporting suspected insurance fraud; requiring insurers to develop antifraud plans; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 60A.

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

Section 1. **[60A.951] DEFINITIONS.**

Subdivision 1. APPLICATION. The definitions in this section apply to sections 60A.951 to 60A.955.

Subd. 2. AUTHORIZED PERSON. "Authorized person" means the county attorney, sheriff, or chief of police responsible for investigations in the county where the suspected insurance fraud occurred; the superintendent of the bureau of criminal apprehension; the commissioner of commerce; the attorney general; or any duly constituted criminal investigative department or agency of the United States.

Subd. 3. COMMISSIONER. "Commissioner" means the commissioner of commerce for insurers regulated by the commissioner of commerce, and means the commissioner of health for insurers regulated by the commissioner of health.

Subd. 4. INSURANCE FRAUD. "Insurance fraud" occurs when a person presents or causes to be presented to any insurer, or prepares with knowledge or belief that it will be so presented, a written or oral statement, including a computer-generated document, an electronic claim filing, or other electronic transmission, that contains materially false or misleading information, or a material and misleading omission, concerning:

(1) an application for the issuance of an insurance policy;

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